

FRANCHISE DISCLOSURE DOCUMENT



Focus CFO Group, LLC
1010 Jackson Hole Drive, Ste. 202
Blacklick, Ohio 43004
www.focuscfo.com

As a result of considerable expenditure of time, effort and money, Focus CFO Group, LLC (“Focus CFO”) has developed and owns a unique system of providing fractional Chief Financial Officer services (the “Focus CFO System” or “System”) which is operated under certain unique and publicly recognized trademarks, service marks, logos and other commercial symbols including without limitation, the mark “Focus CFO®” (“Focus CFO Marks” or “Marks”). The Focus CFO System includes a variety of proprietary and confidential business methods, techniques, formats, designs, specifications, standards and procedures prescribed by or approved by Focus CFO, all of which may be improved further, developed or otherwise modified from time to time by Focus CFO.

The franchise offered is not a traditional franchise model. We are providing this Disclosure Document to ensure you understand our franchise model and the business opportunity being offered by Focus CFO. Under the Focus CFO franchise model:

- Clients who are brought into the Focus CFO System enter into contracts with Focus CFO, the Franchisor, to ensure that its clients’ business practices and reputation are consistent with Focus CFO’s quality standards and the reputation of the Focus CFO Marks.
- Franchisees join Focus CFO as independent contractors as either a CFO, directly providing on-site Chief Financial Officer services (“CFO Services”) to Focus CFO clients, or as an Area President, working to generate new clients within our coordinated client development system. Franchisees are compensated based on fees generated from the CFO Services that CFOs perform for Focus CFO clients. The fees are allocated between the CFO, Area President and Focus CFO in accordance with the terms of the Franchise Agreement.

Upon execution of the franchise agreement by the Franchisor and the Franchisee and payment of the initial franchise fee, Focus CFO Group, LLC will grant a franchise and the non-exclusive right to join the Focus CFO System as either an Area President or CFO and use the Focus CFO Marks.

The initial investment necessary to begin operation as a Franchisee, either as an Area President or CFO, ranges from \$15,000 to \$45,000. This includes \$15,000 to \$25,000 that must be paid to Focus CFO.

This Disclosure Document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read this Disclosure Document and all accompanying agreements carefully. You must receive this Disclosure Document at least 14 calendar days before you sign a binding agreement with, or make any payment to, Focus CFO 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 the Disclosure Document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact Stacey Garn, 1010 Jackson Hole Drive, Suite 202, Blacklick, Ohio 43004, email: s.garn@focuscfo.com, phone (614) 944-5760.

The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this Disclosure Document is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Date of Issuance: April 30, 2021

How to Use This Franchise Disclosure Document

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

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

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registrations

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

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

Special Risks to Consider About *This* Franchise

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

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

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

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EXHIBITS

- A. LIST OF STATE ADMINISTRATORS
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ITEM 1

THE FRANCHISOR, ITS PREDECESSORS AND AFFILIATES

To simplify the language in this Disclosure Document, the words “we,” “our,” “us,” “Company” and “Focus CFO” refer to Focus CFO Group, LLC, the franchisor. “You” and “your” refer to the Franchisee.

The Franchisee

Focus CFO only permits entities to become Franchisees. Unless otherwise agreed by Focus CFO, the entity should be 100% owned by one individual who is the individual providing the CFO Services or serving as the Area President. When “you” and “your” refer to the Franchisee, they are referring to the Franchisee entity AND the individual performing the CFO services or serving as an Area President.

The Franchisor

The Franchisor or its affiliates have been providing CFO services using the Focus CFO Marks since September 2001 and the Franchisor has been offering franchises since April 2018.

Focus CFO Group, LLC, the Franchisor, is a limited liability company organized in the State of Ohio. Focus CFO Group, LLC is 99% owned by Focus CFO Holdings, LLC and 1% owned by The CFO Company, LLC, a 100% owned subsidiary of Focus CFO Holdings, LLC. Focus CFO Group, LLC was formed on March 13, 2018.

Focus CFO Group, LLC also has a 100% owned subsidiary, Focus CFO Group, Ltd, where Franchisees who elect to participate in the Company’s group medical insurance plan are compensated.

We do business under our entity name and the trade name “Focus CFO”. We do not do business under a name other than Focus CFO.

Our principal business address is 1010 Jackson Hole Drive, Suite 202, Blacklick, Ohio 43004, a suburb of Columbus, Ohio. Our agent for service of process is Lori Jeffries, whose address is 8450 Camargo Road, Cincinnati, Ohio 45243.

We have no other business activities.

Predecessors and Affiliates

Focus CFO Holdings, LLC owns 99% of Focus CFO Group, LLC. Focus CFO Holdings, LLC was formed in 2002 and is 100% owned by the founder and a group of current and former employees, CFOs and Area Presidents who have elected to invest in the company. Focus CFO Holdings, LLC, and its affiliates, have been providing CFO services since September 2001.

The CFO Company, LLC, a 100% owned subsidiary of Focus CFO Holdings, LLC, owns 1% of Focus CFO Group, LLC. The CFO Company, LLC holds the trademark THE CFO COMPANY®, which it licenses the use of to Focus CFO Group, LLC. The CFO Company, LLC does not currently have any other business activities.

Focus CFO Holdings, LLC was founded by Brad A. Martyn. Martyn currently serves as the Managing Member of Focus CFO Holdings, LLC and remains its largest equity holder. Martyn has been providing CFO services and financial consulting services in various roles since September 2001.

Business

As a Franchisee of Focus CFO, you will join Focus CFO either as a CFO, directly providing on-site CFO Services to Focus CFO clients, or as an Area President, working to generate new clients within our coordinated client development system, both using the Focus CFO System and Focus CFO Marks. Franchisees are independent contractors of Focus CFO.

Franchisees will provide CFO Services primarily to small and medium-sized businesses on a fractional or part-time basis. The competition for the franchised services will come from individuals and other businesses performing the same or similar financial consulting services.

Clients

Franchisees service a group of clients that are developed by the efforts of Focus CFO, the Focus CFO System, Area Presidents, CFOs, and the use of the Focus CFO Marks. Becoming a Franchisee does not guarantee you will provide services to Focus CFO clients or, in the case of an Area President, be able to develop a book of business. While we provide access to training and various other programs to support our Franchisees, the assignment of an individual CFO to provide services to Focus CFO clients and the development of an area is contingent on the ability of each Franchisee to successfully implement the Focus CFO System, the needs of the Focus CFO clients in the area, the ability of the Franchisee to develop Focus CFO clients (if an Area President), the experience of and quality of services provided by the Franchisee (if a CFO), the ability of the individual CFO to work with the Area President and clients in their area.

Franchisees are compensated by Focus CFO as independent contractors based on the fees generated from the CFO Services that CFOs perform for the Focus CFO client base. Franchisees are encouraged to use the marketing programs, tools and training they gain from the Focus CFO System to jumpstart the Franchisee's marketing and development of their franchise and add potential clients to the Focus CFO client base. Focus CFO must approve all clients to ensure that the clients' business practices and reputation are consistent with Focus CFO's quality standards and the reputation of the Focus CFO Marks; however, Focus CFO is not involved in the day-to-day operations of our Franchisees.

Industry

Generally, we are not aware of any industry-specific laws or regulations with which you must comply. However, you should consult with your attorney concerning any federal, state or other local laws and ordinances that may apply.

No Use of CPA License, Designation or Certification

No Franchisee of Focus CFO who is a Certified Public Accountant (“CPA”) or has been a licensed CPA in the past, is permitted to represent themselves as a CPA in any way in any marketing materials or while performing services for Focus CFO clients. This includes no designations of CPA, including inactive status, on business cards, resumes, our website, your personal LinkedIn page or in any other way. Franchisees are also not to use other forms of professional accounting certifications, or certifications common to public accounting firms, including, but not limited to Certified Management Accountant (CMA), Chartered Accountant (CA), Certified Valuation Analyst (CVA), or similar designations, in conjunction with their association with Focus CFO. If applicable, you agree to remove and keep removed any such designation from your personal LinkedIn page or any other public forum over which you have control while you are Franchisee.

ITEM 2

BUSINESS EXPERIENCE

Brad Martyn, EOS Visionary and Managing Member

Brad founded Focus CFO Holdings, LLC, the parent company of Focus CFO, in September 2001 and from that time to the present has served as the Managing Member of our parent company.

Previously, Brad held various CFO or financial roles in the industry including Chief Financial Officer of Grote Company, Inc., Vice President of Business Operations of MPW Industrial Services Group, Inc., and Director of Finance and Operations Controller of OHM Corporation in Findlay, Ohio. He started his professional career with Arthur Andersen & Co.

Brad received an MBA from Georgia State University in Atlanta, Georgia and a BSBA Degree in Accounting from The American University in Washington DC.

David Tramontana, EOS Integrator

David joined Focus CFO in November 2019. Prior to joining Focus CFO David was the Founder and CEO of Home Care by Black Stone for nearly 20 years. After selling the business to Almost Family, a publicly traded Home Care Company, David joined the AFAM leadership team as a Division President for over two years, until the company merged with LHC Group, another public company. David served in a National Business Development role for a year with LHC Group before leaving to return to life as an Entrepreneur.

David received a BS in Finance from Ball State University.

Stacey Garn, Director, Operations and Accounting

Stacey joined Focus CFO in 2018 and was previously a Senior Manager with an Ohio based CPA firm. She served as an account manager to multiple key client relationships of the firm, became a trusted business advisor to her clients, and led numerous drive process development and improvement initiatives within the firm. She was also previously with Ernst & Young.

Stacey also spent time during her “stay at home mom” years as a self-employed accountant providing financial reporting services to small businesses. Also, during this time, she volunteered as Treasurer for a local start-up soccer club and as Co-President at a parent run Co-operative Preschool.

Stacey received her BA Degree in Accounting from Ohio University in Athens, Ohio.

Samantha Hurst, Director, Recruiting and Corporate Support

Samantha joined Focus CFO in March 2020. She previously worked for large home health care agency where she served in various roles including Director of Support Services and Recruitment and was responsible for recruiting the home health care service professionals for several of the company’s agencies throughout Ohio, Connecticut, Kentucky and Tennessee.

Samantha received her associate degree in Health Information Management from Sinclair Community College in Dayton, Ohio.

Jim Gilbride, Director, Area President Support

Jim joined Focus CFO in March 2014 and became our Director, Area President Support, in July 2020. Prior to Focus CFO, Jim was a co-founder and CFO of a start-up beverage distribution business, a division vice president in a large corporate consumer electronics corporation and a sales executive in several additional organizations. He has worked in various business environments ranging from start-up small businesses to multinational corporations.

Jim received BS Degrees in Marketing and Finance from The Ohio State University.

Mike Derringer, Director, Regional Support

Mike joined Focus CFO in 2006 and he became our Director, Regional Support, in January 2021. Prior to joining Focus CFO, Mike served in various financial and accounting roles, including working in the telecommunications, manufacturing, and retail industries. Mike has served in senior management roles with companies including The Limited, Insilco, and Horizon PCS. Mr. Derringer began his professional career with KPMG.

Mike received his MBA from The Ohio State University and a BSBA in Accounting from Miami University in Oxford, Ohio.

David Bourke, Director, CFO Support

David joined Focus CFO in 2009 and became our Director, CFO Support, in 2018. David previously held roles as CEO, CFO, COO, VP of Research and Development and Division General Manager for both private/entrepreneurial and publicly held companies.

David has been active on not-for-profit and for-profit Advisory Boards and has provided Entrepreneur-in-Residence services at TechGrowth Ohio and TechColumbus. He also has served as an Executive Mentor for the Technology Entrepreneurship and Commercialization Academy at the Ohio State University's Center for Entrepreneurship.

David received his MBA in Finance and BS in Economics from University of Dayton in Dayton, Ohio.

ITEM 3

LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5

INITIAL FEES

You will be required to pay us a lump sum initial franchise fee in the amount of Fifteen Thousand Dollars (\$15,000) if you join as a CFO and Twenty-Five Thousand Dollars (\$25,000) if you join as an Area President (the "Franchise Fee"). This Franchise Fee will not be financed by us. You will not be permitted to engage with Focus CFO, use the Focus CFO Marks or perform services for Focus CFO clients until the full Franchise Fee is received by Focus CFO. Although we intend to apply the Franchise Fee uniformly; there may be limited circumstances in which the Franchise Fee may be lowered for new Franchisees who enter the System in geographic markets Focus CFO has not previously operated in.

We will conduct a background check on you, and in the event we are not satisfied with the results of the background check, we will terminate the Franchise Agreement. If we terminate the Franchise Agreement as a result of an unsatisfactory background check, we will refund your Franchise Fee in full.

Should you terminate the Franchise Agreement, we will not refund your Franchise Fee.

If we terminate the Franchise Agreement for “cause” as defined in the Franchise Agreement, we will not refund your Franchise Fee.

Each Area President and CFO is required to both devote sufficient time and effort to its business and maintain certain performance standards as set forth in the Franchise Agreement and Focus CFO’s Online Playbook Center. If you fail to meet these standards or fail to devote sufficient time and energy to your business, you will be in default of your Franchise Agreement and Focus CFO will have the right to terminate the Franchise Agreement if you are unable to cure the default within the specified cure period. Should this occur, we are not required to refund your Franchise Fee.

ITEM 6

OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee	None (Note 1)	N/A	Unlike a traditional franchise model, you will not be required to pay any ongoing royalty payments. If you provide CFO Services to Focus CFO clients, you will receive a percentage of the fees paid to Focus CFO for those services that you directly performed. Area Presidents receive a percentage of the revenue associated with clients in their Book of Business as well as a percentage for those services that they directly performed. The percentages paid are set forth in the Compensation Policy attached as Attachment B to the Franchise Agreement. (FA §4, 8, Att. B)
Monthly Local Group Meetings	Varies	Time of program	Franchisees are invited to attend in-person monthly group sessions in their local region, which may be either in-person in their local region or virtual. You must pay travel, lodging, food and other out-of-pocket expenses. (FA § 7, Att. C)

Type of Fee	Amount	Due Date	Remarks
All AP Sessions	Varies	Twice a year	Area Presidents are invited to attend “All AP Sessions” currently held twice a year. One session is held virtually, and one session is held in Columbus, OH. You must pay travel, lodging, food and other out-of-pocket expenses (FA § 7, Att. C)
All Hands Conferences	Varies	Twice a year	Franchisees are invited to attend “All Hands Conferences” currently held twice a year. One session is held virtually, and one session is held in Columbus, OH. You must pay travel, lodging, food and other out-of-pocket expenses. (FA § 7, Att. C)
New Associate Workshop	Varies	February or August after completion of Online Playbook Center	Franchisees are required to attend a two (2) day workshop after they complete the training in the Online Playbook Center. These workshops are held twice per year, once in February and once in August at the Company’s training center in Columbus, Ohio. You must pay travel, lodging, food and other out-of-pocket expenses. Ongoing participation in future sessions is optional but encouraged for all Franchisees. (FA § 7, Att. C)
Office Equipment and Supplies for Home Office	\$0-\$15,000	Before Opening	You must have an office (which can be located in your home) and a computer (laptop required if a CFO), an iPad or mobile tablet (if an Area President), printer, mobile phone, and internet access. Area Presidents will pay for their own mailings and correspondence. (FA § 10)

Type of Fee	Amount	Due Date	Remarks
Sandler Sales Training	Varies (Note 3)	Area Presidents begin within 120 days of signing your Franchise Agreement	Area Presidents are required to participate in a Sandler Sales Training program through our approved vendor. The required program includes a 2-day Bootcamp, 16 weeks of Sales Mastery reinforcement training and coaching, and a minimum of eight (8) months of President's Club reinforcement training and coaching. We will pay for the cost of this program through our approved vendor up through the eighth month of President's Club. Should an Area President elect to continue to participate in President's Club beyond the required minimum eight (8) months, the Area President is responsible for 100% of the monthly costs for the duration of their participation. Area Presidents are also responsible for their own travel, lodging, food and other out-of-pocket expenses, if applicable. (FA § 7, Att. C)
Certified Exit Planning Advisor Training and Certification	\$0-\$1,500	Any time	Franchisees are encouraged, but not required, to attend outside training to become a Certified Exit Planning Advisor (CEPA). This training is provided through the Exit Planning Institute (EPI). The training consists of a 5-day executive style program which is conducted virtually. After completion of the program the individual takes a certification exam in order to obtain the CEPA designation. The cost of this program is paid by the Franchisee. (FA § 7, Att. C)

Type of Fee	Amount	Due Date	Remarks
Mileage	Varies (Note 2)	At time of travel	You will need transportation to and from meetings and when working onsite at a client's location. You may incur expenses related to meals and entertainment. (FA § 10)
Group medical program (optional)	Varies (\$1,200 - \$4,500)	Monthly	You have the option to participate in our group medical program. Should you choose to participate, the cost is deducted from your earned compensation each month. (FA § 9, Att. I).
Technology Fee	Then-current fee, currently approximately \$700 per year (Note 4)	Yearly starting the second year of the Franchise Term	We require that you use a package of IT services selected by Focus CFO and provided by our approved IT vendor. Focus CFO will pay the cost of the initial year of this service. You will be required to pay the approved vendor for the package for subsequent years. Focus CFO may change the IT services and vendor from time to time. (FA § 10, Att. J)
CFO Change Fee	The difference between the then-current Franchise Fee for Area Presidents and the Franchise Fee paid by the CFO at the time of signing the FA	When Focus CFO consents to the change	If a CFO is approved to change their status to an Area President, they will need to pay an incremental Change Fee, which amount may vary depending on the Franchise Fee they paid when the Franchisee signed the Franchise Agreement. This fee is due to the additional cost of training for the Franchisee to be an Area President. (FA § 4)

Notes:

(1) Focus CFO's current compensation policy provides:

CFOs receive 60% of the revenue collected by Focus CFO clients as payment for work directly performed by the CFO. These amounts are paid twice a month. CFOs are paid as an independent contractor and issued a Form 1099 at the end of each calendar year.

Area Presidents are paid 20% of their Book of Business. "Book of Business" means all Focus CFO billable client revenue from the business development activities of an Area President that is assigned to the Area President. Upon an Area President's request and with the approval of Focus CFO, a portion of the payments to Area Presidents can be paid to a CFO or a third-party referral source who has significantly contributed to the generation of a new client

by providing the new client introduction to the Area President; however, (i) such compensation shall be deducted from the 20% paid to the Area President; and (ii) in the case of a third party referral source, the referral source must be either (a) an approved member of Focus CFO’s Client Partnership Program, or (b) have a Revenue Sharing Agreement with Focus CFO. With the consent of Focus CFO, Area Presidents can have billable services associated with a client—a portion of the monthly client billing is designated as “AP Billable Services” and the Area President is paid 60% of the revenue collected on those services. Area Presidents who have experience to provide CFO Services can perform up to eight days a month of billable client work as a CFO and be paid for such services as outlined above for CFOs. Area Presidents can also provide specialized, value-added or recurring client support services as part of a monthly client retainer (i.e., financial, consulting, exit planning, succession planning or coaching).

Focus CFO has the sole discretion and authority to pay other forms of compensation to CFOs and Area Presidents on an individual-by-individual and case-by-case basis.

Focus CFO will provide Franchisees at least 30 days’ notice of any changes to the compensation policy.

(2) These amounts vary depending upon your location.

(3) The Sandler Sales Training program is described in Item 11 of this Disclosure Document. Currently, our approved vendor is The Ruby Group. If the Area President continues to participate in the President’s Club training program beyond the required minimum eight (8) months, they will do so at their own cost. The current negotiated cost of this instruction through our approved vendor is \$500 per month.

(4) The IT package is currently provided by our approved vendor, C-Forward, who will provide an Office 365 license, which includes access to Focus CFO e-mail, Microsoft Office software (Excel, Word, Outlook and PowerPoint), Microsoft Teams video conferencing platform and Microsoft OneDrive file hosting and backup service. The IT package also includes a proactive security monitoring service and 24/7 IT support services. Focus CFO will pay for the first year of the Franchisees’ subscription. Beginning in year two, Focus CFO will pay half of the yearly subscription cost and the Franchisee will be responsible for the remaining cost, which currently is approximately \$700.

ITEM 7

ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee	\$15,000-\$25,000 (Note 1)	Lump Sum	On signing the Franchise Agreement	Focus CFO
Real Estate and Improvements	(Note 2)	(Note 2)	(Note 2)	(Note 2)
Office Equipment/General Business Expenses	\$0-\$15,000 (Note 3)	Partially lump sum with some ongoing expense	Prior to beginning operations, with some recurring	Third Party Vendors
Additional Training	\$0-\$5,000	(Note 4)	(Note 4)	Third Party Vendors

TOTAL	\$15,000 to \$45,000	(Does not include real estate costs)
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Notes:

- (1) We do not finance this fee and it cannot be paid in installments. The entire fee is due upfront. Area Presidents pay \$25,000. CFOs pay \$15,000.
- (2) You will be required to maintain an office, which can be in your home.
- (3) You must have a computer (laptop required if a CFO), an iPad or mobile tablet (if an Area President), printer, mobile phone, and internet access. You must pay for meals and entertainment, travel and automobile expenses. Area Presidents will pay for their own mailings and correspondence.
- (4) This range of estimated investment includes potential costs involved with the Area Presidents' required participation in Sandler Sales Training and the costs of additional, recommended training including the Certified Exit Planning Training and Certification. The costs involved with such training and certification are outlined in Item 6, above.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must purchase a package of IT services selected by Focus CFO from our approved IT vendor, which is currently C-Forward. Area Presidents must participate in Sandler Sales Training provided by The Ruby Group.

Currently, we have no other required supplies, designated suppliers or approved suppliers for goods, services or real estate relating to your franchise business. We do not derive any revenue from your purchases or leases. No franchisor officer owns interest in any supplier.

We reserve the right to require that any equipment, products, services and/or supplies used in connection with the operation of the franchised business be purchased exclusively from us or our affiliates or suppliers or distributors we designate.

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 this agreement and in other items of this Disclosure Document.

<u>Obligation</u>	<u>Section in Agreement</u>	<u>Item in Disclosure Document</u>
a. Site selection and acquisition/lease	None	
b. Pre-opening purchases/leases	Sections 3, 10	Items 6, 7, 8

<u>Obligation</u>	<u>Section in Agreement</u>	<u>Item in Disclosure Document</u>
c. Site development and other pre-opening requirements	Sections 3, 10	Items 6, 7
d. Initial and ongoing training	Sections 6, 7, Att. C	Items 6, 7, 11
e. Opening	None	
f. Fees	Sections 4, 5, 8, 9, 10, Att. B, I, J	Items 5 and 6
g. Compliance with standards and policies/Operating Manual	Sections 7, 12, 14, 15, 16, 19, Att. D, E, F, G, H, I	Item 11
h. Trademarks and proprietary information	Section 15, 16	Items 13 and 14
i. Restrictions on products/services offered	Section 7, 10, Att. C, D, E, F, J	Item 8, 11
j. Warranty and customer service requirements	Section 7, Att. F	Item 11
k. Territorial development and sales quotas	Section 3, 12, Att. G	Items 5, 12
l. Ongoing product/service purchases	Section 4, 7, 10, Att. C, D, E, F, J	Items 6, 8
m. Maintenance, appearance and remodeling requirements	None	
n. Insurance	Sections 9, 11, Att. I	Item 6
o. Advertising	Section 15	Items 6 and 11
p. Indemnification	Section 11	Item 17
q. Owner's participation/management/staffing	Sections 7, 14, 19, Att. G	Items 11 and 15
r. Records/reports	Section 7, Att. D, E, F	Item 11
s. Inspections/audits	Section 7, Att. D, E, F	Item 17
t. Transfer	Section 13	Item 17
u. Renewal	Section 2	Item 17
v. Post-termination obligations	Sections 12, 14, 15, 16	Item 17
w. Non-competition covenants	Section 14	Item 17
x. Dispute resolution	Section 18	Item 17

ITEM 10

FINANCING

We do not offer direct or indirect financing. We will not guarantee any note, lease or obligation of yours.

ITEM 11

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

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

Pre-Operating Assistance

Within two (2) business days of signing the Franchise Agreement and your payment of the Franchise Fee, we will provide you with full access to Focus CFO's Online Playbook Center. The Online Playbook Center contains mandatory specifications, standards and operating procedures, and rules that we periodically prescribe for Franchisees as well as continually updated best practice and resource centers. During your initial training, you are required to complete the upfront Orientation sections of the Online Playbook Center within four (4) weeks of signing the Franchise Agreement, after which, a member of Focus CFO's corporate team or a local Franchisee will meet with you to review this material. You will not be authorized to participate in group marketing activities or any meetings with current or potential Focus CFO clients until this initial training is completed. The initial training program is mandatory and must be completed to our satisfaction. (Franchise Agreement, Section 6.1, 7.1)

It is anticipated that you will have been approved to participate in marketing and development opportunities and/or provide services to Focus CFO clients within one to four weeks after signing the Franchise Agreement. The factors that may affect this time are: your background check; whether you currently own the office equipment and supplies necessary to conduct business; for Area Presidents, how quickly you can develop your client base; and for CFOs, how quickly you engage in our group marketing program and how quickly our collective efforts (yours and ours) allow you to start working with clients. Becoming a Franchisee does not guarantee Franchisees will work with Focus CFO clients or, in the case of an Area President, be able to develop a book of business. While we provide access to training and various other programs to support our Franchisees, the assignment of an individual CFO to provide services to Focus CFO clients and the development of an area is contingent on the ability of each Franchisee to successfully implement the Focus CFO System, the needs of the Focus CFO clients in the area, the ability of the Franchisee to develop Focus CFO clients (if an Area President), the experience of and quality of services provided by the Franchisee (if a CFO), the ability of the individual CFO to work with the Area President and the client in their area.

Continuing Assistance

During the operation of the franchised business, we will:

- 1) Provide access to marketing, literature, brochures, sales tools, business cards, placement on the Focus CFO website, and other marketing initiatives that we deem appropriate for the Focus CFO System to promote ongoing sales, marketing, and client service activities. (Franchise Agreement, Section 15)

- 2) Provide access to standard proposal and contract documents and materials. Unlike a typical franchise, Focus CFO will enter into the professional service agreements with the clients. (Franchise Agreement, Section 7, Att. H)
- 3) Provide access to Focus CFO's Online Playbook Center. (Franchise Agreement, Section 6, 7.1)
- 4) Provide opportunity to participate in a coordinated effort in the area of business development regarding strategies for contacting potential clients and networking sources. (Franchise Agreement, Section 6)
- 5) Provide resources and suggestions to assist Area Presidents with business development activities. (Franchise Agreement, Section 6)
- 6) Provide resources and suggestions to assist CFOs with client delivery and retention. (Franchise Agreement, Section 6)
- 7) Provide ongoing training and updates in areas such as business development, client delivery, or other relevant industry topics; this training will be either virtual; at our office in Columbus, Ohio, in which case, you will be responsible for any travel and lodging expenses; or at a location in your regional area in which case you will be responsible for any travel and lodging expenses. (Franchise Agreement, Section 6, 7, Att. C)
- 8) Provide back office administrative support resources including billing and collections. (Franchise Agreement, Section 6)
- 9) Provide business insurance coverage, subject to limitations and indemnification provisions. (Franchise Agreement, Section 11)
- 10) Conduct assessments to ensure the work provided by Focus CFO Franchisees is consistent with the Focus CFO System and Focus CFO Marks. (Franchise Agreement, Section 7, Att. F).

All services and materials described above are specifically determined and coordinated by us.

Marketing

We will promote the Focus CFO Marks and Focus CFO System through the use of advertising or by such other means and such times and in such manner and amount as we shall, in our sole discretion, deem appropriate. We will provide you with business cards and placement on the Focus CFO website. We may provide additional marketing, literature, brochures, sales tools, and workshop and presentation materials as we deem appropriate and in our sole discretion.

You may develop advertising materials for your own use, at your own cost. However, we must approve the advertising materials in advance and in writing. You may not use your own advertising materials unless you have received written notice of approval from us.

You must obtain our written authorization if you desire to have an Internet address or website utilizing the Focus CFO Marks or promoting the Focus CFO Services.

We have developed a social media policy that all Franchisees are required to follow. You shall remove any online content in violation of such policy as determined by Focus CFO within twenty-

four (24) hours of Focus CFO's request. You must obtain our prior written approval to create any social networking account using the Focus CFO Marks or promoting the Focus CFO Services other than your personal accounts, including without limitation, social networking accounts with LinkedIn, Facebook, Twitter and Instagram. You must comply with the written policies of Focus CFO in maintaining such social network accounts and we have the sole discretion to determine any content that needs to be removed.

Computer Requirements

Franchisees are required to have a computer. Your computer must be in good operating condition to carry out your day-to-day operations. We require CFOs to have a computer that can be brought onsite to a client (i.e., laptop); however, Area Presidents can have a desktop or laptop computer. Area Presidents must also have an iPad or mobile tablet. We do not require a specific laptop, computer, other hardware or internet provider. However, a high-speed access internal line such as DSL or cable modem for your office is strongly recommended.

We require all Franchisees to purchase a package of IT services selected by Focus CFO from our approved IT vendor. These services are currently provided by C-Forward and will include an Office 365 license, which includes access to Focus CFO e-mail, Microsoft Office software (Excel, Word, Outlook and PowerPoint), Microsoft Teams video conferencing platform and Microsoft OneDrive file hosting and backup service. The IT package also includes a proactive security monitoring service and 24/7 IT support services. Focus CFO will pay for 100% of the cost from the date you sign your Franchise Agreement through December 31 of that calendar year. The Franchisee will be responsible for 50% of the cost for each subsequent year. The Franchisee's portion is deducted by the Company from each Franchisee's compensation in January of each year. The Franchisees' cost of such IT services is currently approximately Seven Hundred Dollars (\$700) per year. We reserve the right to modify the required IT services and/or approved vendors.

CFOs may need to purchase their own licensed copy of QuickBooks for use with clients.

Currently, we estimate the cost to obtain a computer, any related hardware or software and the required package of IT services to be \$2,500 to \$5,000.

We may modify any hardware and software requirements as well as any required IT services package by providing you 30 days prior notice. We may require you to purchase, lease and/or license new or modified computer hardware and/or software. We estimate the annual costs of maintaining, updating or upgrading support to your required computer system and software to be \$1,500 to \$3,000.

Our IT vendor will install an agent on your computer to allow them to monitor your computer for malware and viruses which can impact the Focus CFO email system and the performance of your computer. Our IT vendor has the right to access your computer and any non-password protected files so that they can provide IT support and these security monitoring services. Their policy is to request permission before accessing the computer system. Focus CFO does not have any independent access to information generated or stored on your computer system.

Operating Manual

We will provide you with access to our Online Playbook Center which contains confidential and proprietary information once you sign the Franchise Agreement and pay the Franchise Fee. This Online Playbook Center contains mandatory specifications, standards and procedures, and rules that we periodically prescribe for Franchisees as well as continually updated best practice and resource centers that each Franchisee must comply with. We may modify the Online Playbook Center from time to time. The table of contents is attached as Exhibit E to this Disclosure Document. Prior to signing this Agreement, you may request a temporary password to access the Policies and Procedures Playbook section of the Online Playbook Center upon signing a non-disclosure agreement with Focus CFO.

Training

We provide you with a training program to help you develop and operate your business as a Franchisee while protecting Focus CFO's brand and the Focus CFO Marks. The training program will not advise you on how to perform CFO Services or your day-to-day operations. The topics covered are listed in the chart below.

The initial training program starts with you completing Orientation sections of our confidential and proprietary Online Playbook Center which can be accessed and completed online. You are required to complete these sections to Focus CFO's satisfaction. You will have access to the Online Playbook Center within two (2) business days of signing the Franchise Agreement and payment of the Franchise Fee.

Franchisees are required to attend a two (2) day workshop. These workshops are held twice per year at the Company's training center in Columbus, Ohio. Ongoing participation in future sessions is optional but encouraged for all Franchisees. You will be responsible for any travel and lodging expenses.

Additionally, you are invited to attend certain training meetings, some of which are mandatory, and others are optional.

- You are required to participate in our Tuesday Night Training and Best Practices sessions designated for your respective duties as either an Area President or CFO during your first year as a Franchisee, with ongoing participation encouraged. Franchisees are encouraged, but not required, to attend other Tuesday Night Training and Best Practices sessions offered. All these sessions will occur virtually.
- You are invited to attend "All Hands Conferences," currently held twice a year. One session is held virtually, and one session is held in Columbus, Ohio. You will be responsible for your own travel and lodging expenses.
- You are invited to attend monthly local group meetings which may either be in-person in your local region or virtual. You are responsible for your own travel expenses for these sessions.

- Area Presidents are invited to attend “All AP” training and planning sessions currently held twice a year. One session is held virtually, and one session is held in Columbus, Ohio. Area Presidents are responsible for their own travel expenses for these sessions.

Area Presidents are required to participate in a 12-month Sandler Sales Training program through our approved vendor, The Ruby Group, the cost of which is paid for by Focus CFO. The required program includes:

- 2-day Bootcamp;
- 16 weeks of Sales Mastery reinforcement training and coaching; and
- Minimum of eight (8) months of President’s Club reinforcement training and coaching.

Area Presidents are expected to begin this program within 120 days of signing the Franchise Agreement. The program starts with a 2-day Bootcamp held on-site with The Ruby Group at their training facility in Akron, Ohio. After the completion of Bootcamp, the Area President will begin the Sales Mastery program which is conducted virtually and includes 90 minutes of virtual instruction held once a week for 16 weeks, plus individualized monthly one-on-one coaching sessions with an assigned Sandler coach. After the completion of Sales Mastery, the Area President will begin President’s Club which is conducted virtually and includes 90 minutes of virtual instruction held once a week, plus individualized monthly one-on-one coaching sessions with an assigned Sandler coach. Area Presidents are also responsible for their own travel, lodging, food and other out-of-pocket expenses for these training programs, if applicable.

Should an Area President elect to continue to participate in President’s Club beyond the required minimum eight (8) months, the Area President is responsible for paying 100% of the monthly costs for their extended participation. The current negotiated cost of continuing President’s Club through The Ruby Group is \$500 per month.

CFOs are required to participate in a Sandler CFO Relationship Building Training program conducted by our approved vendor, The Ruby Group, the cost of which is paid for by Focus CFO. This program is focused on developing the CFO’s skills in the area of relationship building to foster and maintain client relationships. The required program includes:

- One all-day, virtual bootcamp offered twice a year; and
- Six (6) months of one (1) hour-per month virtual reinforcement training sessions held on the 4th Tuesday of each month. CFOs may continue to participate in this monthly reinforcement training at their option at no additional cost to the CFO.

All Franchisees are encouraged, but not required, to attend training to become a Certified Exit Planning Advisor (CEPA). This training is provided through the Exit Planning Institute (EPI). The training consists of a 5-day executive style program which is conducted virtually. After completion of the program the individual takes a certification exam in order to obtain the CEPA designation. The current cost of this program is \$1,500 and will be paid directly by the Franchisee to EPI.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Initial Training ¹	20-30 hours	0	Online
Tuesday Night Training and Best Practices Sessions ^{2,3}	60 minutes weekly during your first year (ongoing participation thereafter encouraged)	0	Virtual
Monthly Local Group Meetings ⁴	2 hours monthly	0	Either in-person in your local region or virtual
All AP Sessions ⁵	1 day twice a year	0	One (1) in Columbus, Ohio and one (1) virtual
All Hands Conferences ⁵	1 day twice a year	0	One (1) in Columbus, Ohio and one (1) virtual
New Franchisee Workshop ⁶	2-day program	0	Columbus, Ohio
Sandler Sales Training (Area Presidents) ⁷	2-day program to kick off then 90 min. per week for 12 months	0	Akron, Ohio for 2-day Bootcamp. Virtual for Sales Mastery and President's Club
Sandler CFO Training (CFOs) ⁸	1-day bootcamp then 60 min. per week for 6 months	0	Virtual
Certified Exit Planning Advisor (CEPA) Training and Certification ⁹	5-day program	0	Virtual

Notes

- (1) The Initial Training is online through the Online Playbook Center. Modules are conducted by Brad Martyn, Managing Member of Focus CFO Holdings, LLC, and various other members of the Focus CFO team. Brad has 19-plus years of experience in the CFO services industry and 35 years of business experience.
- (2) David Bourke, Focus CFO's Director of CFO Support, and Jim Gilbride, Focus CFO's Director of Area President Support, co-lead the Tuesday Night Training and Best Practices Sessions. David has ten years of experience with Focus CFO and 25 years of experience in finance and C-suite level leadership. Jim has 7 years of experience with Focus CFO and 25 years of business experience.

- (3) From time to time, Focus CFO may hold “in person” best practices sessions. If you choose to participate in these sessions, you will be responsible for any travel and lodging expenses.
- (4) Local Group Meetings are conducted by the local Focus CFO Area Presidents, each of whom have at least 25 years’ experience as a business leader.
- (5) All AP Sessions and All Hands Conferences are conducted by Brad Martyn and/or Jim Gilbride.
- (6) New Associate Workshops are co-led by David Bourke and Jim Gilbride, who also lead the Tuesday Night Training and Best Practice Sessions.
- (7) Sandler Sales Training is conducted by our approved vendor, The Ruby Group, a franchisee of the Sandler Systems, Inc.
- (8) Sandler CFO Training is conducted by our approved vendor, The Ruby Group, a franchisee of the Sandler Systems, Inc.
- (9) CEPA Training is conducted by our approved vendor, The Exit Planning Institute.

ITEM 12

TERRITORY

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

You will not receive a specific geographic territory or exclusive territory to conduct your business. We will have multiple Franchisees working together in a coordinated manner within each region. You will be expected to work in a collaborative manner with other Franchisees within your area. Area Presidents and CFOs typically work within 75 miles of their personal residence, but you may extend outside of that range. You may face competition from other Franchisees in your local area for Focus CFO clients and potential clients, however, Franchisees and Focus CFO work together to coordinate these efforts in each market and minimize conflicts, including to place clients with Franchisees who can best serve them.

ITEM 13

TRADEMARKS

Focus CFO grants Franchisees the non-exclusive right to provide CFO Services under the name “Focus CFO” and use the following marks:



You may also use any other current or future trade name, trademark, service mark or logo (“Marks”) that we designate for your use, including the logo on the front of this Disclosure Document, to identify yourself as a Franchisee and in connection with providing the Focus CFO services. The Marks are either owned by Focus CFO or The CFO Company, LLC, a subsidiary of Focus CFO Holdings, LLC and licensed to be used by Focus CFO and our Franchisees. The identified trademark was registered on the United States Patent and Trademark Office principal register on August 31, 2012 as Number 85/718,505.

You must follow our rules when you use these Marks. You cannot use a name or mark as part of a corporate name or with modifying words, designs or symbols except for those which Focus CFO licenses to you. You may not use Focus CFO’s registered name in connection with the sale of unauthorized products or services or in a manner not authorized in writing by Focus CFO.

No agreements limit Focus CFO’s right to use or license the use of Focus CFO’s trademarks.

You must notify Focus CFO immediately when you learn about an infringement of or challenge to your use of our trademark. Focus CFO will take the action we think appropriate. Focus CFO will defend any action brought against you to the extent that it is based on a claim that the trademark infringes upon the rights of a third party, valid and enforceable in the jurisdiction where the trademark is used, provided you notify us promptly in writing of any such claim. We have sole control of the defense and all negotiations for the settlement or compromise of such claim, and you shall cooperate with us in the defense or settlement of any claim. Focus CFO shall have no obligation to you for any claim of infringement based on a trademark that has been modified by a party other than Focus CFO, your use of the trademark with non-Focus CFO products or services, or your use of the trademark in a manner otherwise prohibited by the Franchise Agreement.

You must modify or discontinue the use of a trademark if Focus CFO modifies or discontinues it. You must not directly or indirectly contest our right to our trademarks, trade secrets or business techniques that are part of our business.

We do not know of any infringing uses that could materially affect your use of the Focus CFO Marks.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any patents or copyrights that are material to the franchise. We do not have any pending applications that are material to the franchise.

You do not receive the right to use any item covered by a patent or copyright, but you can use the proprietary information in materials provided to you by Focus CFO. These materials are described in Item 11. Although Focus CFO has not filed an application for a copyright registration for any of these materials, it claims a copyright and the information is proprietary. Item 11 describes limitations on the use of these materials by you. You must also promptly tell us when you learn about unauthorized use of this proprietary information. Focus CFO is not obligated to take any action but will respond to this information as we think appropriate.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

Focus CFO only permits entities to become Franchisees. You will be required to execute the Franchise Agreement as a corporation, partnership, limited liability corporation or any other legal entity, and own 100% of such entity. You must directly participate in and supervise the franchise business as the identified Area President or CFO. If Focus CFO approves additional owners, all owners of the Franchisee will be bound to the obligations set forth in the Franchise Agreement, including but not limited to those provisions relating to termination and the covenants against non-competition. You are required to devote sufficient time and effort to your business pursuant to the Franchise Agreement and your failure to do so could result in a termination of your Franchise Agreement.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must comply with our rules, policies and procedures in the Franchise Agreement, Online Playbook Center and any other materials and information provided by Focus CFO.

While you are acting as a CFO or Area President you have limitations on the types of services which you can provide. A violation of this restriction could result in our terminating your Franchise Agreement. You also have certain responsibilities. For Area Presidents, these responsibilities include developing an Area Plan, which includes coordinating group marketing activities, lead generation, developing a client base, and supporting the recruitment of CFOs in your local area. For CFOs, these required services include providing services that may include some or all of the following: (1) financial analysis, (2) the development of weekly, monthly,

quarterly or annual internal management reporting and information, (3) internal financial, sales, operational and cash flow budgets and forecasts, (4) insights, suggestions, advice and recommendations regarding strategic or business direction for a client’s organization, including assisting in the development of strategic and/or business plans, and (5) other related services which are mutually agreed upon by Focus CFO, the Franchisee and the Focus CFO client. We may change or modify the scope of services that Focus CFO and the Franchisees offer clients.

ITEM 17

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

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

Provision	Section in Franchise Agreement	Summary
a. Term of the franchise	Section 2.1	Term is 10 years.
b. Renewal or extension of the term	Section 2.2	If, upon expiration of the Initial Term of the franchise, you are still performing as either an Area President or CFO, then, you shall have the right to renew the franchise if certain conditions are met.
c. Requirements for you to renew or extend	Section 2.3	(i) you execute general releases in a form similar to that in Exhibit G; (ii) you have complied with all provisions of the Franchise Agreement; (iii) you have satisfied all Performance Standards; (iv) you are not in default of any provisions of the Franchise Agreement or any other agreement between Franchisee and Focus CFO; and (v) we reserve the right to have you sign a new Franchise Agreement which may have terms that are materially different and may require additional training and certification requirements. No additional franchise fee is required to be paid by you to renew your franchise.
d. Termination by you	Section 12.1	If you decide to terminate the Franchise Agreement, you will give at least fifteen (15) business days’ notice prior to such termination.
e. Termination by Focus CFO without cause	None	Focus CFO does not have the right to terminate without cause.

Provision	Section in Franchise Agreement	Summary
f. Termination by Focus CFO with cause	Section 12.2, 12.3	We may terminate the Franchise Agreement if you default. If we terminate the Franchise Agreement following a default, your interest in the franchise will terminate.
g. "Cause" defined - defaults which can be cured	Section 12.3	<p>You breach any provision of the Franchise Agreement or any other agreement with Focus CFO or any Focus CFO affiliate and you fail to cure the breach within thirty (30) days.</p> <p>You fail to meet Focus CFO's Performance Standards and such failure continues after receiving thirty (30) days' notice from Focus CFO of such failure to meet the standard, or you accumulate three (3) violations of any individual or combination of the standards, which include: (i) you must comply with Focus CFO's policies as outlined in the Online Playbook Center; (ii) you must participate in, or attend, at least 75% of the total required training sessions held by Focus CFO; (iii) you must consistently demonstrate, follow, and abide by, the Company's Core Values as outlined on Focus CFO's website and in the Online Playbook Center; (iv) you must regularly collaborate with other Area Presidents and CFOs in your region; (v) you must demonstrate an ability to follow the Company's core processes and procedures related to business development, new client acquisition, ongoing client support and client retention; (vi) you must not be negligent in the performance of the duties as outlined in the Franchise Agreement or as a result of any Focus CFO client arrangement; (vii) you must follow the policies or directives of Focus CFO, any Focus CFO affiliate or a Focus CFO client, as such policies or directives are established from time to time after written notice by Focus CFO.</p>

<p>h. "Cause" defined - defaults which cannot be cured</p>	<p>Section 12.2</p>	<p>(i) you engage in any act of dishonesty, misrepresentation, material neglect of duty, or willful misconduct in connection with the performance of, or the repeated failure to perform, your duties or responsibilities required pursuant to this Agreement or the Online Playbook Center or to a Focus CFO client or the disparagement of Focus CFO, the System or its Franchisees; (ii) you engage in any behavior that caused physical, mental or emotional harm to an individual or property or behavior which is coercive, threatening, abusive, exploitive, harassing (including sexual, verbal or physical harassment) or which is otherwise inappropriate in a workplace; (iii) you engage in any activities, behavior or conduct likely to adversely affect the reputation of Focus CFO, the Focus CFO System or the Focus CFO Marks; (iv) you misappropriate for personal use assets or business opportunities of the Company; (v) you make any unauthorized use of the Focus CFO Marks or unauthorized use or disclosure of any confidential information of Focus CFO; (vi) you engage in or are accused of the commission of an act or omission constituting or involving fraud, embezzlement or other crime which could affect the reputation of Focus CFO, the Focus CFO System or the Focus CFO Marks or you are charged with or indicted for a felony, or convicted of a misdemeanor offense involving moral turpitude; (vii) you fail to comply with any applicable federal, state or local regulations or laws relating to the Franchise, the CFO services or Focus CFO's business; (viii) if a court enters a decree or order for relief against you in an involuntary case under any applicable bankruptcy, insolvency or other similar law then in effect, or appoints a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) for you or for any substantial part of your property, or orders the wind-up or liquidation of your affairs; or a petition initiating an involuntary case under any such bankruptcy, insolvency or similar law is</p>
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Provision	Section in Franchise Agreement	Summary
		<p>filed and is pending for thirty (30) days without dismissal; or (ix) you commence a voluntary case under any applicable bankruptcy, insolvency or other similar law in effect, or make any general assignment for the benefit of creditors, fail generally to pay its debts as such debts become due, or acts in furtherance of any of the foregoing.</p> <p>Focus CFO is not required to give you prior notice or the right to cure for these events.</p>
i. Your obligations on termination/non-renewal	Sections 12, 14, 16	<p>Return of all information, including confidential and proprietary information, including without limitation that related to our clients, potential clients, standard documents or templates, bulk marketing materials, policies or procedures, clients or contacts, including original materials, photocopies, databases, computer files that you receive either from Focus CFO, directly or indirectly, including from our service providers, or from our clients or prospective clients. Comply with non-solicitation and non-compete clauses. Not use or disclose Focus CFO confidential information. Indemnify Focus CFO for breaches, untrue representations, negligence or intentional misconduct.</p>
j. Assignment of contract by Focus CFO	Section 13	No restriction on Focus CFO's right to assign.
k. "Transfer" by you – definition	Section 13, Att. A	This applies to Area Presidents only. "Transfer" shall mean to sell, convey or otherwise dispose of an Area President's franchise and Book of Business
l. Focus CFO's approval of transfer by Franchisee	Section 13.1	Area Presidents are permitted to transfer their franchise to another Area President under certain conditions. No other transfers are allowed under the Franchise Agreement. CFOs are not permitted to transfer their franchise.

Provision	Section in Franchise Agreement	Summary
m. Conditions for Focus CFO approval of assignment	Section 13.1	(i) Area President who desires to transfer their franchise (“Transferring Area President”) has been a Franchisee for at least two (2) years and developed a Book of Business of at least \$250,000 of collected (cash basis) revenue during the twelve (12) months preceding the desired transfer; (ii) Transferring Area President has identified another individual in their local market who is either an existing Focus CFO Franchisee prior to the transfer and not in breach of his or her Franchise Agreement or is willing to enter into the then current Franchise Agreement; (iii) Transferring Area President provides at least 90 days’ written notice of Transfer to Focus CFO if the Transfer is to an existing Franchisee and at least 120 days’ notice if to a new Franchisee; (iv) Transferring Area President and Recipient Area President shall provide Focus CFO a summary of all the material terms and conditions upon which the Transfer is to be made; (v) Transferring Area President executes a general release; (vi) Focus CFO provides written consent of the Transfer.
n. Focus CFO’s right to first refusal to acquire your business	None	
o. Focus CFO’s option to purchase your business	None	
p. Your death or disability	Section 12	Franchise Agreement is terminated.
q. Non-competition covenants during the term of the franchise	Sections 14.2	During the entire term of the Franchise Agreement and any successor franchise terms, you are not permitted to advertise, promote, offer to provide or provide services which are competitive with Focus CFO’s business to a third party. You are, however, free to be involved in other business activities, provided you are able to fully satisfy the Performance Standards required by the Franchise Agreement and the Online Playbook Center.

Provision	Section in Franchise Agreement	Summary
r. Non-competition covenants during and after the franchise is terminated or expires	Section 14.3	During the term of this Agreement and for one year after the termination or expiration of the Franchise Agreement, you will not solicit other Franchisees to join you in another business and you will not directly or indirectly work for a Focus CFO client or prospective client.
s. Modification of the agreement	Section 17	Except for the Attachments, no amendment or modification of the Franchise Agreement shall be valid unless such amendment or modification is expressed in a written instrument duly executed by the parties.
t. Integration/merger clause	Section 17	The terms contained in the Franchise Agreement constitute the entire understanding between Franchisee and Focus CFO with respect to the matters contained therein and superseded any and all prior communications, whether verbal or written.
u. Dispute resolution by arbitration or mediation	Section 18	Except for claims relating to the Focus CFO Marks, confidential information, trade secrets, and covenants not to compete, and subject to state law, all disputes must be arbitrated in Franklin County, Ohio.
v. Choice of forum	Section 18	Litigation must be in Franklin County, Ohio.
w. Choice of law	Section 18	Ohio law applies.

ITEM 18

PUBLIC FIGURES

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

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representation 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 actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Brad A. Martyn, Managing Member of Focus CFO, 1010 Jackson Hole Drive, Suite 200, Blacklick, Ohio 43004, b.martyn@focuscfo.com, (614)-944-5760, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

SYSTEM WIDE OUTLET SUMMARY FOR YEARS 2018-2020

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2018	0	68 (Note 1)	68
	2019	68	79	11
	2020	79	92	13
Company Owned	2018	48	0	-48 (Note 1)
	2019	0	0	0
	2020	0	0	0
Total Outlets	2018	48	68	20
	2019	68	79	11
	2020	79	92	13

Notes:

- (1) Prior to April 2018, Focus CFO services were offered by a Focus CFO affiliate through independent contractors. There were 48 independent contractors as of January 1, 2018. Between January 1, 2018 and April 2018, Focus CFO acquired 2 additional independent contractors. All 50 of these independent contractors became Franchisees after April 2018. One of these Franchisees departed by December 31, 2018, because they moved out of the franchise territory. In addition to these converted Franchisees, 19 Franchisees joined the Focus CFO System in 2018.

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR FOR YEARS 2018-2020*

State	Year	Number of Transfers
Total	2018	0
	2019	0
	2020	0

*No Franchise Agreements have been transferred to a new Franchisee for any Franchisee who ceased to do business and/or terminated their franchise agreements during the years 2018 through 2020.

STATUS OF FRANCHISE OUTLETS FOR YEARS 2018-2020

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
KY	2018	0	2	0	0	0	0	2
	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
OH	2018	0	62	0	0	0	1	61
	2019	61	15	2	0	0	9	65
	2020	65	13	5	0	0	4	69
MI	2018	0	4	0	0	0	0	4
	2019	4	3	0	0	0	0	7
	2020	7	1	1	0	0	1	6
PA	2018	0	1	0	0	0	0	1
	2019	1	5	1	0	0	0	5
	2020	5	4	0	0	0	1	8
TN	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	3	0	0	0	0	3
NC	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	4	0	0	0	0	4
Total	2018	0	69	0	0	0	1 (Note 1)	68
	2019	68	23	3 (Note 2)	0	0	9 (Note 3)	79
	2020	79	25	6 (Note 4)	0	0	6 (Note 5)	92

Notes:

- (1) During the year 2018, one Franchisee ceased to do business and terminated the Franchise Agreement because they moved out of the franchise territory. The Franchise Agreement was not transferred to a new Franchisee.
- (2) During the year 2019, there were three (3) Franchisees whose Franchise Agreements were terminated. Two (2) Franchisees were not satisfying Focus CFO's Performance Standards. One (1) Franchisee violated Focus CFO policies and system standards.
- (3) During the year 2019, nine (9) Franchisees ceased operations. Three (3) Franchisees ceased operations to go work as a CFO for a Focus CFO client. Two (2) Franchisees ceased operations due to retirement. Four (4) Franchisees ceased operations to become full-time employees for a company that was not a Focus CFO client.

- (4) During the year 2020, there were six (6) Franchisees whose Franchise Agreements were terminated. All six (6) Franchisees were not satisfying Focus CFO's Performance Standards.
- (5) During the year 2020, six (6) Franchisees ceased operations. Two (2) Franchisees ceased operations to go work as a CFO for a Focus CFO client. Two (2) Franchisees ceased operations due to retirement. Two (2) Franchisees ceased operations to become full-time employees for a company that was not a Focus CFO client.

STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2018-2020*

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Ohio	2018	48	6	4	0	60	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Total	2018	48	6	4	0	60	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0

* In 2018, we converted equity holders of Focus CFO Operating Group, LLC, a wholly owned subsidiary and affiliate of Focus CFO, who were operating as independent contractors, into Franchisees.

**PROJECTED OPENINGS
FOR THE NEXT FISCAL YEAR**

	Franchise Agreement Signed but Outlet Not Yet Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Ohio	0	9	0
Pennsylvania	0	2	0
Kentucky	0	2	0
Michigan	0	3	0
Indiana	0	3	0
Georgia	0	2	0
North Carolina	0	2	0
Tennessee	0	2	0
Totals	0	25	0

Exhibit F contains a list of all Franchisees as of December 31, 2020. Exhibit F also contains a list of all Franchisees who had a Franchise Agreement terminated or who otherwise voluntarily ceased to do business under a Franchise Agreement during the most recently completed fiscal year. If you buy this franchise, your contact information may be disclosed to buyers when you leave the Focus CFO System.

In some instances, current and former Franchisees may sign provisions restricting their ability to speak only about their experience with Focus CFO. You may wish to speak with current and former Franchisees but be aware that not all such Franchisees will be able to communicate with you.

We are not aware of any trademark-specific franchisee organizations associated with our franchise system.

ITEM 21

FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit D are our audited consolidated financial statements as of December 31, 2020, 2019 and 2018. Our fiscal year end is December 31.

ITEM 22

CONTRACTS

The only agreement proposed for use regarding the offering of a franchise is the Franchise Agreement attached hereto as Exhibit C and incorporated herein by this reference. We provide no other contracts or agreements for your signature.

ITEM 23

RECEIPT

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

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

EXHIBIT A TO FRANCHISE DISCLOSURE DOCUMENT
LIST OF STATE ADMINISTRATORS

<p><u>California</u> Department of Business Oversight 1515 K. Street, Ste. 200 Sacramento, CA 95814-4052 (916) 445-7205</p> <p>Suite 750 320 West 4th St. Los Angeles, CA 90013 (213) 576-7505</p> <p>1350 Front Street San Diego, CA 92101 (619) 525-4044</p> <p>One Sansome St., Ste. 600 San Francisco, CA 94104 (415) 972-8559</p>	<p><u>Michigan</u> Michigan Department of Attorney General Consumer Protection Division Attn.: Franchise Unit 525 W Ottawa Street G Mermen Williams Building, P* Floor Lansing, Michigan 48933 (517) 373-7117</p>
<p><u>Hawaii</u> Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Department of Commerce & Consumer Affairs 335 Merchant Street, Rm. 205 Honolulu, Hawaii 96813 (808) 275-2677</p>	<p><u>Minnesota</u> Minnesota Department of Commerce 85 7th Place East, Suite 280 St Paul, Minnesota 55101-2198 (651) 296-4026</p>
<p><u>Illinois</u> Office of Attorney General Franchise Division 500 South Second Street Springfield, Illinois 62706 (217) 782-4465</p>	<p><u>New York</u> Office of the New York State Attorney General Investor Protection Bureau Attn: Franchise Section 120 Broadway, 23rd Floor New York, NY 10271-0332 (212) 416-8236</p>
<p><u>Indiana</u> Secretary of State Franchise Section Indiana Securities Division 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681</p>	<p><u>North Dakota</u> North Dakota Securities Department 600 East Boulevard Avenue State Capitol - 5th Floor Dept. 414 Bismarck, North Dakota 58505-0510 (701) 328-4712</p>
<p><u>Maryland</u> Office of the Attorney General Division of Securities 200 St Paul Place Baltimore, Maryland 21202-2020</p>	<p><u>Oregon</u> Oreg. Dept. of Consumer and Business Serv 350 Winter St., NE, Rm. 410 Salem, OR 97310-3881</p>

(410) 576-6360	
<u>Rhode Island</u> Division of Securities Department of Business Regulation John O Pastore Center, Building 69-1 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9585	
<u>South Dakota</u> Department of Labor and Regulation Division of Securities 445 East Capitol Ave. Pierre, SD 57501 (605) 773-4823	
<u>Virginia</u> State Corporation Commission! Division of Securities and Retail Franchising Ninth Floor 1300 East Mam Street Richmond, Virginia 23219 (804) 371-9051	
<u>Washington</u> Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760	
<u>Wisconsin</u> Department of Financial Institutions Division of Securities 201 W Washington Avenue, Suite 300 Madison, Wisconsin 53703 (608) 261-9555	

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

<p><u>California</u> Commissioner of Business Oversight Department of Business Oversight 320 West 4th Street, Suite 750 Los Angeles, CA 90013</p>	<p><u>New York</u> Attention New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 12231-0001</p>
<p><u>Hawaii</u> Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813</p>	<p><u>North Dakota</u> Securities Commissioner North Dakota Securities Department 600 East Boulevard Avenue State Capitol - 5th Floor Dept. 414 Bismarck, North Dakota 58505-0510</p>
<p><u>Illinois</u> Attorney General of the State of Illinois 500 South Second Street Springfield, Illinois 62706</p>	<p><u>Rhode Island</u> Division of Securities Department of Business Regulation John O Pastore Center, Building 69-1 1511 Pontiac Avenue Cranston, Rhode Island 02920</p>
<p><u>Indiana</u> Secretary of State 302 West Washington, Room E-111 Indianapolis, Indiana 46204</p>	<p><u>South Dakota</u> Director of the Division of Securities Department of Labor and Regulation 124 S Euclid Ave, Suite 104 Pierre, South Dakota 57501</p>
<p><u>Maryland</u> Maryland Securities Commissioner 200 St Paul Place Baltimore, Maryland 21202</p>	<p><u>Virginia</u> Clerk of the State Corporation Commission 1st Floor 1300 East Mam Street Richmond, Virginia 23219</p>
<p><u>Michigan</u> Michigan Department of Attorney General Consumer Protection Division Franchise Section 525 W Ottawa Street G Mermen Williams Building, 1st Floor Lansing, Michigan 48913</p>	<p><u>Washington</u> Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, Washington 98501</p>
<p><u>Minnesota</u> Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 500 St Paul, Minnesota 55101-2198</p>	<p><u>Wisconsin</u> Commissioner of Securities Dept. of Financial Institutions, Div. of Securities 4822 Madison Yards Way, North Tower Madison, WI 53075</p>

EXHIBIT C TO THE DISCLOSURE DOCUMENT

FOCUS CFO GROUP, LLC

FRANCHISE AGREEMENT

FOCUS CFO GROUP, LLC FRANCHISE AGREEMENT

This Franchise Agreement (“Agreement”) made this ____ day of _____, 20__ (“Effective Date”), is by and between Focus CFO Group, LLC (“Focus CFO,” “Franchisor,” “Company”, “us”, “we” or “our”), and _____ (“Franchisee,” “you” or “your”) as an [Area President/CFO].

PREAMBLES

WHEREAS, Focus CFO provides fractional Chief Financial Officer services (“CFO Services”) primarily to small and medium size businesses. As a result of considerable expenditure of time, effort and money, Focus CFO has developed and owns a unique system of providing fractional CFO Services (the “Focus CFO System” or “System”) which is operated under certain unique and publicly recognized trademarks, service marks, logos and other commercial symbols including without limitation, the mark “Focus CFO®” (“Focus CFO Marks” or “Marks”). The Focus CFO System includes a variety of proprietary and confidential business methods, techniques, formats, designs, specifications, standards and procedures prescribed by or approved by Focus CFO, all of which may be improved further, developed or otherwise modified from time to time by Focus CFO; and

WHEREAS, Focus CFO grants to qualified entities a franchise and the right to join the Focus CFO System as either an Area President or CFO and use the Focus CFO Marks; and

WHEREAS, Franchisee desires to become an Area President or CFO of Focus CFO and represents that they have the skills to perform as either a CFO or Area President;

WHEREAS, Franchisee understands and acknowledges the importance of Focus CFO’s high and uniform standards of quality, operations and service and the necessity of operating its services in strict conformity with the Focus CFO System; and

WHEREAS, the defined terms herein have the definitions set forth in Attachment A.

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

1. GRANT OF FOCUS CFO FRANCHISE

1.1 Subject to the provisions of this Agreement, we grant to you the non-exclusive right, privilege and license to join Focus CFO as an independent contractor either as a CFO, directly providing on-site CFO Services to Focus CFO clients, or as an Area President, working to generate new clients within our coordinated client development system, both using the Focus CFO

System and Focus CFO Marks (the “Franchise”). If a Franchisee that joins as an Area President expresses an interest in changing its status from Area President to CFO, or a CFO expresses an interest in changing its status from a CFO to an Area President, they may do so with the Company’s prior written approval and subject to fees required to be paid by the Franchisee as set forth in Section 4, below. The Franchisee is also required to complete the then-required training.

1.2 This is not a traditional franchise model. While you shall pay a Franchise Fee (as defined and discussed in Section 4) in exchange for the non-exclusive right to join Focus CFO and use the Focus CFO System and Focus CFO Marks as further set forth in this Agreement, you do not contract directly with clients, collect fees from clients for your services, or pay Focus CFO a royalty. Rather, Focus CFO maintains all client contracts, invoices clients, collects fees from clients, and pays you a percentage of the amount collected in order to provide consistency within the System and protect the Focus CFO System and Marks. There are no additional franchise fees or royalty payments due from you to Focus CFO. You shall be compensated as an independent contractor by Focus CFO based on your performance as either an Area President or CFO as set forth in Section 8.

1.3 As a condition to executing this Agreement, we will conduct a background check upon you. This background check generally takes seven (7) days, but it may take longer. We will initiate background checks concurrent with our providing you with a copy of the Franchise Disclosure Document. If we receive an unsatisfactory background check prior to your execution of this Agreement, our offer for you to execute the Agreement will be null and void. If we receive an unsatisfactory background check after you execute the Agreement, then your Agreement will be terminated, and your Franchise Fee will be refunded.

1.4 Termination of this Agreement shall constitute a termination of the Franchise.

2. TERM AND RIGHT TO RENEW

2.1 This Agreement and the Franchise will have an initial term of ten (10) years from the Effective Date (the “Initial Term”), unless earlier terminated pursuant to Section 12.

2.2 If, upon the expiration of the Initial Term of the Franchise, you are still performing as either an Area President or CFO, then, subject to the provisions of Section 2.3, you shall have the right to renew, without payment of an additional Franchise Fee, the Franchise on the terms and conditions contained in Focus CFO’s then-current franchise agreement.

2.3 Your right to renew the Franchise is conditioned upon the fact that:

- A. Prior to the commencement of the renewal term, you execute general releases (to the extent permitted by applicable law), of any and all claims arising during or out of the Initial Term of this Agreement against Focus

CFO and its officers, directors, employees, agents, parent corporations and affiliates;

- B. You complied with the provisions of this Agreement during its term;
- C. You satisfied all Performance Standards as either an Area President or CFO as specified in Attachment G to the Franchise Agreement; and
- D. You are not in default of any provision of this Agreement or any other agreement between Franchisee and Focus CFO at the end of the Initial Term.

2.4 To renew the Franchise, you shall execute Focus CFO's then-current franchise agreement (with appropriate modifications to reflect the fact that the agreement relates to the renewal of the Franchise) which may contain terms that are materially different than the terms of this Agreement and require additional training and certification requirements. Failure to sign such agreement shall be deemed an election by you not to renew the Franchise. Subject to the provisions of Section 13, below, if you are an Area President, you have the option to Transfer your Book of Business (as defined in Attachment A) to another franchisee at the end of the Initial Term. At its option, Focus CFO may elect to extend the term of this Agreement rather than entering into a new franchise agreement.

3. TERRITORY AND OFFICE

3.1 Franchisees perform most marketing and client activities around geographic regions. Area Presidents and CFOs are required to work together within each region in a collaborative and supportive manner. You will not receive a specific geographic territory or exclusive territory to conduct your business. You may face competition from other franchisees in your local area for Focus CFO clients and potential clients; however, franchisees and Focus CFO work together to coordinate these efforts in each market and minimize conflicts, including to place clients with franchisees who can best serve them.

3.2 Area Presidents each coordinate their own group marketing activities and generally involve other Area Presidents and CFOs within their region. CFOs are involved in group marketing and lead generation activities, as their involvement is critical to successfully finding new client opportunities. CFOs generally interact with each Area President within their region and CFOs are available for new client opportunities, working with every Area President in their region. Area Presidents and CFOs may also collaborate with Area Presidents and CFOs in adjacent regions on client opportunities as they come up.

3.3 Client work is typically done on-site, at the client's office, with Area Presidents and CFOs typically providing client services within 75 miles of their personal residence.

3.4 You will operate out of a home office or an office that you provide at your own expense. Office supplies and equipment necessary to operate your business is discussed in Section 10 of this Agreement.

4. FRANCHISE FEE AND ONGOING FEES

4.1 Upon execution of this Agreement, you shall pay Focus CFO a lump sum initial franchise fee (the “Franchise Fee”). The Franchise Fee is \$25,000 if you elect and are approved by Focus CFO to become an Area President and \$15,000 if you elect and are approved by Focus CFO to become a CFO. This Franchise Fee is payment for authorizing you to join the Focus CFO System and receive training as set forth in this Agreement. In exchange for the Franchise Fee, you will receive ongoing direction and support from Focus CFO set forth in this Agreement and be permitted to utilize the Focus CFO System and use the Focus CFO Marks. The payment demonstrates a commitment by the Franchisee to join Focus CFO and become fully engaged in the Focus CFO System.

4.2 The Franchise Fee will not be financed by Focus CFO and cannot be paid in installments, deferred or deducted from future compensation payments. You will not be permitted to engage with Focus CFO, use the Focus CFO Marks or provide services to Focus CFO clients until the full Franchise Fee is received by Focus CFO.

4.3 There are no additional franchise fees or royalty payments due from you to Focus CFO in exchange for becoming a Franchisee, joining the Focus CFO System or operating under the Focus CFO Marks.

4.4 You will be required to pay an annual technology fee to our approved IT vendor as set forth in Section 10.3 of this Agreement. You may also be required to incur costs to attend training and you may incur additional discretionary costs which are within your control as set forth in this Agreement.

4.5 If a CFO is approved by Focus CFO to change their status to an Area President, they will be required to pay a change fee, which is calculated as the difference between the then-current Franchise Fee for Area Presidents and the Franchise Fee that the Franchisee paid to become a CFO when they signed the Agreement (the “CFO Change Fee”). The CFO Change Fee is the cost of training for the CFO to become an Area President.

5. REFUNDS

5.1 Should this Agreement be terminated because of the background check conducted as set forth in Section 1.3, above, we will refund your Franchise Fee in full.

5.2 Should you terminate this Agreement as set forth in Section 12.1, your Franchise Fee will not be refunded.

5.3 Should we terminate this Agreement for “Cause” as defined in Section 12.2, we will not refund your Franchise Fee.

5.4 Should we terminate this Agreement for your “Failure to Perform” as defined in Section 12.3, we will not refund your Franchise Fee.

5.5 Should you elect not to renew the Franchise Agreement, your Franchise Fee will not be refunded.

5.6 Should your Franchise not renew or extend due to your failure to meet the conditions set forth in Section 2.3, your Franchise Fee will not be refunded.

5.7 If an Area President is approved to change their status to a CFO, they will not be refunded any portion of this Franchise Fee.

5.8 Except as outlined in this Section, no other refunds will be given. No refunds will be made until all items in this Agreement related to your separation have been satisfied.

6. WHAT WE PROVIDE

In order to assist you, we will provide the following:

6.1 Initial training on the Focus CFO standard business development and client delivery process. The initial training program starts with you completing the Orientation portions of our Online Playbook Center which can be accessed and completed remotely. After completing the Orientation portions, a member of our corporate team or a local Franchisee will meet with you to review this material.

6.2 Additional training sessions where you will interact with other franchisees in the form of Q&A sessions to reinforce the online business development and client delivery processes covered in the initial training. These sessions may be held virtually or in person at either our office in Columbus, Ohio or at a location in your regional area. You will be responsible for any travel and lodging expenses, if applicable.

6.3 The opportunity to participate in a coordinated business development effort for networking with referral partners and developing new clients.

6.4 The opportunity to receive best practice tips and guidance to assist Area Presidents and CFOs with business development activities. Area Presidents need to keep in mind that the ability to effectively network and build relationships of trust with referral partners, prospects and clients is a key to success for each Area President. CFOs need to keep in mind that their ongoing involvement in marketing and lead generation activities are critical for getting new client opportunities.

6.5 The opportunity to receive best practice tips and guidance to assist CFOs with client delivery and retention. CFOs need to keep in mind that the ability to effectively deliver value and build relationships of trust with referral partners, prospects and clients is a key to success for each CFO.

6.6 “All Hands Conferences” for which you will be responsible for your own travel and lodging expenses. All Area Presidents and CFOs are invited to attend these sessions, but attendance is not required. Area Presidents are also invited to “All AP Sessions” but attendance is not required. You will be responsible for your own travel and lodging expense.

6.7 Access to the Focus CFO Online Playbook Center.

6.8 Back office administrative support resources including client service agreement preparation, billing and collections. General secretarial support is not provided and if required, you will need to provide at your own expense.

7. YOUR RESPONSIBILITIES AND DUTIES

7.1 Online Playbook Center

- A. Initial Training & Orientation. You will have access to the Company’s full Online Playbook Center within two (2) business days of signing this Agreement and your payment of the Franchise Fee. You are required to complete the upfront Orientation sections of the Online Playbook Center within four (4) weeks of signing this Franchise Agreement as part of your initial training. You will not be authorized to participate in group marketing activities or any meetings with current or potential Focus CFO clients until your initial training is completed.
- B. Ongoing. The Online Playbook Center contains mandatory specifications, standards and operating procedures, and rules that we periodically prescribe for Franchisees as well as continually updated best practice and resource centers. Focus CFO may, from time to time and at its sole discretion, modify, revise, amend or change the Online Playbook Center in light of Focus CFO’s experience and development of the System, competitive conditions in the industry and other factors. Franchisees have the obligation to review and become familiar with all of the Company materials in the Online Playbook Center and continually review and monitor the Online Playbook Center for any updates. You agree to comply strictly with the Online Playbook Center and any and all modifications, amendments and revisions to such Online Playbook Center.

7.2 Training – Initial and Ongoing

Franchisees are required to attend, and successfully complete certain training programs as set forth in Attachment C. Franchisees are also encouraged to attend other optional training recommended by Focus CFO, which are also set forth in Attachment C.

7.3 Work Week Calendar

Franchisees must keep their work calendar on the Company's Microsoft O365 calendar. This allows us to coordinate internal group marketing and business activities. Franchisees that maintain their work calendar on another platform, such as Google Calendar, will need to transition those work week activities to our Microsoft O365 platform during their first thirty (30) days as a Franchisee.

7.4 Other Franchisee Responsibilities, Franchisee Assessments and Performance Standards

- A. Other Franchisee Responsibilities. Franchisees shall be responsible to perform the duties and obligations of an Area President, which are set forth on Attachment D, or a CFO, which are set forth on Attachment E, as applicable.
- B. Franchisee Assessments. At any time, Focus CFO shall have the right, with or without prior notice to a Franchisee, to assess whether the Franchisee is complying with this Agreement, the System, and the Online Playbook Center by reviewing the Franchisee's activity reports, Company performance metrics, interviewing contacts and clients, and inspecting the Franchisee's work product. Franchisee shall fully cooperate with Focus CFO in connection with any such assessments. In the event that Focus CFO fails to obtain a satisfactory assessment described above, Franchisee may be required to attend additional training at Franchisee's expense and if the Franchisee is a CFO, Focus CFO may reassign a Focus CFO client to another CFO.
- C. Performance Standards. Franchisees are responsible to meet certain performance standards in their role as an Area President or a CFO as outlined in Attachment G.

7.5 Client Engagement

- A. Professional Service Agreements. The following requirements relating to engagement of Focus CFO clients are necessary to protect Focus CFO's brand and the Focus CFO Marks.

- i. All contracts with clients for CFO Services must be entered into by Focus CFO and not by Franchisees. The Company's standard Professional Service Agreement ("PSA") is used on all client engagements. The PSAs are prepared through a centralized preparation process to ensure contractual language, pricing and terms adhere to Focus CFO's standards. Contractual language, pricing and terms cannot deviate from standard document without the written consent of Focus CFO. Area Presidents have the responsibility for coordinating the preparation, delivery, execution and proper filing of client PSAs. Area Presidents are authorized to execute our standard PSA, as prepared and approved by Focus CFO through the centralized preparation process, on behalf of Focus CFO.
- ii. Acceptance of new clients is subject to approval by Focus CFO. Focus CFO will not enter into contracts with businesses or organizations that engage in activities that are not in harmony with the ethical standards of the Company, requesting service outside our identified scope of services or will injure the quality of the Focus CFO Marks.
- iii. All client contracts are entered into by Focus CFO. All client payments are made to Focus CFO. Focus CFO will compensate you as an independent contractor from the funds received from the clients.
- iv. You are not to provide services to a prospective client until we have received a signed copy of the full PSA (all pages) from the client. Any payments received from businesses where we do not have a signed PSA on file, will be returned, with no payments being made to you on these amounts.

B. Client Assignment. Area Presidents and Focus CFO retain the right to assign CFOs to work with Focus CFO clients as they deem appropriate based on a number of factors including, but not limited to location, the CFO's experience, the CFO's role in obtaining a client and the needs of the Focus CFO clients. There is no guarantee that a CFO will be assigned to work with a client.

7.6 Client Delivery and Account Management

All services provided by Franchisee while utilizing the Focus CFO System and Focus CFO Marks shall be of the highest professional standards, quality and workmanship. CFOs are asked

to notify their Area President immediately should they be asked to perform services outside of the scope of the PSA, or if they feel they are not qualified or capable of providing or overseeing the required services. Area Presidents shall then notify Focus CFO. Franchisees may only provide the services approved by Focus CFO and subject to the limitations as set forth in Attachment F.

You agree to become familiar with company policies and guidelines for each organization to which you provide CFO Services, and you agree to comply with them. This includes, without limitation, all on-site and general office policies.

7.7 Duty to Devote Sufficient Time and Effort

Each Franchisee shall devote sufficient time and effort to meet their responsibilities as a CFO or Area President including those responsibilities in this Section 7 and Attachments D and E.

7.8 Participation in System Promotions

Franchisee will use their best efforts to participate in any local or regional events sponsored by Focus CFO or other Focus CFO franchisees for the purpose of promoting the Focus CFO System or the Focus CFO Marks. Each Franchisee shall work in a collaborative manner with other Focus CFO franchisees to help develop and support the Focus CFO System and the Marks.

7.9 No Authority to Bind the Company

Area Presidents and CFOs do not have the power or authority to bind Focus CFO except as set forth here in Section 7 and as provided for in Attachment H.

8. PAYMENTS AND INDEPENDENT CONTRACTOR STATUS

8.1 Other than the Franchise Fee, there are no recurring royalty or other franchise fee payments that you are required to pay directly to Focus CFO. Instead, since the client contracts are entered into with Focus CFO, Focus CFO shall pay you as an independent contractor on a semi-monthly basis according to the Compensation Policy adopted from time to time by Focus CFO. The Compensation Policy is set by Focus CFO's leadership team which consists of the Manager of Focus CFO and a small group of Area Presidents and CFOs. Focus CFO has the right to modify the Compensation Policy by providing you at least 30 days prior notice; provided, Focus CFO cannot reduce the rates set forth in the then-current compensation policy by more than 15% without your prior consent. The current compensation policy is set forth in Attachment B.

8.2 Franchisees are responsible for all Federal, state and local/city estimated tax payments and self-employment taxes on payments from Focus CFO. We will remit to you as compensation a gross amount, with no deductions for taxes. At the end of each year, you will receive a Form 1099 from us.

8.3 It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between the parties and that nothing in this Agreement is intended to make either party a general or special agent, legal representative, subsidiary, joint venture, partner, employee or servant of the other for any purpose.

8.4 You acknowledge and agree that, under this Agreement, you are and will be an independent contractor of Focus CFO. You are not an employee of Focus CFO for any purpose, most particularly with respect to any mandated or other employee benefits or insurance coverage, tax, or contributions, or requirements pertaining to withholdings, levied or fixed, by any city, state, or federal governmental agency.

9. OPTIONAL, 100% FRANCHISEE-PAID, GROUP MEDICAL INSURANCE PROGRAM

9.1 Through Focus Group CFO, Ltd, a 100% owned subsidiary of FocusCFO Group, LLC, we currently have in place a group medical, dental and vision plan in which you can elect to participate. For those that chose to participate, 100% of the premiums are paid by you. We require up to a three (3) month premium deposit prior to your enrollment in the program, if you choose to participate in the group medical insurance program. Current group medical plan premiums are outlined in Attachment I. United Health Care is the current medical provider and Principal is the current dental and vision provider; however, these providers may change in the future. Franchisees can participate beginning on the first month after 90 days of signing this Agreement. Any Franchisee who elects to participate in the group medical program, will have their compensation, net of the cost of the group insurance premiums, paid from Focus CFO Group, Ltd.

9.2 If for any reason our Group Medical Insurance program cannot be renewed, or we choose not to renew it, there is no guarantee we will be able to obtain replacement coverage. We also reserve the right to amend, change, or discontinue these policies at any time at our discretion.

10. EXPENSES AND BENEFITS

10.1 You must have an office which can be in your personal residence. You will incur your own expenses related to a personal computer and software, printer, mobile phone, internet access, meals and entertainment, travel, automobile, and mileage. You will pay for your own mailings and correspondence.

10.2 Franchisees are required to have a computer. Your computer must be in good repair and operating condition to carry out your day-to-day operations. We require CFOs to have a computer that can be brought onsite to a client (i.e., a laptop); however, Area Presidents can have a desktop or laptop computer. Area Presidents must also have an iPad or mobile tablet. We do not require a specific laptop, computer, other hardware or internet provider. However, a high-speed access internal line such as DSL or cable modem for your office is strongly recommended.

10.3 Franchisees are required to subscribe to a package of IT services and support from our approved vendor as outlined in Attachment J.

10.4 You provide your own transportation to and from networking and prospect/client meetings.

10.5 The Company will provide each Area President with five (5) Focus CFO branded shirts and each CFO with two (2) Focus CFO branded shirts or upon request the applicable number of Focus CFO logo pins which can be attached to clothing. These should be worn to all group marketing events and to meetings with potential or new clients. Franchisees can purchase additional Focus CFO branded attire from one of our authorized vendors at costs ranging from \$30 to \$150 per shirt.

10.6 You may be required to incur costs to attend required training as set forth in Section 7 and the accompanying Attachment C.

10.7 It is not anticipated that you will personally incur any business expenses on behalf of the clients whom you support. However, if you choose to do so, you will bear the risk of collecting reimbursement for such expenses. All expenses relating to the client's business should be pre-approved by the client and incurred directly by them, subject to their normal, internal approval guidelines.

11. LIABILITY INSURANCE AND INDEMNIFICATION

11.1 We will provide you with business insurance coverage (general liability, crime, and employment practices), subject to standard limitations and indemnification provisions for a professional service business and your ongoing compliance with Focus CFO's policies and standard operating procedures. We presently maintain the following business insurance coverage:

- A. Professional Liability Insurance (\$5,000,000 annual aggregate including costs, charges and expenses, subject to applicable sub-limits)
- B. Employment Practices Liability (\$2,000,000 aggregate for all losses, \$1,000,000 additional for Costs, Charges and Expenses)
- C. Crime (\$500,000 each Claim)

Notwithstanding the above business insurance coverage provided by Focus CFO, you acknowledge and agree that we do not represent or warrant that such business insurance coverage as described in this Section is adequate to protect you from losses in connection with your franchise business. Nothing in this Agreement restricts you from obtaining your own insurance with higher policy limits and/or additional coverage.

11.2 We will use our best efforts to renew the business insurance at the same or increased levels of coverage each year. Our current renewal date is June 15th of each year. As part of our annual renewal process, all Franchisees are required to sign an annual statement prior to our annual renewal each year 1) certifying that they are in compliance with Company policy and procedures and 2) disclosing any known circumstances that could result in a legal claim against Focus CFO, which could then lead to a potential insurance claim.

11.3 We will indemnify you for judgments, settlements, penalties, fines or expenses incurred in a proceeding to which you are a party because you are or were serving as a CFO or Area President of Focus CFO, unless the underlying claim is a result or related to an Adverse Event as defined below. Any indemnification required or authorized under this Section will be recoverable only out of the assets of Focus CFO, and no member, Focus CFO affiliate, or director, manager or officer of Focus CFO or a Focus CFO affiliate, Franchisee, Area President or CFO will have any personal liability with respect thereto.

- A. For purposes of this Agreement, an Adverse Event is deemed to have occurred if Focus CFO determines, in its sole discretion after its review of the surrounding facts and circumstances, that any one or more of the following circumstances or events applies or has occurred with respect to the Franchisee, which includes the individual who is performing the CFO or Area President services on behalf of the Franchisee (referred to as the Equity Owner in Section 19.1) who appears on the signature page hereof:
- i. Franchisee committed an act or omission constituting a felony or involving fraud, embezzlement or other criminal conduct;
 - ii. Franchisee failed to perform or observe any obligation or condition to be performed or observed by the Franchisee under this Agreement, the Online Playbook Center or any other agreement with Focus CFO or any Focus CFO affiliate;
 - iii. Franchisee engaged in any act of dishonesty, misrepresentation, material neglect of duty, or any other act that is materially harmful to Focus CFO, any Focus CFO affiliate, or their reputations, or the customers, other franchisees or members of Focus CFO or any Focus CFO affiliate;
 - iv. Franchisee failed to perform, or was negligent in the performance of, the duties imposed on the Franchisee by Focus CFO or any Focus CFO affiliate;

- v. Franchisee failed to follow the policies or directives of Focus CFO, any Focus CFO affiliate or a Focus CFO client, as such policies or directives are established from time to time; or
- vi. Franchisee engaged in any behavior that caused physical harm to an individual or property or behavior which is coercive, threatening, abusive, exploitive, harassing (including sexual, verbal or physical harassment) or which is otherwise inappropriate in a workplace.

11.4 Franchisee shall hold harmless, defend and indemnify Focus CFO, any affiliate of Focus CFO, all employees, officers, directors, managers, members, successors and assigns of Focus CFO and Focus CFO affiliates (collectively “Focus CFO Indemnitees”) from and against all losses, damages, fines, costs, expenses or liabilities (including reasonable attorneys’ fees, costs of investigation, expert fees and disbursements and all other costs of investigation, arbitration and/or litigation, court costs, settlement amounts, judgments, and compensation for damages to Focus CFO’s reputation and goodwill) incurred in connection with any action, suit, demand, claim, investigation or proceeding, or any settlement thereof, which arises from or is based upon Franchisee’s: (a) violation, breach or asserted violation of any federal, state or local law, regulation or rule; (b) the commission of an act or omission involving a felony or involving fraud, embezzlement or other criminal conduct; (c) breach of any representation, warranty, covenant or provision of this Agreement, the Online Playbook Center or any other agreement between Franchisee and Focus CFO; (d) gross negligence or intentional acts, especially related to work performed for Focus CFO clients, (e) infringement or alleged infringement, of a third party’s patent, copyright, trademark, tradename, trade secrets or other intellectual property or the misuse or disclosure of third party confidential information or (f) any behavior causing physical harm to an individual or property or behavior which is coercive, threatening, abusive, exploitive, harassing (including sexual, verbal or physical harassment) or which is otherwise inappropriate in a workplace. The obligations of this Section shall expressly survive the termination of this Agreement.

11.5 Franchisee shall give Focus CFO immediate notice of any such action, suit, demand, claim, investigation or proceeding that may give rise to a claim for indemnification. Focus CFO has the right to retain counsel of its own choosing in connection with any such action, suit, demand, claim, investigation or proceeding. Focus CFO has the right, at any time without notice, to take such remedial or corrective actions as it deems expedient with respect to any action, suit, demand, claim, investigation or proceeding if, in Focus CFO’s sole judgment, there are grounds to believe any of the acts or circumstances listed in Section 11.3 or 11.4 have occurred. Focus CFO has the right, at any time it considers appropriate, to offer, order, consent or agree to settlements or take any other remedial or corrective actions Focus CFO considers expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in Focus CFO’s sole judgment, there are reasonable grounds to do so. Under no circumstances shall Focus CFO be required or obligated to seek coverage from third parties or otherwise mitigate losses in order

to maintain a claim against Franchisee. The failure to pursue such remedy or mitigate such loss shall in no way reduce the amounts recoverable by Focus CFO from Franchisee.

11.6 The Equity Owner (as identified in Section 19.1) shall be bound by the indemnification obligations contained in this Section 11 of the Agreement.

12. DEFAULT AND TERMINATION

12.1 Termination by Franchisee

You may terminate this Agreement at any time with or without cause on at least fifteen (15) business days' notice. Notwithstanding this requirement, should you know in advance that you intend to terminate this Agreement, we ask that you provide us with additional notice of such termination so that we have additional time to work with you to transfer and transition Focus CFO clients to other franchisees.

12.2 Termination by Franchisor for Cause

We have the right to terminate this Agreement effective immediately for cause upon written notice to you specifying the particulars of the circumstances forming the basis for cause. For purposes of this Agreement, "Cause" is defined as:

- A. You engage in any act of dishonesty, misrepresentation, material neglect of duty, or willful misconduct in connection with the performance of, or the repeated failure to perform, your duties or responsibilities required pursuant to this Agreement or the Online Playbook Center or to a Focus CFO client or the disparagement of Focus CFO, the System or its franchisees;
- B. You engage in any behavior that caused physical, mental or emotional harm to an individual or property or behavior which is coercive, threatening, abusive, exploitive, harassing (including sexual, verbal or physical harassment) or which is otherwise inappropriate in a workplace;
- C. You engage in any activities, behavior or conduct likely to adversely affect the reputation of Focus CFO, the Focus CFO System or the Focus CFO Marks;
- D. You misappropriate for personal use assets or business opportunities of the Company;
- E. You make any unauthorized use of the Focus CFO Marks or unauthorized use or disclosure of any confidential information of Focus CFO;

- F. You engage in or are accused of the commission of an act or omission constituting or involving fraud, embezzlement or other crime which could affect the reputation of Focus CFO, the Focus CFO System or the Focus CFO Marks or you are charged with or indicted for a felony, or convicted of a misdemeanor offense involving moral turpitude;
- G. You fail to comply with any applicable federal, state or local regulations or laws relating to the Franchise, the CFO Services or Focus CFO's business;
- H. If a court enters a decree or order for relief against you in an involuntary case under any applicable bankruptcy, insolvency or other similar law then in effect, or appoints a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) for you or for any substantial part of your property, or orders the wind-up or liquidation of your affairs; or a petition initiating an involuntary case under any such bankruptcy, insolvency or similar law is filed and is pending for thirty (30) days without dismissal; or
- I. You commence a voluntary case under any applicable bankruptcy, insolvency or other similar law in effect, or make any general assignment for the benefit of creditors, fail generally to pay its debts as such debts become due, or acts in furtherance of any of the foregoing.

12.3 Termination for Cause Due to Franchisee's Failure to meet the Company's Performance Standards ("Failure to Perform")

- A. Except as provided in Section 12.2, you will have thirty (30) days from receipt of notice of default from Focus CFO to cure any breach of this Agreement or any other agreement with Focus CFO or any Focus CFO affiliate. If you fail to cure the breach within the thirty (30) day period, Focus CFO will have the right to terminate this Agreement by written notice to you without any further opportunity to cure.
- B. You are expected to meet certain Performance Standards as outlined in Attachment G. Focus CFO will provide written notice of any failure to meet these Performance Standards. If you fail to cure the default of the Performance Standard within thirty (30) days and such failure continues beyond the cure period, or you accumulate three (3) violations of any individual or combination of Performance Standards outlined in Attachment G, Focus CFO will have the right to terminate this Agreement by written notice to you without any further opportunity to cure.

12.4 Disability or death

Should the Equity Owner (as identified by Section 19.1) become physically or mentally disabled or unable to perform the services required pursuant to this Agreement for a period of ninety (90) consecutive days, or for an aggregate period of one hundred twenty (120) days in any one hundred eighty (180) day period, the Company has a right to terminate this Agreement by written notice to you. This Agreement shall terminate immediately upon death.

12.5 Payments

Upon termination of this Agreement for any reason, payments due through the date of termination under Section 8 of this Agreement will be paid to you by Focus CFO, as follows.

- A. For Area Presidents, so long as your Book of Business has not been Transferred pursuant to Section 13, payments for work credited to your Book of Business prior to the date of termination of this Agreement and **collected by Focus CFO within 90 days of the termination of this Agreement** will be paid to you within 120 days of termination of this Agreement.
- B. For CFOs, payments for services performed by you prior to the date of termination of this Agreement **and collected by Focus CFO within 90 days of the termination of this Agreement**, will be paid to you within 120 days of termination of this Agreement.
- C. Except as set forth in this Section 12.5, no other payments will be made to an Area President and CFO following termination.

12.6 Health Insurance

Upon termination of this Agreement, if you were participating in our Medical Insurance program, you may continue to do so provided you comply with all COBRA related policies and procedures, post termination.

12.7 Upon termination or expiration of this Agreement, all rights granted hereunder to you shall terminate and you shall:

- A. Immediately cease to operate as an Area President or CFO and shall not thereafter, directly or indirectly, represent to the public, clients or hold yourself out as a present Franchisee or independent contractor of Focus CFO;
- B. Cease to use the trade secrets, confidential information, and the Focus CFO Marks including, without limitation, all signs, slogans, symbols, logos, advertising materials, stationary, forms and other items which display or are associated with the Marks;

- C. Immediately return to us any and all confidential information and trade secrets including any information retrieved from the Online Playbook Center, records, files, instructions, brochures, agreements, disclosure statements and any and all other materials provided by us to you relating to the operation of Focus CFO (all of which are acknowledged to be Focus CFO's property); and
- D. Comply with all other applicable provisions of this Agreement.

12.8 To the extent permitted by applicable law, Focus CFO has the right to require Franchisee to sign a release in connection with any refund of the Franchise Fee.

13. TRANSFER

13.1 Transfer by Area President

An Area President who desires to Transfer their Franchise ("Transferring Area President") may sell, convey or otherwise transfer their Franchise to another individual ("Recipient Area President") so long as the following conditions have been met:

Conditions to Transfer by Area President

- A. The Transferring Area President must have been a Franchisee for at least (2) years and developed a Book of Business, as defined in Attachment A of this Agreement, with at least \$250,000 of collected (cash basis) revenue during the twelve (12) months preceding the desired Transfer;
- B. The Recipient Area President must be in the same local market and either (i) be an existing Focus CFO franchisee prior to the Transfer and not be in breach of his or her Franchise Agreement or (ii) an individual interested in becoming a franchisee who enters into the then-current Franchise Agreement with Focus CFO;
- C. The Transferring Area President provides to Focus CFO at least ninety (90) days' advance written notice of the Transfer if to an existing franchisee and at least 120 days' notice if to a new franchisee; and
- D. The Transferring Area President and the Recipient Area President shall provide Focus CFO a summary of all material terms and conditions upon which the Transfer is to be made, including but not limited to the purchase price to be paid by the Recipient Area President to the Transferring Area President, if any, and any agreement to split the revenue from the Book of

Business among the Transferring Area President and Recipient Area President, including the percentage split and for how long;

- E. To the extent permitted by applicable law, the Transferring Area President executes a general release; and
- F. Focus CFO provides written consent of the Transfer.

13.2 Post-Transfer Payment

Following the Transfer by an Area President, Focus CFO shall be responsible for making any payments owed by Focus CFO to the Recipient Area President under the terms of the then-current Franchise Agreement. Either Focus CFO or the Recipient Area President can be responsible for making ongoing payments, if any, to the Transferring Area President, based on the written agreement of the Transferring Area President, the Recipient Area President and Focus CFO.

13.3 Consent by Focus CFO Required

Because this is a contract for Franchisee's personal services, the Transferring Area President shall not Transfer all or any of their interest in the Franchise or in any Book of Business, without obtaining the prior written consent of Focus CFO. Focus CFO will not unreasonably withhold its consent to the Transfer provided the above criteria has been met.

13.4 Transfer by CFOs Not Permitted

Franchisees who are CFOs cannot transfer their Franchise.

13.5 Focus CFO's Right to Transfer or Assign.

Focus CFO has the right to Transfer and/or assign this Agreement to any successor business entity without prior notice to, or consent of the Franchisee. You agree and acknowledge that in the event Focus CFO is acquired (whether through acquisition of assets, ownership interests or otherwise regardless of the form of the transaction), this Agreement may be assigned to any successor business entity.

14. NON-COMPETE AND NON-SOLICITATION

14.1 For purposes of restrictions under this Agreement, the Franchisee, the Equity Owner and any Other Equity Owners (as identified in Section 19.1 and 19.3) shall be bound by the covenants and restrictions contained in this Section 14 of the Agreement.

14.2 Non-Compete During Term

During the entire term of this Agreement and any successor franchise terms, unless authorized in writing by Focus CFO, you shall not advertise, promote, offer to provide or provide services which are competitive with Focus CFO's business to a third party. You are, however, free to be involved in other business activities, provided you are able to fully satisfy the Performance Standards required by this Agreement and the Online Playbook Center.

14.3 Non-Solicitation

You acknowledge that all clients and prospective clients of Focus CFO (the "Customers") and all CFOs and Area Presidents, whether or not such Customers or CFOs and Area Presidents are obtained or retained through your efforts, shall be the Customers, Franchisees and independent contractors of Focus CFO.

You agree that during the entire term of this Agreement and any successor franchise terms, and continuing for a period of one year (1) following the expiration or termination of this Agreement, for any reason, unless authorized in writing by Focus CFO, you shall not, either directly or indirectly, on your own behalf or on behalf of or in conjunction with any person, firm, corporation, or other business or legal entity:

- A. employ or engage as an employee, independent contractor, or otherwise, any member, employee, independent contractor, franchisee, officer, director or agent of Focus CFO, or any affiliate of Focus CFO (Focus CFO and its affiliates are collectively referred to herein as the "Focus CFO Consolidated Group");
- B. solicit, approach, endeavor to entice away or have discussions or other communications (regardless of who initiates such discussions or communications) with any member, employee, independent contractor, officer, director, or agent of the Focus CFO Consolidated Group, for the purpose of causing that individual or company to terminate its relationship with the Focus CFO Consolidated Group to become employed or associated with any person, business or organization that offers services that are the same as or substantially similar to the services or products offered by Focus CFO or any of its affiliates;
- C. offer to provide or provide services to any Customer you contacted or had contact with on behalf of Focus CFO or attempt to cause any such Customer not to do business or to decrease the amount of business done with Focus CFO. The restrictions contained in this subsection shall not apply to services which are not, directly or indirectly, in competition with the business then being conducted by Focus CFO; or

- D. encourage, solicit, recommend or otherwise attempt to induce or influence any Customer of Focus CFO, to engage any person or entity other than Focus CFO, or any of its respective affiliates, to perform the types of services provided by Focus CFO.

14.4 Our clients agree not to discuss any potential arrangements or to make offers of employment to any Focus CFO franchisee with whom they have met or worked with as part of their Focus CFO arrangement without first discussing the matter with the applicable Focus CFO Area President. If you sign this Agreement as a CFO, you agree to promptly notify your Area President if you received any offer, verbal or written, from any Focus CFO client. If you sign this Agreement as an Area President, you agree to notify Focus CFO, should any client that you have personally met for the first time since joining Focus CFO, makes an offer, either verbal or written, to you.

Further, you agree that if you accept such an offer with any Focus CFO client, you are not authorized to begin working directly for the client until either you or the Focus CFO client, pay directly to Focus CFO the termination fee which is set forth in the professional service agreement with the Focus CFO client. You acknowledge and agree Focus CFO's damages and lost opportunities upon termination of the Agreement will be difficult to ascertain and that the fee which has been agreed to between the Focus CFO client and Focus CFO is a reasonable estimate thereof and does not constitute a penalty or forfeiture. You also acknowledge that the minimum termination fee outlined in these agreements with our clients is \$75,000 and is subject to future increases. Focus CFO's right to these damages is cumulative with all other available remedies under this Agreement.

14.5 Non-Disparagement

Franchisee hereby agrees that he or she will not, either during the term of this Agreement or at any time following the termination hereof for any reason, disparage Focus CFO, the System or any officer, employee or franchisee of Focus CFO (including any other CFO or Area President), or any business practice employed by Focus CFO or any officer, employee or franchisee thereof through any means of communication, including but not limited to the Internet, blog posts, reviews or social media platforms.

14.6 If any provision of this Section 14, as applied to any party or to any circumstances, is adjudged by a court to be invalid or unenforceable, the same will in no way affect any other provision of this Section 14 or any other part of this Agreement, the application of such provision in any other circumstances, or the validity or enforceability of this Agreement.

14.7 You acknowledge that the restrictive covenants contained in this Section 14 are essential elements of this Agreement and that without their inclusion we would not have entered into this Agreement. You acknowledge that each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of Focus

CFO, the Focus CFO System and the Focus CFO Marks and you waive any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable. If any such provision, or any part thereof, is held to be unenforceable because of the duration of such provision or the area covered thereby, the parties agree that the court making such determination will have the power to reduce the duration and/or area of such provision, and/or to delete specific words or phrases, and in its reduced form such provision will then be enforceable and will be enforced.

15. ADVERTISING

15.1 Focus CFO agrees to promote the Focus CFO Marks and Focus CFO System through the use of advertising or by such other means and such times and in such manner and amount as we shall, in our sole discretion, deem appropriate. Focus CFO shall provide Franchisee with business cards and placement on the Focus CFO website. Focus CFO may provide additional marketing, literature, brochures, sales tools, and workshop and presentation materials as it deems appropriate and in its sole discretion.

15.2 During the term of the Agreement, Franchisee agrees to promote Focus CFO and the CFO Services subject to the following:

- A. Franchisee agrees to promote and offer CFO Services under the Focus CFO Marks and without prefix or suffix or other phrases (including, but not limited to Franchisee's name) and only that name;
- B. All advertising by Franchisee shall be factually accurate and in good taste (in the judgment of Focus CFO) and shall conform to the highest standards of ethical advertising;
- C. Franchisee agrees to refrain from any advertising practice that may be injurious to the business of Focus CFO and the goodwill associated with the Focus CFO Marks; and
- D. Franchisee may develop additional advertising materials for their own use, at their own cost; however, Focus CFO must provide written notice of approval of any such advertising materials that Franchisee develops in advance of use of the advertising material.

15.3 Internet Address; Website.

Franchisee acknowledges and agrees that Franchisee must obtain prior written authorization from Focus CFO if Franchisee desires to have an Internet address or website utilizing any of the Focus CFO Marks or promoting the Focus CFO Services.

15.4 Social Media & Networking.

- A. Franchisee agrees to comply with the terms and conditions of Focus CFO's Social Media Policy when posting on and using social media sites and agrees to remove any online content in violation of such policy as determined by Focus CFO within twenty-four (24) hours of request from Focus CFO. Focus CFO will provide you with such Social Media Policy, which it may modify and amend from time-to-time.
- B. Franchisee acknowledges and agrees that Franchisee must obtain prior written approval to create a social networking account using the Focus CFO Marks or promoting the Focus CFO Services other than the Franchisee's personal accounts, including, without limitation, social networking accounts with LinkedIn, Facebook, Twitter, and Instagram. Franchisee must comply with the written policies of Focus CFO in maintaining such social network accounts and Focus CFO shall have the sole discretion to determine which content should be removed.

15.5 Limitation on Franchisee's Use of Focus CFO Marks.

Franchisee agrees to use the Focus CFO Marks as the sole trade identification of the Focus CFO services. Franchisee shall not use any Focus CFO Mark as part of any corporate or trade name or with any prefix, suffix or other modifying words, terms, designs or symbols or in modified form, nor may Franchisee use any Focus CFO Mark in connection with the sale of any products or the performance of any services not expressly authorized in writing by Focus CFO. Franchisee agrees to prominently display the Focus CFO Marks in the manner prescribed from time-to-time by Focus CFO.

16. CONFIDENTIALITY; MARKS AND INTELLECTUAL PROPERTY

16.1 It is understood that while performing services for clients, you will be provided with, or will have access to confidential information regarding their business, including, their operations, financial statements, products and customers and you will also be provided with confidential information relating to Focus CFO, including but not limited to access to the confidential and proprietary Online Playbook Center ("Confidential Information"). You agree (a) to hold in strict confidence all Confidential Information, (b) not to use, reproduce, publish, disclose or otherwise make known to any person or entity any Confidential Information at any time, (c) limit access to Confidential Information to employees, agents and independent contractors of Focus CFO or the Focus CFO client, as applicable, who have a need-to-know in connection with this Agreement or the PSA, (d) use Confidential Information only for the purposes and in connection with the performance of your obligations under this Agreement and the PSA, as applicable; except to the extent required in the performance of our engagement with a client and authorized by the client or as otherwise required by applicable law.

16.2 You agree to return to Focus CFO all Confidential Information in your possession at the termination or expiration of this Agreement. This includes but is not limited to any information retrieved from the Online Playbook Center. You agree to notify Focus CFO immediately when you learn about unauthorized use of Confidential Information. Focus CFO is not obligated to take any action but will respond as it deems appropriate in its sole discretion.

16.3 During the term of the Agreement, Focus CFO grants you the non-exclusive right to provide CFO Services under the name Focus CFO and use the Focus CFO Marks. Focus CFO shall retain all ownership rights in the Marks. You may only use the Marks as authorized in writing by Focus CFO. You must notify Focus CFO immediately when you learn about an infringement of or challenge to your use of one or more of the Marks. Focus CFO will take the action we think appropriate. Focus CFO will defend any action brought against you to the extent that it is based on a claim that one or more of the Marks infringe upon the rights of a third party, valid and enforceable in the jurisdiction where the Marks are used, provided you notify us promptly in writing of any such claim. We have sole control of the defense and all negotiations for the settlement or compromise of such claim, and you shall cooperate with us in the defense or settlement of any claim. Focus CFO shall have no obligation to you for any claim of infringement based on Marks that have been modified by a party other than Focus CFO, your use of the Marks with non-Focus CFO products or services, or your use of the Marks in a manner otherwise prohibited by this Agreement. You must modify or discontinue the use of a Mark if Focus CFO modifies or discontinues it. You must not directly or indirectly contest our right to the Marks, trade secrets or business techniques that are part of our business.

16.4 You may be provided with information by Focus CFO relative to businesses and organizations, networking contacts within our markets, or business development strategies. All information that we provide to you is a confidential, trade secret of Focus CFO, is proprietary to Focus CFO, and is not to be used for any purpose other than your responsibilities at Focus CFO.

16.5 You may not use any Focus CFO Mark or any portion of any Mark as part of any business entity name.

16.6 You agree not to disclose, directly or indirectly, to Focus CFO or to any client any information or data the disclosure of which would constitute a violation of any obligation to, or infringe on the rights of, any third party.

16.7 We agree and understand that Franchisee is in the business of providing CFO Services and in connection therewith, Franchisee owns various pre-existing materials, tools, methodologies and know-how used to provide CFO Services and may develop after the Effective Date additional materials, tools, methodologies and know-how used to provide Chief Financial Officer services unrelated to the Focus CFO System or Confidential Information (the “Franchisee IP”), which shall remain the sole and exclusive property of Franchisee.

With the exception of the Franchisee IP, Focus CFO is and will be the exclusive owner and deemed author of all information or materials developed, created or required to be delivered to Focus CFO or a Focus CFO client by Franchisee in performing or supporting the CFO Services, including but not limited to reports, data, insights, materials, physical media, information, goods, notes, deliverables, designs, findings, evaluations, plans, processes, software, source code, object code, documentation, and any other information or materials of any kind, whether or not completed, together with all modifications, revisions, changes, copies, partial copies, translations, compilations and derivative works of the foregoing (herein the “Work Product”), and will have the exclusive worldwide right as between the parties to secure or claim copyright, patent, trademark or other intellectual property rights and protection, whether registered or unregistered and including all rights of registrations, applications and renewals thereof (herein “IP Rights”) with respect thereto. Franchisee hereby assigns to Focus CFO, and to the extent it is unable to do so, waives, all of Franchisee’s right, title and interest worldwide in and to the Work Product (including any IP Rights), and will execute such documents as Focus CFO may reasonably request to effectuate Focus CFO’s IP Rights in the Work Product. To the extent Franchisee’s performance under this Agreement constitutes “work made for hire” for Focus CFO under the Copyright Revision Act of 1976, as amended from time to time, the Work Product will be considered “work made for hire”. Upon Focus CFO’s request or upon termination of this Agreement, Franchisee shall immediately provide to Focus CFO the then-current versions of any Work Product not already in Focus CFO’s possession. Unless written authorization provided by Focus CFO, Franchisee shall retain no part or copy of any Work Product, and all Work Product shall be considered Confidential Information of Focus CFO. Focus CFO may assign such rights to the Work Product to the Focus CFO client in the PSA.

To the extent that any Franchisee IP is incorporated into the Work Product or otherwise provided to Focus CFO, you hereby grant to Focus CFO a perpetual, non-exclusive, worldwide, royalty-free, irrevocable license to use, copy, reproduce, distribute, disclose, and create derivative works of, with rights to sublicense, the Franchisee IP for Focus CFO and its affiliates’ present and future business operations including to support the Chief Financial Officer services provided to Focus CFO clients. Franchisee represents and warrants that it has all authority necessary to grant the foregoing license.

17. GENERAL CONDITIONS AND PROVISIONS

17.1 Waiver

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

breach by you of any terms, covenants or conditions of this Agreement. In no event may you make any claim for money damages based upon any claim or assertion that we have unreasonably withheld or delayed any consent or approval under this Agreement. You waive any such claim for damages. You may not claim any such damages by way of set off, counterclaim, or defense. Your sole remedy for the claim will be an action or proceeding to enforce the Agreement provisions consistent with the terms of this Agreement.

17.2 Injunctive Relief

As any breach by you of any of the restrictions contained in Sections 13, 14, 15 and 16 would result in irreparable injury to Focus CFO, and as the damages arising out of any such breach would be difficult to ascertain, in addition to all other remedies provided by law or in equity, we shall be entitled to seek injunctive relief (whether a restraining order, a preliminary injunction or a permanent injunction) against any such breach, whether actual or contemplated. Our right to seek injunctive relief will not affect the parties' waiver of jury trial and covenant to arbitrate all disputes in accordance with Section 18. Our rights herein shall include pursuing injunctive relief through arbitration or in state or federal court.

17.3 Notices and Payments

Any notice, demand, request of other writing required or permitted by this Agreement shall be deemed to have been delivered one (1) business day after transmission by email or three (3) business days after placement in the United States Mail by Registered or Certified Mail, postage prepaid, and addressed as follows, or such other address as the party to which such notice is directed may have designated by notice in writing given pursuant to this paragraph.

If to Focus CFO at the following address:

1010 Jackson Hole Drive, Suite 202
c/o Brad A. Martyn Blacklick, Ohio 43004
b.martyn@focuscfo.com

If to FRANCHISEE:

Personal email: _____

All payments required by this Agreement shall be sent to Focus CFO via wire transfer or ACH payment as follows:

Beneficiary: Focus CFO Group, LLC
Bank: First Merchant Muncie, IN
Routing Number: 074900657
Account Number: 100901552

17.4 Cost of Enforcement or Defense

If Focus CFO or Franchisee is required to enforce this Agreement in a judicial or arbitration proceeding, the prevailing party shall be entitled to reimbursement of its costs, including reasonable accounting and attorneys' fees, in connection with such proceeding.

17.5 Representations by Franchisee

- A. You represent that your execution and delivery of this Agreement and the performance of your services thereunder do not, and will not, breach or conflict with any obligations, including any non-compete, non-solicitation or non-disclosure agreements you have to a previous employer or company, or any obligation you have to keep confidential any information acquired by you prior to the date hereunder.
- B. You represent and agree that you have been urged to consult with your own advisors with respect to the legal, financial and other aspects of the Agreement, the business franchised hereby and the prospects for that business. You represent that you have either consulted with such advisors or have deliberately declined to do so. You further acknowledge that you have conducted an independent investigation of the business franchised pursuant to this agreement and recognize the business venture contemplated by this agreement involves the normal business risks associated with beginning a new business. You acknowledge that you are entering into this Agreement based upon your own investigation and not as the result of any representations of the Company made by the Company's members, officers, directors, employees, agents, representatives, independent contractors, or other Focus CFO franchisees which are contrary to the terms set forth in this Agreement or any franchise disclosure document required or permitted to be given to you pursuant to applicable law.

17.6 Entire Agreement & Amendment

This Agreement, its attachments and the documents referred to herein shall be construed together and constitute the entire, full and complete agreement between Focus CFO and Franchisee

concerning the subject matter hereof and shall supersede all prior agreements. No other representations (other than those within Focus CFO's Franchise Disclosure Document), inducements, promises or agreements, oral or otherwise, between the parties not embodied herein, which are of any force or effect with respect to the matters set forth in or contemplated by this Agreement or otherwise. No amendment, change or variance from this Agreement shall be binding on either party unless executed in writing by both parties; provided however Focus CFO may, from time to time and at its sole discretion, modify, revise, amend or change the Attachments attached hereto upon written notice to Franchisee. Nothing in this Agreement, however, is intended to disclaim the representations we made in the Franchise Disclosure Document that we furnished to you.

17.7 Construction

The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict conclusion shall be applied against any party.

17.8 Severability, Modification and Substitution of Valid Provisions

Except as expressly provided to the contrary in this Agreement, each section, paragraph, term, and provision of this Agreement is severable, and if, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency, or tribunal with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other provisions of this Agreement, which will continue to have full force and effect and bind the parties.

If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, you agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity.

17.9 Waiver

The failure of any party to insist on performance of any of the term or conditions of this Agreement will not be construed as a waiver (express or implied) or relinquishment of any rights granted hereunder or of the future performance of any such term of condition, and the obligations of the parties with respect thereto will continue in full force and effect.

17.10 Survival

Notwithstanding the expiration or termination of this Agreement for any reason whatsoever, all covenants and agreements to be performed and/or observed by you, the Equity

Owner and/or Other Equity Owners (as defined in Section 19) under this Agreement or which by their nature survive the expiration or termination of this Agreement hereof shall survive any such expiration or termination.

17.11 Receipt of this Agreement and Franchise Disclosure Document

You represent and acknowledge that you have received, read and understand this Agreement and the Franchise Disclosure Document; and that the Company has accorded you ample time and opportunity to consult with advisors of your own choosing about the potential benefits and risks of entering into this Agreement. You represent and acknowledge that you have received the Franchise Disclosure Document at least fourteen (14) calendar-days prior to the date on which this Agreement was executed.

17.12 Execution of Franchise Agreement

Execution and delivery of this Agreement and any amendments shall be legally valid and effective through: (i) hand-delivery; (ii) electronic mail in “portable document format” (“.pdf”) or any other electronically scanned format; or (iii) use of an electronic document execution and delivery process (i.e., DocuSign®). This Agreement may be executed in multiple counterparts and Franchisor and Franchisee may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument.

17.13 Force Majeure

Focus CFO shall not be liable to Franchisee for any failure or delay in performing any obligation, in whole or in part, under this Agreement if such failure or delay results directly or indirectly from wars (declared or not), insurrections, riots, fires, floods, explosions, earthquakes, accidents, pandemics, epidemics or quarantine restrictions (whether mandated by any governmental agency or voluntary), acts of God, any act of government or governmental priorities, transportation failures or delays, embargoes, material or parts shortages, strikes, labor trouble causing a cessation or slow down or interruption of work (including labor troubles or other delays at a supplier’s facility) or any other cause beyond Franchisor’s control.

18. DISPUTE RESOLUTION

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

18.2 Consent to Jurisdiction

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

18.3 Cumulative Rights and Remedies

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

18.4 Limitations of Claims

Any claim concerning the Franchise, the franchise business or this Agreement or any related agreement will be barred unless an action for a claim is commenced within one (1) year from the date on which Franchisee or Franchisor knew or should have known, in the exercise of reasonable diligence, of the facts giving rise to the claim.

18.5 Limitation of Damages

Focus CFO and Franchisee each waive, to the fullest extent permitted by law, any right or claim for any punitive damages against the other and agree that if there is a dispute with the other, each will be limited to the recovery of actual damages sustained by it including reasonable accounting and legal fees. Franchisee waives and disclaims any right to consequential damages in any action or claim against Focus CFO concerning this Agreement or any related agreement. In any claim or action brought by Franchisee against Focus CFO concerning this Agreement (other than a claim for the failure to pay any compensation due Franchisee), Franchisee's contractual damages shall not exceed and shall be limited to refund of the Franchise Fee.

18.6 Waiver of Jury Trial

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

18.7 Arbitration

This Agreement evidences a transaction involving commerce and, therefore, the Federal Arbitration Act, Title 9 of the United States Code is applicable to the subject matter contained herein. Except for controversies or claims relating to the ownership of any and all intellectual property rights, including, but not limited to, Focus CFO's Marks, copyrights or the unauthorized use or disclosure of Focus CFO's Confidential Information, covenants against competition and other claims for injunctive relief, or amounts owed by Franchisee to Focus CFO, all disputes arising out of or relating to this Agreement or to any other agreements between the parties, or with regard to interpretation, formation or breach of this or any other agreement between the parties, shall be settled by binding arbitration conducted in Franklin County, Ohio, in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect.

The proceedings will be held by a single arbitrator agreed upon by the parties or otherwise appointed by the District Court for the State of Ohio and located in Franklin County, Ohio. The decision of the arbitrator will be final and binding upon the parties. Judgment upon the award rendered by the arbitrator may be entered in any court having personal and subject matter jurisdiction. **FRANCHISEE AGREES THAT IT WILL NOT FILE ANY ARBITRATION CLAIM AS A CLASS ACTION, SEEK CLASS ACTION STATUS, OR PERMIT ITS CLAIM TO BE JOINED OR MADE PART OF ANY CLASS ACTION FILED BY ANOTHER. FRANCHISEE FURTHER AGREES THAT IT WILL NOT FILE OR JOIN IN ANY CONSOLIDATED ARBITRATION.**

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

19. OWNERS BOUND

19.1 We require that you enter into this Agreement and operate your business as a corporation, partnership, limited liability company or similar entity (collectively, an "Entity"), but encourage you to obtain legal and tax advice with respect to this issue. Unless otherwise agreed, the Entity should have one equity owner who shall serve as the CFO or Area President ("Equity Owner").

19.2 You acknowledge and agree that all obligations of Franchisee under this Agreement shall apply in their entirety to the Equity Owner.

19.3 If Focus CFO has agreed that the Entity may have multiple equity owners or the Franchise may be a trust, and unless otherwise specified herein or agreed in writing, all obligations of Franchisee under this Agreement shall apply to all other equity owners and all trustees and beneficiaries of such entity or trust ("Other Equity Owners").

19.4 You further acknowledge and agree that the Equity Owner and Other Equity Owners' obligations described in this Agreement are a material and essential obligation; that

non-performance of the obligations adversely and substantially affects Focus CFO and the Focus CFO System.

19.5 The Equity Owner who will be providing the CFO or Area President services will be identified on the signature page of this Agreement. You represent that all Other Equity Owners have been made aware of the obligations under this Agreement and any related agreements and that the Entity or trust is duly organized or formed and validly existing in good standing under the laws of the state of the Entity's incorporation or formation.

[signature page to follow]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby have duly executed this Agreement.

FRANCHISEE

Entity Name_____

By (Name)_____

Signature_____

Title _____

Date:_____

THE INDIVIDUAL PROVIDING THE CFO OR AREA PRESIDENT SERVICES

Printed: _____

Signature: _____

Date: _____

FOCUS CFO GROUP, LLC

By (signature):_____

Printed Name: _____ Brad A. Martyn

Title: _____ Manager

Date:_____

ATTACHMENT A TO THE FRANCHISE AGREEMENT

DEFINITION OF KEY TERMS

1. “**Adverse Event**” has the meaning set forth in Section 11.3;
2. “**Agreement**” or “**Franchise Agreement**” means this agreement entitled “Focus CFO Group, LLC Franchise Agreement” and all attachments, amendments and addendums hereto;
3. “**Area President**” means a Focus CFO Franchisee who works to generate new clients within Focus CFO’s coordinated client development system using the Focus CFO System and Focus CFO Marks;
4. “**Book of Business**” means the cash basis revenue from Focus CFO clients that are the result of the business development activities of an Area President and for clients that are assigned to the Area President;
5. “**Cause**” has the meaning set forth in Section 12.2;
6. “**CFO**” means a Focus CFO Franchisee who directly provides on-site CFO support to Focus CFO’s clients using the Focus CFO System and Focus CFO Marks;
7. “**CFO Change Fee**” has the meaning set forth in Section 4.5;
8. “**CFO Services**” has the meaning set forth in the Whereas clauses;
9. “**Client Partnership Program**” means an arrangement with a third-party organization where Focus CFO will pay a referral fee in exchange for new client introductions;
10. “**Company**” means Focus CFO Group, LLC as defined in the introductory paragraph of the Agreement;
11. “**Compensation Policy**” – See Attachment B;
12. “**Confidential Information**” has the meaning set forth in Section 16.1;
13. “**Customer**” or “**Customers**” has the meaning set forth in Section 14.3;
14. “**Effective Date**” means the date on which both Franchisor and Franchisee fully execute this Agreement thereby commencing its effectiveness;
15. “**Entity**” has the meaning set forth in Section 19.1;

16. “**Equity Owner**” has the meaning set forth in Section 19.1;
17. “**Failure to Perform**” has the meaning set forth in Section 12.3;
18. “**Focus CFO Consolidated Group**” has the meaning set forth in Section 14.3;
19. “**Focus CFO Indemnitees**” has the meaning set forth in Section 11.4;
20. “**Focus CFO Marks**” has the meaning set forth in the Whereas clauses;
21. “**Focus CFO System**” has the meaning set forth in the Whereas clauses;
22. “**Franchise**” has the meaning set forth in Section 1.1;
23. “**Franchise Fee**” has the meaning set forth in Section 4.1;
24. “**Franchisee IP**” has the meaning set forth in Section 16.7;
25. “**Franchisee**” means the entity defined as “Franchisee” in the introductory paragraph of the Agreement;
26. “**Franchisor**” means Focus CFO, LLC as defined in the introductory paragraph of the Agreement;
27. “**Group Marketing Team**” has the meaning set forth in Attachment D.
28. “**Initial Term**” has the meaning set forth in Section 2.1;
29. “**IP Rights**” has the meaning set forth in Section 16.7;
30. “**Marks**” has the meaning set forth in the Whereas clauses;
31. “**Online Playbook Center**” means Focus CFO’s online training platform which contains confidential and proprietary information with regards to mandatory specifications, standards and procedures, and rules that Focus CFO periodically prescribes for its Franchisees, as well as continually updated best practice and resource centers;
32. “**Other Equity Owner**” has the meaning set forth in Section 19.3;
33. “**Performance Standards**” has the meaning set forth in Attachment G.
34. “**PSA**” has the meaning set forth in Section 7.5;
35. “**Recipient Area President**” has the meaning set forth in Section 13.1;

36. “**Revenue Sharing Agreement**” means an arrangement with a third-party individual where Focus CFO will pay a referral fee in exchange for new client introductions;
37. “**System**” has the meaning set forth in the Whereas clauses;
38. “**Transfer**” or “**Transferred**” means to sell, convey or otherwise dispose of;
39. “**Transferring Area President**” has the meaning set forth in Section 13.1;
40. “**Work Product**” has the meaning set forth in Section 16.7.

ATTACHMENT B TO THE FRANCHISE AGREEMENT

COMPENSATION POLICY (EFFECTIVE AS OF APRIL 30, 2021)

The Company has the right to modify the provisions of this Compensation Policy as set forth in your Franchise Agreement.

1. Area Presidents:
 - A. Area Presidents are paid twenty percent (20%) of their Book of Business.
 - B. With the consent of Focus CFO, a portion of the Area President's 20% can be paid to a CFO or a third party referral source who has significantly contributed to the generation of a new client by providing the new client introduction to the Area President; however, (i) such compensation shall be deducted from the 20% paid to the Area President and (ii) in the case of a third party referral source, the referral source must be either (a) an approved member of Focus CFO's Client Partnership Program, or (b) have a Revenue Sharing Agreement with Focus CFO, a list of each of which is maintained by Focus CFO.
 - C. With the consent of Focus CFO, Area Presidents can have billable services associated with a client. In each case, a portion of the monthly client billing is designated internally as "AP Billable Services" and the Area President is paid 60% of the revenue collected by Focus CFO for such work directly performed by the Area President. Area Presidents will also receive the twenty percent (20%) amount on their billable services, above, provided the client is credited to their Book of Business:
 1. Area Presidents who have the expertise to provide CFO-level services to clients, may provide services directly as the CFO on a client account where there is no other CFO assigned. Under this provision, Area Presidents are limited to eight (8) total days a month of billable client work directly as a CFO;
 2. Area Presidents may provide specialized, value-added or recurring client support services as part of our monthly client retainer where there is a CFO working on the account. These services may include, but are not limited to, financial consulting, exit planning, succession planning or coaching;

- D. An Area President who (1) voluntarily converts to a CFO Franchisee or (2) performs more than eight (8) days of billable client work a month as a CFO will not be paid the 20% payment on their Book of Business (as outlined in Section A, above) and will only be paid for the CFO services pursuant to Section 2, below. Focus CFO may convert any Area President who has performed more than eight (8) days of billable client work a month to a CFO Franchisee upon notice to the Area President.
- E. Focus CFO also has the sole discretion and authority to pay other forms of activity-based compensation to Area Presidents on an individual-by-individual and case-by-case basis.

2. CFOs:

- A. All CFOs are paid 60% of the revenue collected by Focus CFO from a Focus CFO client as payment for work directly performed by the CFO.
- B. With the consent of Focus CFO, a CFO will be paid an additional amount equal to 5% of the revenue collected from a Focus CFO client for CFO Services if (i) Focus CFO and the Area President agree the CFO has significantly contributed to the generation of the new client by providing the new client introduction to the Area President; and (ii) such compensation is deducted from the 20% paid to the Area President.
- C. Focus CFO has the sole discretion and authority to pay other forms of activity-based compensation to CFOs on an individual-by-individual and case-by-case basis.

3. All payments are made to Franchisees as Focus CFO fees are collected (not billed) from clients, per the following schedule:

- A. Amounts collected from the 1st day of the month to the 15th day of the month are paid no later than the 25th day of the month; and
- B. Amounts collected from the 16th day of the month to the last day of the month are paid no later than the 10th day of the following month.

ATTACHMENT C TO THE FRANCHISE AGREEMENT

FRANCHISEE TRAINING REQUIREMENTS (EFFECTIVE AS OF APRIL 30, 2021)

The Company has the right to modify the provisions of this Training Policy upon 30 days prior written notice.

After Franchisee has completed their initial training, as defined in Section 6.1 of the Agreement, to Focus CFO's satisfaction, Franchisee is expected to complete other mandatory training and will also have access to other additional training resources that the Franchisee is strongly encouraged they take advantage of.

Mandatory Training which Franchisees are required to attend and successfully complete:

1. All new Franchisees are required to attend a two (2) day New Associate Workshop held twice per year at the Company's training center in Columbus, Ohio. Ongoing participation in future sessions is optional but encouraged for all Franchisees. You will be responsible for any travel and lodging expenses.
2. All new Franchisees are required to participate in monthly Tuesday Night Training and Best Practices sessions during their first year. Franchisees attend specific sessions that are designated for their respective duties as either an Area President or CFO. These sessions will occur virtually. Ongoing participation after the Franchisee's first year is encouraged.
3. Area Presidents are required to participate in a Sandler Sales Training program through our approved vendor, The Ruby Group. The required program includes a 2-day Bootcamp, 16 weeks of Sales Mastery reinforcement training and coaching, and a minimum of eight (8) months of President's Club reinforcement training and coaching. Area Presidents are expected to begin this program within 120 days of signing the Franchise Agreement. The program starts with a 2-day Bootcamp held on-site with The Ruby Group at their training facility in Akron, Ohio. After the completion of Bootcamp, the Area President will begin Sales Mastery which is conducted virtually and includes 90 minutes of virtual instruction held once a week for 16 weeks, plus individualized monthly one-on-one coaching sessions with an assigned Sandler coach. After the completion of Sales Mastery, the Area President will begin President's Club which is conducted virtually and includes 90 minutes of virtual instruction held once a week, plus individualized monthly one-on-one coaching sessions with an assigned Sandler coach. We will pay for the cost of this program up through the eighth month of President's Club. Should an Area President elect to continue to participate in President's Club beyond the required minimum eight (8) months, the Area President is responsible for 100% of the monthly costs for the duration of their participation. The current negotiated cost of the instruction with The Ruby Group is \$500 per month. Area

Presidents are also responsible for their own travel, lodging, food and other out-of-pocket expenses, if applicable.

4. CFOs are required to participate in a Sandler CFO Relationship Building Training program through our approved vendor, The Ruby Group. This program is focused on developing the CFO's skills in the area of relationship building to foster and maintain client relationships. The required program involves one (1) full-day, virtual bootcamp offered twice per year. After the completion of the virtual bootcamp, CFOs are required to attend monthly reinforcement training sessions for six (6) months, which are conducted virtually through The Ruby Group. These monthly sessions are one-hour long and occur on the fourth Tuesday of each month. After the required six months of participation, CFOs are welcome to continue participating in the monthly sessions for as long as the program is offered at no cost to the CFO.

Additional Training which Franchisees are strongly encouraged to take advantage of:

1. All Franchisees are invited to attend "All Hands Conferences," currently held twice a year. One session is held virtually, and one session is held in Columbus, Ohio. You will be responsible for your own travel and lodging expenses.
2. All Franchisee are invited to attend monthly local group meetings which may either be in-person in your local region or virtual. You are responsible for your own travel expenses for these sessions.
3. All Franchisees are encouraged, but not required, to attend outside training to become a Certified Exit Planning Advisor (CEPA). This training is provided through the Exit Planning Institute (EPI). The training consists of a 5-day executive style program which is conducted virtually. After completion of the program the individual takes a certification exam in order to obtain the CEPA designation. The current negotiated cost of this program is \$1,500 and will be paid directly by the Franchisee to EPI.
4. Area Presidents are invited to attend "All AP" training and planning sessions currently held twice a year. One session is held virtually, and one session is held in Columbus, Ohio. Area Presidents are responsible for their own travel expenses for these sessions.
5. From time to time, Focus CFO may hold other additional training sessions either in-person or virtually. If you choose to participate in these sessions, you will be responsible for your own travel and lodging expenses, if applicable.
6. Franchisees are encouraged, but not required, to attend Tuesday Night Training and Best Practices sessions, other than those required for their designated duties as either an Area President or CFO.

ATTACHMENT D TO FRANCHISE AGREEMENT

AREA PRESIDENT RESPONSIBILITIES (EFFECTIVE AS OF APRIL 30, 2021)

The Company has the right to modify the provisions of this Attachment upon 30 days prior written notice.

1. Area Presidents will have the primary responsibility for lead generation, supporting the recruitment of CFOs in their region, and developing a client base through networking and other business development tools by following Focus CFO's core processes.
2. Area Presidents are required to submit weekly reports outlining their participation in Focus CFO business development, group marketing and client delivery activities using the standard Focus CFO format as outlined in the Online Playbook Center. The weekly reports are to protect Focus CFO's brand and the Focus CFO Marks and not to control the Area President's day-to-day operations.
3. Area Presidents will develop and manage an individual "Area Plan." The Area Plan will include networking contacts and business organizations.
4. Area Presidents are responsible for communicating regularly with CFOs regarding the activities and services being provided to each client in the Area President's Book of Business. This includes a review of the 90-day plan for the client each quarter, with the CFO and the client.
5. Area Presidents will assist with identifying and interviewing individuals to serve as CFOs for the Focus CFO client base and developing a CFO team to support group marketing activities (the "Group Marketing Team").
6. Area Presidents will coordinate and lead approved marketing activities, which may include other Area Presidents and CFOs from their region.
7. Area Presidents are responsible for conducting such additional duties and responsibilities as established from time to time by Focus CFO.

ATTACHMENT E TO FRANCHISE AGREEMENT

CFO RESPONSIBILITIES (EFFECTIVE AS OF APRIL 30, 2021)

The Company has the right to modify the provisions of this Attachment upon 30 days prior written notice.

1. CFOs have the primary responsibility to continually bring value added services to clients by following Focus CFO's core processes. Without this, the CFO will not be able to retain their clients on a long-term engagement;
2. CFOs are required to submit weekly reports outlining their participation in Focus CFO business development, group marketing and client delivery activities using the standard Focus CFO format as outlined in the Online Playbook Center. The weekly reports are to protect Focus CFO's brand and the Focus CFO Marks and not to control the CFO's day-to-day operations;
3. CFOs have a responsibility to regularly interact with each client's primary business advisors, especially the client's outside banker and CPA;
4. CFOs are responsible for developing rolling 90-day work plans for each client, reviewing the 90-day plan with the Area President and then with the client;
5. CFOs will regularly participate in group marketing activities within your area. CFOs also play a key role in assisting with business development and lead generation activities for new clients. CFOs who do not regularly participate in group marketing activities may not be given new client assignments;
6. CFOs are responsible for conducting such additional duties and responsibilities as established from time to time by Focus CFO.

ATTACHMENT F TO FRANCHISE AGREEMENT

CLIENT DELIVERY AND LIMITATIONS OF SERVICES (EFFECTIVE AS OF APRIL 30, 2021)

The Company has the right to modify the provisions of these Client Delivery and Limitations of Services upon 30 days prior written notice.

1. Franchisee Responsibilities:
 - A. CFOs' responsibilities and services may include some or all of the following for Focus CFO clients: (1) financial analysis, (2) the development of weekly, monthly, quarterly or annual internal management reporting and information, (3) internal financial, sales, operational and cash flow budgets and forecasts, (4) insights, suggestions, advice and recommendations regarding strategic or business direction for the client, including assisting in the development of strategic and/or business plans, (5) planning and consulting in connection with, or in furtherance of, certain mergers, acquisitions, business sales and combinations ("M&A Transactions") and (6) other related services which are mutually agreed upon.
 - B. All Franchisees' finished work product is subject to an internal assessment by Focus CFO in order to ensure the quality of the work product is in line with the Focus CFO System and Focus CFO Marks. CFOs are asked to work with their Area President and Focus CFO's Director of CFO Support, especially during their first twelve (12) months as a Franchisee, to help ensure they are familiar with any Company best practices and internal resources that may be available to assist them with determining how to best support the client. Focus CFO's right to conduct an assessment of the finished work product is required in order to protect Focus CFO's brand and the Focus CFO Marks, and not to control, restrict or limit Franchisees' day-to-day operations.
 - C. In all cases where Franchisees prepare formal financial packages on behalf of a client to raise outside capital from banks and private investors, the Franchisees should submit the financial package to our Director of CFO Support for review no less than 72 hours before the package goes to the third party. This review is for the Director of CFO Support to give the CFO suggestions on items that the CFO may choose to incorporate into the financial package. This review by our Director of CFO Support is required to protect Focus CFO's brand and the Focus CFO Marks, and not to control, restrict or limit a Franchisee's day-to-day operations.

- D. Franchisees are asked to keep in mind that client services are generally provided on an ongoing, recurring, weekly or bi-weekly basis. If a client asks you to skip weeks or modify the schedule, we generally do not do this, and you are to bring this to the attention of your Area President immediately.
- E. The services you provide to clients are in a support role only. The client must make all decisions related to its business or organization.
- F. CFOs will assist clients in developing financial projections, budgets and forecasts for their businesses. All of these are for “internal use” only and are not to be represented within the client’s organization or to a third party as anything other than “internal use” projections which have been prepared by management. Should these projections be provided to lenders, investors or any other outside party, they are to be represented to all outside parties only as “internal use” projections and not as having been prepared by Focus CFO or a Franchisee. Franchisees will not use the name or trademark of Focus CFO on any such statements, including any designations that these statements have been “prepared by”, or “reviewed by” Focus CFO. CFOs are to include the designation, “*Prepared by management for internal use only*”, as a footnote on the bottom of each page.
- G. Franchisees may assist clients in developing financial projections and models relating to their evaluation of potential transactions to acquire other businesses or business assets or divest themselves of certain business assets. In these cases, Franchisees are not to make any formal determination of the proper purchase price or valuation for a transaction and all decisions related to what is a proper and fair valuation, purchase price and purchase terms are to be made by the client. When these situations arise, all Franchisees are to recommend that before completing any transaction, clients: (i) obtain an independent, third-party valuation from a certified business appraiser on any transaction or potential transaction, (ii) work with an experienced business transaction attorney, and (iii) obtain tax and accounting advice from a qualified CPA.
- H. Should a client desire to provide “external use” financial statements to a third party, Franchisee will assist its independent, outside CPA firm in this area. Any costs associated with the preparation of these external use or third party use financial statements will be paid by the clients and are not included in the client’s fees.
- I. CFOs are to have regular contact (i.e., at least twice a year) with each client’s banker and CPA, as well as any other key advisor, including

attorneys, business coaches, advisory board members, etc. This will assist the CFO in having a better understanding of how the CFO can assist these advisors on the clients the CFO is working with Area Presidents can assist in this, as needed.

- J. Focus CFO does not provide recruiting, placement or staffing services and nothing we do should imply such. If Franchisees are asked to interview or screen any candidate which a client hires for its organization, they should do so only in the capacity of a general review of the individual whom the client may hire. Franchisees will not make any warranty or guarantee, either express or implied, regarding these candidates. Franchisees are to emphasize to each client, that it is the client's responsibility to conduct a background check, internally or via a third party, on all individuals that it is contemplating hiring, especially for key personnel or anyone involved in its internal accounting functions or who will have access to cash for its business or organization.

2. Limitation of Services

- A. Franchisees are never authorized to perform the following on behalf of clients: (1) sign tax returns, (2) render legal opinions, (3) prepare external use financial statements (see below), (4) handle, have access to, or transport cash or deposits or other negotiable instruments, (5) make any decisions with respect to the hiring and firing of personnel, (6) have direct access to investments, (7) make, order or purchase goods for the client, (8) have access to or sign bank checks, including online access for electronic checks or make ACH or wire transfers, (9) have access to check signing machines or signature plates, (10) execute binding documents such as leases, contracts, proposals, etc. on behalf of the Company, (11) provide business valuations or opinions about business valuation, (12) pay any taxes, including withholding taxes, (13) bind a client in an M&A Transaction, (14) directly or indirectly, provide financing for an M&A Transaction, (15) take custody, possession or control of the client's funds or securities in connection with an M&A Transaction, or (16) commit a client, financially or contractually, in any way.
- B. Franchisees are not authorized to accept any form of referral fee or fee sharing arrangement from any third party who is referred, either by you or by Focus CFO, to work with or provide services to a client of Focus CFO.
- C. No Franchisee of Focus CFO, either as Area President or CFO, who is a Certified Public Accountant ("CPA"), or has been a licensed CPA in the past, is permitted to represent themselves as a CPA in any way in connection

with marketing or performing client services on behalf of Focus CFO. This includes no designations of CPA, including inactive status, on business cards, resumes, our website, your LinkedIn page or in any other way. Franchisees are also not to use other forms of professional accounting certifications, or certifications common to public accounting firms, including, but not limited to, Certified Management Accountant (CMA), Chartered Accountant (CA), Certified Valuation Analyst (CVA), or similar designations, in conjunction with their association with Focus CFO. If applicable, you also agree to remove and keep removed any such designation from your personal LinkedIn page or any other public forum over which you have control while a Franchisee.

- D. Franchisees may identify client issues and needs that require the use of other service providers whose costs are not included in the PSA. Should clients decide to use these other service providers, they are to always retain them directly, be billed directly by them, and the client will always be solely responsible for the arrangement with these providers.
- E. While your support to Focus CFO clients will include providing them with insights, suggestions, advice and recommendations, all decisions made in connection with the implementation of such advice and recommendations shall be the responsibility of and made solely by the client. Franchisees are not to perform management functions or make management decisions on behalf of any client.

ATTACHMENT G TO FRANCHISE AGREEMENT

FRANCHISEE PERFORMANCE STANDARDS AND FAILURE TO PERFORM GUIDELINES (EFFECTIVE AS OF APRIL 30, 2021)

The Company has the right to modify the provisions of the Attachment upon 30 days prior written notice.

All Franchisees are expected to meet the performance standards, as referenced in Sections 2.3 (c) and 7.4 (c) of the Franchise Agreement, which are outlined below. If you fail to meet any one of these standards and such failure continues after receiving thirty (30) days' notice from Focus CFO of such failure to meet the standard, or you accumulate three (3) violations of any individual or combination of these standards below, during the term of this Agreement, including repeated violations of the same standard, Focus CFO will have the right to terminate the Agreement by written notice to you without any further opportunity to cure.

1. You must comply with Company policies, as outlined the Online Playbook Center;
2. You must participate in, or attend, at least 75% of the total required training sessions held by Focus CFO;
3. You must consistently demonstrate, follow, and abide by, the Company's Core Values as outlined on the Company's website and in the Online Playbook Center (violations of which can be reported by another Franchisee or Corporate Associate);
4. You must regularly collaborate with other Area Presidents and CFOs in your region;
5. You must demonstrate an ability to follow the Company's core processes and procedures related to business development, new client acquisitions, ongoing client support and client retention;
6. You must not be negligent in the performance of the duties as outlined in the Franchise Agreement or as a result of any Focus CFO client arrangement; and
7. You must follow the policies or directives of Focus CFO, any Focus CFO affiliate or a Focus CFO client, as such policies or directives are established from time to time after written notice by us.

ATTACHMENT H TO FRANCHISE AGREEMENT

AUTHORITY TO BIND THE COMPANY (EFFECTIVE AS OF APRIL 30, 2021)

The Company has the right to modify the provisions of this Attachment upon 30 days prior written notice.

A Franchisee's ability to bind the Company is limited to the following, all of which require the advance approval of Focus CFO:

- A. Professional Services Agreements (PSA). In accordance with the guidelines set forth in Section 7.5 of the Franchise Agreement, Area Presidents are authorized to execute PSA agreements with Focus CFO clients on behalf of Focus CFO, after they have been prepared and approved by Focus CFO. Franchisees are not authorized to make any changes to PSA language or terms without the written authorization of Focus CFO.

- B. Non-Disclosure or Confidentiality Agreements (NDA). All requests for non-disclosure or confidentiality agreements with potential clients or other parties must be reviewed by Focus CFO prior to execution. An Area President or CFO may only be authorized to sign an NDA on behalf of Focus CFO after it has been reviewed and approved in advance by Focus CFO.

- C. Business Associate Agreements (BAA). In accordance with Focus CFO policy, Franchisees are never authorized to execute a BAA as prepared by the client. The Company has a standard BAA that can be provided to a client, in cases when a BAA is required by the client. Franchisees are authorized to execute a BAA only when prepared through the Company's centralized preparation process only. When a BAA is required with a client, Franchisees are also asked to execute additional documentation for Focus CFO indicating the Franchisee is aware of the requirements of the BAA and will be in ongoing compliance with Focus CFO policies and procedures surrounding clients where a BAA in place.

ATTACHMENT I TO FRANCHISE AGREEMENT

**GROUP MEDICAL PROGRAM OVERVIEW
(RATES EFFECTIVE FROM JANUARY 1 TO DECEMBER 31, 2021)**

The Company has the right to modify the provisions of this Attachment upon 30 days prior written notice.

Carrier	UHC	UHC	UHC	UHC
Plan Type	PPO	PPO	H.S.A	H.S.A
Plan Code	CCVX	CCV6	CCVE	CCVJ
Description	OPTION 1	OPTION 2	OPTION 1	OPTION 2
Deductible	\$2,000/\$4,000	\$4,000/\$8,000	\$6,400/\$12,800	\$4,000/\$8,000
Coinsurance	20%	30%	20%	0%
Out of Pocket Maximum	\$6,000/\$12,000	\$6,500/\$13,000	\$7,000/ \$14,000	\$6,250/ \$12,500
PCP Copay	\$15 copay	\$30 copay	Deductible then 20% coinsurance	Deductible then \$30 copay
Specialist Copay	\$50 Designated Network Copay, \$100 Network Copay then deductible does not apply	\$60 copay	Deductible then 20% coinsurance	Deductible then \$60 copay
Urgent Care	\$50 Copay, deductible does not apply	\$50 copay	Deductible then 20% coinsurance	Deductible then \$50 copay
Emergency Room	\$300 + 20% Co-Insurance	\$500 + 30% Co-Insurance	Deductible then 20% coinsurance	Deductible then \$350 copay
Rx Copays	\$10/ \$50 / \$125 deductible then \$100	\$10/ \$65 deductible \$300/\$600 then \$125	Deductible then \$10/\$50 deductible	Deductible then \$10/\$50 deductible
Deductible Type	Embedded	Embedded	Embedded	Embedded

Monthly Coverage Level Per Level	Composite	Composite	Composite	Composite
Employee	\$1,377.12	\$1,205.64	\$1,132.97	\$1,324.87
Employee + Spouse	\$2,754.24	\$2,411.28	\$2,265.95	\$2,649.74
Employee + Child(ren)	\$2,547.67	\$2,230.43	\$2,095.99	\$2,451.01
Employee + Family	\$4,269.05	\$3,737.46	\$3,512.18	\$4,107.08

Carrier	PRINCIPAL	PRINCIPAL w/VSP
Plan Type	Dental	Vision
Monthly Coverage Level Per Level	Composite	Composite
Employee	\$37.63	\$9.39
Employee + Spouse	\$70.84	\$17.75
Employee + Child(ren)	\$80.80	\$18.69
Employee + Family	\$119.17	\$28.93

ATTACHMENT J TO FRANCHISE AGREEMENT

REQUIRED IT SOFTWARE, SERVICES AND SUPPORT (EFFECTIVE AS OF JANUARY 1, 2021)

The Company has the right to modify the provisions of this Attachment upon 30 days prior written notice.

Franchisees are required to maintain the following IT software, services and support on any personal computer that is used to access, send or receive email through the Focus CFO email server, or which is used conduct business in the role of either an Area President or a CFO.

1. An Office 365 license, which includes access to Focus CFO e-mail, Microsoft Office software (Excel, Word, Outlook and PowerPoint), Microsoft Teams video conferencing platform and Microsoft OneDrive file hosting and backup service. CFOs may also need to purchase their own licensed copies of QuickBooks for use with clients, should any assigned client(s) running QuickBooks not provide access.
2. Proactive security monitoring service of your computer(s) for viruses and malware.

Currently, our approved IT vendor, C-Forward provides an annual subscription package of IT services, which is required for all Franchisees who joins after January 1, 2021. The C-Forward package includes the IT software, services, and support, above, as well as, 24/7 live computer support and troubleshooting, proactive monitoring of your computer hardware and software, and monitoring and installation of required software patches and is applicable for up to five (5) computers or devices per Franchisee. The total cost of the C-Forward package is \$1,200 per year, plus applicable sales tax, the cost of which is guaranteed through 2022, but may increase in future years. Focus CFO pays for 50% of this cost for each Franchisee, with Franchisees paying for 50% of the cost. The Franchisee's portion is deducted by the Company from each Franchisee's compensation in January of each year.

For new Franchisees, Focus CFO will pay for 100% of the cost from the date you sign your Franchise Agreement through December 31 of that calendar year, with Franchisees being required to pay for 50% of the package annually starting in January after your start date. However, if a Franchisee has not yet started to earn compensation by January after their start date, Focus CFO will continue to pay for 100% of the cost for the Franchisee's second calendar year.

Franchisees are never authorized to use a computer that is not monitored per the standards above, or if the computer is infected with any form of virus or malware, (i) to send/receive email through the focuscfo.com email server, or (ii) to work at a client location, even if the computer is not connected to the client's network.

Focus CFO reserves the right to modify the required IT services and/or approved vendors.

EXHIBIT D TO THE DISCLOSURE DOCUMENT

AUDITED FINANCIAL STATEMENTS



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

Consent of Independent Accountant

BHM CPA Group, Inc., consents to the use in the Franchise Disclosure Document issued by Focus CFO Group, LLC ("Franchisor") in April 2021, as it may be amended, of our report dated March 1, 2021 relating to the financial statements of Franchisor as of December 31, 2020 and 2019 the years then ended and as of December 31, 2018 and the initial accounting period period April 2, 2018 (date of inception) through December 31, 2018.

Columbus, Ohio
March 19, 2021

BHM CPA Group, Inc.

One East Campus View Blvd. Suite 300 • Columbus, OH 43235 • (614) 389-5775 • FAX (614) 448-4519
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PO Box 687 • 528 S. West Street • Piketon, OH 45661 • (740) 289-4131 • FAX (740) 289-3639

www.bhmcpagroup.com

FOCUS CFO GROUP, LLC AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020, 2019 and 2018

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bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members
Focus CFO Group, LLC
Columbus, Ohio

We have audited the accompanying consolidated balance sheets of Focus CFO Group, LLC and Subsidiary (the Company) (a Limited Liability Company) as of December 31, 2020 and 2019, and the related consolidated statements of income, members' equity, and cash flows for the years ended December 31, 2020, 2019 and the initial accounting period of the Company, April 2, 2018 (date of inception) through December 31, 2018, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated balance sheets referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years ended December 31, 2020, 2019 and the initial accounting period of the Company, April 2, 2018 (date of inception) through December 31, 2018, in accordance with accounting principles generally accepted in the United States of America.

Columbus, Ohio
March 19, 2021

BHM CPA Group, Inc.

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FOCUS CFO GROUP, LLC AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS

As of December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 801,915	\$ 386,383
Accounts receivable	204,204	196,594
Other current assets	<u>28,162</u>	<u>44,321</u>
TOTAL CURRENT ASSETS	1,034,281	627,298
OTHER ASSETS	<u>5,000</u>	<u>8,333</u>
TOTAL ASSETS	<u>\$ 1,039,281</u>	<u>\$ 635,631</u>
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	27,229	26,148
Accrued compensation and payroll	559,864	501,493
Other current liabilities	<u>207,634</u>	<u>18,959</u>
TOTAL LIABILITIES	794,727	546,600
MEMBERS' EQUITY	<u>244,554</u>	<u>89,031</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 1,039,281</u>	<u>\$ 635,631</u>

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

FOCUS CFO GROUP, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF INCOME

Years Ended December 31, 2020, and 2019, and period
April 2, 2018 (date of inception) through December 31, 2018

	<u>2020</u>	<u>2019</u>	<u>2018</u>
REVENUE			
CFO Services	\$ 9,243,086	\$ 8,111,964	\$ 4,851,166
Franchise Fees	299,750	240,500	155,000
TOTAL REVENUE	<u>9,542,836</u>	<u>8,352,464</u>	<u>5,006,166</u>
COMMISSION EXPENSE	<u>7,396,320</u>	<u>6,734,183</u>	<u>4,062,857</u>
GROSS PROFIT	<u>2,146,516</u>	<u>1,618,281</u>	<u>943,309</u>
OPERATING EXPENSES			
Regional Administration	209,847	223,550	126,085
Marketing	69,405	58,617	113,631
Recruiting	231,916	171,165	81,185
Office Expenses	58,656	62,263	59,374
Salaries and Wages	880,253	686,942	391,119
Insurance and Taxes	63,390	54,946	35,173
Outside Services	122,361	118,776	105,230
Training	180,448	143,270	52,719
Other	56,069	61,566	36,727
TOTAL OPERATING EXPENSES	<u>1,872,345</u>	<u>1,581,095</u>	<u>1,001,243</u>
INCOME (LOSS) FROM OPERATIONS	<u>274,171</u>	<u>37,186</u>	<u>(57,934)</u>
OTHER INCOME (EXPENSE)			
PPP loan forgiveness	116,733	-	-
Other expenses	(802)	(5,017)	(4,801)
TOTAL OTHER INCOME (EXPENSES)	<u>115,931</u>	<u>(5,017)</u>	<u>(4,801)</u>
NET INCOME (LOSS)	<u>\$ 390,102</u>	<u>\$ 32,169</u>	<u>\$ (62,735)</u>

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

FOCUS CFO GROUP, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' EQUITY

Years Ended December 31, 2020, and 2019, and period
April 2, 2018 (date of inception) through December 31, 2018

	2020	2019	2018
Balance as of beginning of period	\$ 89,031	\$ 46,010	\$ -
Net income (loss)	390,102	32,169	(62,735)
Contributions	50,421	10,852	108,745
Distributions	<u>(285,000)</u>	<u>-</u>	<u>-</u>
Balance as of end of period	<u>\$ 244,554</u>	<u>\$ 89,031</u>	<u>\$ 46,010</u>

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

FOCUS CFO GROUP, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended December 31, 2020, and 2019, and period
April 2, 2018 (date of inception) through December 31, 2018

	<u>2020</u>	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss)	\$ 390,102	\$ 32,169	\$ (62,735)
Adjustments to reconcile net income (loss) to net cash provided by operating activities			
Depreciation and amortization	3,333	1,667	-
Changes in assets and liabilities:			
Decrease (increase) in accounts receivables	(7,610)	9,917	(206,511)
Decrease (increase) in other current assets	16,159	(39,613)	(4,708)
(Decrease) increase in accounts payable	1,081	(8,375)	34,523
Increase in accrued compensation	58,371	77,866	423,627
(Decrease) increase in other current liabilities	188,675	(614)	19,573
Net cash provided by operating activities	<u>650,111</u>	<u>73,017</u>	<u>203,769</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of intangible asset	-	(10,000)	-
Net cash used by investing activities	<u>-</u>	<u>(10,000)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Members' contributions	50,421	10,852	108,745
Members' distributions	(285,000)	-	-
Net cash (used) provided by financing activities	<u>(234,579)</u>	<u>10,852</u>	<u>108,745</u>
Net change in cash and cash equivalents	415,532	73,869	312,514
Cash and cash equivalents, beginning	<u>386,383</u>	<u>312,514</u>	<u>-</u>
Cash and cash equivalents, ending	<u>\$ 801,915</u>	<u>\$ 386,383</u>	<u>\$ 312,514</u>
SUPPLEMENTAL DISCLOSURES			
Cash paid for income taxes	\$ 463	\$ 359	\$ -

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

FOCUS CFO GROUP, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020, 2019 and 2018

NATURE AND SCOPE OF BUSINESS

Focus CFO Group, LLC ("FocusCFO" or "the Company") was formed as a limited liability company under the laws of the State of Ohio on March 13, 2018. The Company is owned 99% by Focus CFO Holdings, LLC ("the Majority Owner"), an Ohio LLC, and 1% by The CFO Company, LLC ("the Minority Owner"), also an Ohio LLC and a wholly-owned subsidiary of Focus CFO Holdings, LLC. The Company also has a 100% owned subsidiary, Focus CFO Group, LTD ("LTD"). LTD is the company where franchisees of FocusCFO who elect to participate in the Company's group medical insurance plan are compensated. The Company does business under the legal entity name and the trade name "FocusCFO". The Company does not do business under any other names.

The Company was formed for the purpose of offering FocusCFO franchises which it began offering as of April 2, 2018. Effective April 2, 2018, the Company also began providing outsourced Chief Financial Officer Services ("CFO Services") primarily to small and medium size businesses on a fractional, or part-time basis.

The franchise offered is not a traditional franchise model. Clients who are brought into the FocusCFO System enter into contracts with FocusCFO, the franchisor, unlike other franchise opportunities, to ensure that its clients' business practices and reputation are consistent with FocusCFO's quality standards and the reputation of the FocusCFO Marks. Franchisees join FocusCFO as an independent contractor either as a CFO, directly providing on-site CFO Services to FocusCFO clients, or as an Area President, working to generate new clients within our coordinated client development system, both using the FocusCFO System and FocusCFO Marks.

Franchisees are compensated as independent contractors for the services they perform for the FocusCFO clients. Fees generated from these services are allocated between the franchisee and FocusCFO in accordance with the terms of the Franchise Agreement.

As of December 31, 2020, the Company operates in the states of Ohio, Michigan, Indiana, Pennsylvania, Kentucky, North Carolina, South Carolina and Tennessee and is in compliance with registration requirements in those states.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Company have been prepared on the accrual basis of accounting and conform to generally accepted accounting principles. Following is a summary of the significant accounting policies and practices of the Company, which affect significant elements of the accompanying financial statements.

Principles of Consolidation

The consolidated financial statements include the accounts of FocusCFO and its wholly owned subsidiary LTD. All inter-company accounts and transactions have been eliminated in consolidation.

Cash and cash equivalents

Cash and cash equivalents include cash in bank. As of December 31, 2020 and 2019 the Company carried no cash equivalents.

Concentration of credit risk

The cash balances of the Company are held primarily in one financial institution. If cash balances exceed the amounts covered by the Federal Deposit Insurance Corporation, the excess balances could be at risk of loss. Management continually monitors its risks related to its cash balances. There were no losses incurred with respect to this concentration of credit risk.

FOCUS CFO GROUP, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued

December 31, 2020, 2019 and 2018

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Accounts Receivable

The Company directly invoices clients for the CFO services performed by the franchisees. The Company performs back office administrative activities related to collection of these invoices.

Accounts receivable are comprised solely of invoices to clients receiving CFO services. The Company has a close working relationship with the franchisees, continually monitors the balances and has a strong history of collections. Based on this, management believes the accounts receivable as of December 31, 2020 and 2019 are fully collectible. When a receivable is deemed uncollectible, the Company uses the direct write off method.

Intangible Assets

During 2019 the Company incurred costs to implement a new training and resource platform to be utilized by its franchisees. This platform is considered to have a useful life of three years. Amortization expense for the years ended December 31, 2020, 2019 and the period April 2 through December 31, 2018 was \$3,333, \$1,667 and \$0, respectively, and was included in training expense on the consolidated statements of income. Accumulated amortization was \$5,000 and \$1,667 as of December 31, 2020 and 2019, respectively.

Accrued Compensation and Payroll

Franchisees are compensated as independent contractors and receive compensation payments on invoiced services they have provided to FocusCFO clients after these amounts are collected by the Company. The Company remits compensation payments to independent contractors within 15 days of the end of each month after payments are received from the clients. The Company records compensation payable to franchisees upon collection of invoiced amounts from the client until the next compensation payment date. The Company also estimates and accrues compensation on the outstanding invoices in accounts receivable as of the reporting date. The estimate is based on average blended historic compensation percentages realized in the past twelve months.

The accrued compensation and payroll balances as of December 31, 2020 and 2019 are comprised of the following: 1) accrued compensation on collected amounts during the past month that will be paid within 15 days of year end, 2) estimated accrued compensation that will be due on the future collection of accounts receivable balances, and 3) accrued payroll due to the Company's employees.

Advertising and Marketing Expense

The Company expenses the cost of advertising and marketing as incurred. Advertising and marketing costs charged to operations for the years ended December 31, 2020, 2019 and the period April 2 through December 31, 2018, was \$69,405, \$58,617 and \$113,631, respectively.

Revenue Recognition

The Company has two revenue sources, CFO services provided to clients and revenue from the sale of a franchise.

CFO services are performed under a Professional Service Agreement (PSA) entered into between the client and the Company. The PSA sets forth an established price for the CFO services based on the number of days of service the client requires per month. The Company has determined there is one performance obligation in the PSA. The Company recognizes revenue from CFO services monthly as the services are provided to the clients. The Company does not bill in advance for services to be performed the following month, but clients do sometimes pay in advance. As of December 31, 2020 and 2019, client prepayments were \$148,500 and \$15,033, respectively and included in other current liabilities. As of December 31, 2020, \$147,900 of the client prepayments was related to one client which has a related contingency that may require repayment. There were no client prepayments of this type in 2019.

FOCUS CFO GROUP, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued

December 31, 2020, 2019 and 2018

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Revenue Recognition - Continued

The Company has determined that there is one performance obligation in the franchise agreement which is a two-week training for new franchisees. The franchise fee is due upon signing the franchise agreement and may be fully or partially refundable based on certain criteria set forth in the franchise agreement. The Company recognizes revenue from the sale of a franchise once all the initial training has been provided to a franchisee, and in compliance with the laws governing franchise agreements in the state in which the franchise is located. The initial training is required to be completed within two weeks of the signing of the franchise agreement.

The Company did not have unearned franchise fees as of December 31, 2020 or 2019. The initial term of the franchise agreement is ten years and renews automatically for an additional 10 year term at the expiration of each term of the agreement.

Income Taxes

The members of the Company have consented to the limited liability company form of organization with perpetual terms, and to be taxed as a partnership, which provides for the Company's taxable income or loss to be taxed directly to the members. Accordingly, the accompanying financial statements do not include a provision or credit for income taxes.

The Company complies with Accounting Standards Codification (ASC) 740-10 related to uncertain tax positions. ASC 740-10 prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken on a tax return. Management is not aware of any tax positions that will be taken by the Company on its tax return that they consider to be uncertain. The tax returns to be filed for the year ended 2020 and filed for the years ended 2019 and 2018 are open and subject to examination by the Internal Revenue Service. However, there is no reason to believe the IRS will audit these returns.

Financial Instruments

The Company believes that the carrying amount of its financial instruments, which include cash and cash equivalents, accounts receivable and other current assets and liabilities, approximates fair value based on their short-term duration.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

Payroll Protection Program

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout the United States and the world. On March 27, 2020, The President of the United States (U.S.) signed the Coronavirus Aid, Relief, and Economic Security Act (CARES). The CARES Act aims to reduce the negative economic impact of the coronavirus through the disbursement of \$2.1 trillion in aid and relief to multiple sectors of the U.S. economy. Although the disruption from COVID-19 is currently expected to be temporary, there is significant uncertainty around the duration and the overall impact on the domestic and world economies. Due to this uncertainty, the Company cannot reasonably estimate the impact of COVID-19; however, they have seen disruptions in operations in various segments of the economy at times during the period April through December 2020.

FOCUS CFO GROUP, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued

December 31, 2020, 2019 and 2018

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Payroll Protection Program - Continued

In May 2020, the Company entered into a promissory note with a bank made under the U.S. Small Business Administration's Paycheck Protection Program ("PPP") as part of the CARES Act. There are no prepayment penalties or other financial covenants on these loans. As part of the PPP, if certain criteria relating to the use of the loans and the number of employees retained during the reporting period are met, the loans may be forgiven. In January 2021, management was notified that the PPP loan was fully forgiven, but believes they met the criteria for forgiveness in the year ended December 31, 2020. Management believes that the PPP loan is analogous to how a not-for-profit entity would account for a conditional contribution under ASC 958-605 and should be recognized as revenue when the conditions are substantially met or explicitly waived. Therefore, the Company has recorded the PPP loan funds received totaling \$116,733 as other income on the statement of operations.

COMMITMENTS AND CONTINGENCIES

The Company carries professional liability insurance which covers the Company and its franchisees, subject to policy limits.

The Company may rely on resources from the Majority Owner to support operations and the Majority Owner has committed to continue to provide financial support to the Company sufficient for the Company during the start-up phase.

RELATED PARTY TRANSACTIONS

The Minority Owner holds certain intellectual property which is made available for use by the Company. The Company pays a royalty fee to the Minority Owner for the right have this property made available to it. The amounts paid for the periods ended December 31, 2020, 2019 and the period April 2 through December 31, 2018 were \$500, \$5,000 and \$5,000, respectively, during each period.

LEASES

The Company has no formal leases. The lease for the office space which the Company utilizes is executed by the Majority Owner. The Majority Owner charges 50% of the monthly rent expense under the lease to the Company for its use of the space. The rent expense paid by the Company to the Majority Owner for the periods ended December 31, 2020, 2019 and the period April 2 through December 31, 2018 was \$19,033, \$19,044 and \$12,696, respectively.

SUBSEQUENT EVENTS

Subsequent events were evaluated through March 19, 2021 which is the date the financial statements were available to be issued.

EXHIBIT E TO THE DISCLOSURE DOCUMENT

TABLE OF CONTENTS TO ONLINE PLAYBOOK CENTER

- Section 1: Welcome and Onboarding
 - Welcome to Focus CFO
 - Your Focus CFO Support Team
- Section 2: Company Policy and Procedures
 - Guidelines
 - Confidential Information
 - Code of Ethics
 - No Use of CPA Designation or CPA Services
 - Office in Your Home
- Section 3: Systems
 - Video Conferencing
 - Phone System
 - CRM
 - Recruiting
- Section 4: Orientation and Getting Started
 - Orientation Package
 - Team Environment
 - Core Values
 - Performance Standards and Individual Goals
- Section 5: Group Marketing Process
 - Our Group Marketing Process
- Resources Section 6: Business Development
 - Our Business Development Process
 - Resources
- Section 7: Client Delivery
 - Our Client Delivery Process
 - Resources
- Section 8: Recruiting Process
 - Our Recruiting Process
 - Resources
- Section 9: Learning and Resources Center
- Section 10: Best Practices Video Sessions
- Section 11: Podcasts, Internal Videos and Interviews

EXHIBIT F TO THE DISCLOSURE DOCUMENT

LIST OF CURRENT FRANCHISEES

Ohio

	Name	Entity Name	Phone Number	Email
1	Barker, Ron	Barker Consulting Services LLC	855-236-0600	r.barker@focuscfo.com
2	Baumgartner, David	D R Baumgartner	855-236-0600	d.baumgartner@focuscfo.com
3	Bloom, Dan	Trusted Advisor, LLC	855-236-0600	d.bloom@focuscfo.com
4	Bookman, Forest	FRB Capital, LTD	855-236-0600	f.bookman@focuscfo.com
5	Bortan, Nicoleta	Jefferson Capital Partners, LLC	855-236-0600	n.bortan@focuscfo.com
6	Bourke, J David	Bourke Management Consulting, LLC	855-236-0600	d.bourke@focuscfo.com
7	Brugmann, Wendy	NA	855-236-0600	w.brugmann@focuscfo.com
8	Burns, James	Rose Invest Corporation	855-236-0600	j.burns@focuscfo.com
9	Burns, Richard	Burns Management Consulting LLC	855-236-0600	r.burns@focuscfo.com
10	Butler, Richard	NA	855-236-0600	r.butler@focuscfo.com
11	Cain, Donald	DPC CFO & Accounting Services, LLC	855-236-0600	d.cain@focuscfo.com
12	Cherry, Darren	DAC Business Solutions, LLC	855-236-0600	d.cherry@focuscfo.com
13	Chong, Edward	EuroAsia Direct, LLC	855-236-0600	e.chong@focuscfo.com
14	Clower, Mark	Clower Consulting LLC	855-236-0600	m.clower@focuscfo.com
15	Cole, Dean	The Cole Group, LLC	855-236-0600	d.cole@focuscfo.com
16	Collen, Bruce	CFO4FLOW, LLC	855-236-0600	b.collen@focuscfo.com
17	Collins, James	NA	855-236-0600	j.collins@focuscfo.com
18	Cooksey, Matt	Financial Framing LLC	855-236-0600	m.cooksey@focuscfo.com
19	Cooper, William	Purple Demon Enterprises, LLC	855-236-0600	w.cooper@focuscfo.com
20	Dannhauser, Alfred	NA	855-236-0600	f.dannhauser@focuscfo.com
21	Davis, Jeff	April 1775 LLC	855-236-0600	j.davis@focuscfo.com
22	Derringer, Michael	Personal Finance for Young Adults, LLC	855-236-0600	m.derringer@focuscfo.com
23	Dodson, Michael	Dodson Consulting, LLC	855-236-0600	m.dodson@focuscfo.com
24	Dougherty, Joseph	NA	855-236-0600	j.dougherty@focuscfo.com
25	Ferry, Kathleen	NA	855-236-0600	k.ferry@focuscfo.com
26	Flynn, Thomas	Thomas R Flynn, Inc	855-236-0600	t.flynn@focuscfo.com

	Name	Entity Name	Phone Number	Email
27	Fruscella, Ken	LINKENS LLC	855-236-0600	k.fruscella@focuscfo.com
28	Geise, Peter	Geise Contract Services, LLC	855-236-0600	p.geise@focuscfo.com
29	Gens, Gregory	Gens Consulting, LLC	855-236-0600	g.gens@focuscfo.com
30	Gilbride, James	Career 310, LLC	855-236-0600	j.gilbride@focuscfo.com
31	Gouttiere, David	DMG Consulting, LLC	855-236-0600	d.gouttiere@focuscfo.com
32	Green, David	David Green Global Consulting, LLC	855-236-0600	d.green@focuscfo.com
33	Grimes, Joseph	JAG CFO Consulting LLC	855-236-0600	j.grimes@focuscfo.com
34	Gstalder, Peter	Performance Focused Business Consulting Services, LLC	855-236-0600	p.gstalder@focuscfo.com
35	Hardiman, Joseph	The AJJJ Group LLC	855-236-0600	j.hardiman@focuscfo.com
36	Heinemann, Bruce	S&B Services LLC	855-236-0600	b.heinemann@focuscfo.com
37	Himmelman, Walter	NA	855-236-0600	w.himmelman@focuscfo.com
38	Howard, Chris	CCHOWARD LLC	855-236-0600	c.howard@focuscfo.com
39	Lacy, Jeffrey	Jeff Lacy Consulting, LLC	855-236-0600	j.lacy@focuscfo.com
40	Lang, Patrick	PL CFO Services, LLC	855-236-0600	p.lang@focuscfo.com
41	Lee, Scott	NA	855-236-0600	s.lee@focuscfo.com
42	Maimbourg, Charles	Jackson Parker, LLC	855-236-0600	c.maimbourg@focuscfo.com
43	Martyn, Brad	Cavan Management LLC	855-236-0600	b.martyn@focuscfo.com
44	Matar, Sherif	NA	855-236-0600	s.matar@focuscfo.com
45	McAdams, Robert	NA	855-236-0600	b.mcadams@focuscfo.com
46	McQuade, Ted	Franklin Street Advisors LLC	855-236-0600	t.mcquade@focuscfo.com
47	McKinney, James	JEM CFO, LLC	855-236-0600	j.mckinney@focuscfo.com
48	Miller, Robert	Robertsue, LLC	855-236-0600	b.miller@focuscfo.com
49	Morgan, James	NA	855-236-0600	j.morgan@focuscfo.com
50	Murch, Bob	Central Ohio Business Advisors Inc	855-236-0600	b.murch@focuscfo.com
51	Murch, Richard	RLM Business Consulting, LLC	855-236-0600	r.murch@focuscfo.com
52	O'Keeffe, Richard	The Avemore Group, LTD	855-236-0600	r.okeeffe@focuscfo.com
53	Peter, Todd	Redline Management Co., Inc	855-236-0600	t.peter@focuscfo.com
54	Pletcher, Dante	DTP Professional Services, LLC	855-236-0600	d.pletcher@focuscfo.com
55	Rhodebeck, Lyle	LDR Strategies, LLC	855-236-0600	l.rhodebeck@focuscfo.com
56	Rowlands, James	NA	855-236-0600	j.rowlands@focuscfo.com

	Name	Entity Name	Phone Number	Email
57	Semple, R Jeffrey	Nexgen Sales & Consulting, LLC	855-236-0600	j.semple@focuscfo.com
58	Snyder, Mark	Shining Light Business Solutions LLC	855-236-0600	m.snyder@focuscfo.com
59	Stecki, Robert	Stecki Financial Services, LLC	855-236-0600	b.stecki@focuscfo.com
60	Stevenson, Jim	JBS Enterprises LLC	855-236-0600	j.stevenson@focuscfo.com
61	Tramontana, David	DLT CFO Services LLC	855-236-0600	d.tramontana@focuscfo.com
62	Vermilya, Dale	NorthStar Financial, LLC	855-236-0600	s.vermilya@focuscfo.com
63	Weyer, Brian	Weyer Business Consulting Services LLC	855-236-0600	b.weyer@focuscfo.com
64	Whetstone, Todd	NA	855-236-0600	t.whetstone@focuscfo.com
65	Wilson, John	J. Wilson Advisory Services, LLC	855-236-0600	j.wilson@focuscfo.com
66	Windisch, Michael	ZALTGAB LLC	855-236-0600	m.windisch@focuscfo.com
67	Winkle, Kevin	Steelhead Consulting LLC	855-236-0600	k.winkle@focuscfo.com
68	Zins, James	JZ CFO, LLC	855-236-0600	j.zins@focuscfo.com
69	Zody, Lynnette	Lynnette Cole Zody, LLC	855-236-0600	l.zody@focuscfo.com

Kentucky

	Name	Entity Name	Phone Number	Email
70	Davis, Scott	NA	855-236-0600	s.davis@focuscfo.com
71	Meibers, Christopher	CDM Business Ventures, LLC	855-236-0600	c.meibers@focuscfo.com

Michigan

	Name	Entity Name	Phone Number	Email
72	Doerer, John	Polestar Management Group, LLC	855-236-0600	j.doerer@focuscfo.com
73	Farrington, Jeffry	Echo Consultants, LLC	855-236-0600	j.farrington@focuscfo.com
74	Lordon, Joseph	JVL Financial Consulting, LLC	855-236-0600	j.lordon@focuscfo.com
75	Matukaitis, Lesli	Funk Financial Consulting LLC	855-236-0600	l.matukaitis@focuscfo.com
76	Palmerton, Robert	NA	855-236-0600	b.palmerton@focuscfo.com
77	Spiewak, Rachel	Stirling CFO Services LLC	855-236-0600	r.spiewak@focuscfo.com

North Carolina

	Name	Entity Name	Phone Number	Email
78	Cooper, Kim	C4D Consulting LLC	855-236-0600	k.cooper@focuscfo.com
79	Goebel, William	BGDG LLC	855-236-0600	b.goebel@focuscfo.com
80	Rissman, Martin	Bluebird Business Consulting LLC	855-236-0600	m.rissman@focuscfo.com
81	Stier, Michael	Romi Group LLC	855-236-0600	m.stier@focuscfo.com

Pennsylvania

	Name	Entity Name	Phone Number	Email
82	Bartos, Thomas	ILW LLC	855-236-0600	t.bartos@focuscfo.com
83	Burgman, Jayme	Burgman Financial Services LLC	855-236-0600	j.burgman@focuscfo.com
84	Feger, Randy	RHFeger Consulting LLC	855-236-0600	r.feger@focuscfo.com
85	Hollis, Steve	Stellis LLC	855-236-0600	s.hollis@focuscfo.com
86	Rust, Mark	R Mark Rust Consulting LLC	855-236-0600	m.rust@focuscfo.com
87	Seeley, Eric	Seeley Consulting LLC	855-236-0600	e.seeley@focuscfo.com
88	Vernallis, Mark	NA	855-236-0600	m.vernallis@focuscfo.com
89	Willis, Mitch	Mitch S Willis CFO Services LLC	855-236-0600	m.willis@focuscfo.com

Tennessee

	Name	Entity Name	Phone Number	Email
90	Ford, Brian	Teton Solutions LLC	855-236-0600	b.ford@focuscfo.com
91	Sladoje, George	GS Consulting LLC	855-236-0600	g.sladoje@focuscfo.com
92	Wolf, Brad	BDJ Wolf Consulting LLC	855-236-0600	b.wolf@focuscfo.com

LIST OF FORMER FRANCHISEES

During the last fiscal year, the following Franchisees have left the system.

Ohio

	Name	Entity Name	Last Known Phone Number	Email
	Adkins, Timothy	Act Now Business Solutions, LLC	614-570-6311	tradkins7@gmail.com
	Battaglia, Lewis	Battle Management Group, LLC	216-538-7223	Lbatscatch14@gmail.com
	Bousquet, Annette	Bousquet CFO Services LLC	510-735-4160	bousquetsf@gmail.com
	Huelskamp, Don	NA	740-584-5551	Don.huelskamp@gmail.com
	May, Douglas	Upswing Capital, LLC	614 419 1282	Dmay33@gmail.com
	McDonnell, Bill	Wayfinder Associates LLC	804-291-6210	wamcdonnell@gmail.com
	Operacz, Joe	NA	419-480-7590	joe.operacz@gmail.com
	Seenberg, Barry	Seenberg Group LLC	513-293-0500	seenbergb@gmail.com
	Strawn, Daniel	Strawn, LLC	937-776-1138	Dstrawn333@gmail.com

Michigan

	Name	Entity Name	Last Known Phone Number	Email
	Cobb, Martin	Martin J Cobb LLC	734-368-1339	mcobb@finance-mgt.com
	Ross, Kerri	K2 Financial Consulting LLC	248-891-1472	Kross3060@gmail.com

Pennsylvania

	Name	Entity Name	Last Known Phone Number	Email
	Rouch, Christopher	JCR Enterprises International LLC	Not Available	Not Available (The former franchisee is now deceased)

EXHIBIT G TO DISCLOSURE DOCUMENT

SAMPLE FORM OF GENERAL RELEASE

This General Release (“Release”) is made and entered into on this _____ day of _____, 20 _____ by and between Focus CFO Group, LLC (“Focus CFO”) and _____ (“Franchisee”).

WHEREAS, Focus CFO and Franchisee are parties to a Focus CFO Group, LLC Franchise Agreement (the “Franchise Agreement”) dated _____, granting Franchisee the right to operate a Focus CFO business as [Insert Area President or CFO] under Focus CFO’s proprietary marks and system.

NOW THEREFORE, in consideration of the mutual covenant herein contained, the parties covenant and agree as follows:

Franchisee and its directors, officers, employees, subsidiaries, affiliates, agents, representatives, shareholders, successors and assigns (the “Franchisee Releasing Parties”), hereby release, remise and forever discharge Focus CFO and its directors, officers, employees, subsidiaries, affiliates, agents, representatives, shareholders, successors and assigns (the “Focus CFO Released Parties”), from any and all claims, damages, losses, injuries, suits, debts, liabilities, sums of money, accounts, covenants, controversies, demands, actions, rights and causes of action of whatever kind or nature, at law or in equity, known or unknown, asserted or unasserted, suspected or unsuspected, foreseen or unforeseen, anticipated or unanticipated, accrued or unaccrued, made, brought, or which could have been made or brought, that the Franchisee Releasing Parties may have had or may presently have, against the Focus CFO Released Parties solely in connection with or pertaining to the Franchise Agreement, the business operated under the Franchise Agreement, and/or any other agreement between the Franchisee Releasing Parties and the Focus CFO Released Parties. The Franchisee Releasing Parties also covenant not to sue or otherwise bring a claim against the Focus CFO Released Parties regarding any of the claims being released under this Release. The Franchisee Releasing Parties hereby acknowledge that this release is intended to be a full and unconditional release, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist.

IN WITNESS WHEREOF, the undersigned have executed this Release as of the date written above.

Focus CFO Group, LLC

By: _____

Printed: _____

Title: _____

[INSERT FRANCHISEE NAME]

By: _____

Printed: _____

Title: _____

THE INDIVIDUAL PROVIDING THE CFO OR AREA PRESIDENT SERVICES

Printed: _____

Signature: _____

Date: _____

EXHIBIT H TO DISCLOSURE DOCUMENT

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know, Focus CFO Group, LLC and you are preparing to enter into a Franchise Agreement for the operation of a Focus CFO business. In this Franchisee Disclosure Questionnaire, Focus CFO Group, LLC will be referred to as “we” or “us.” The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we did not authorize and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest and complete responses to each question.

1. Have you received and personally reviewed the Focus CFO Group, LLC Franchise Agreement and each exhibit, addendum and schedule attached to it?

Yes _____ No _____

2. Do you understand all of the information contained in the Franchise Agreement and each exhibit and schedule attached to it?

Yes _____ No _____

If “No”, what parts of the Franchise Agreement do you not understand? (Attach additional pages, if necessary.)

3. Have you received and personally reviewed our Disclosure Document we provided to you?

Yes _____ No _____

4. Do you understand all of the information contained in the Disclosure Document?

Yes _____ No _____

If "No", what parts of the Disclosure Document do you not understand? (Attach additional pages, if necessary.)

5. Have you discussed the benefits and risks of operating a Focus CFO Franchise with an attorney, accountant or other professional advisor and do you understand those risks?

Yes _____ No _____

6. Do you understand that the success or failure of your business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?

Yes _____ No _____

7. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of a Focus CFO Franchise that we or our franchisees operate?

Yes _____ No _____

8. Has any employee or other person speaking on our behalf made any statement or promise concerning a Focus CFO Franchise that is contrary to, or different from, the information contained in the Disclosure Document?

Yes _____ No _____

9. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Focus CFO Franchise?

Yes _____ No _____

10. Has any employee or other person speaking on our behalf made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that we will furnish to you that is contrary to, or different from, the information contained in the Disclosure Document?

Yes _____ No _____

11. If you have answered "Yes" to any of questions 7 through 10, please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered "No" to each of these questions, please leave the following lines blank.

12. Do you understand that in all dealings with you, our officers, directors, employees and agents act only in a representative capacity and not in an individual capacity and these dealings are solely between you and us?

Yes _____ No _____

You understand that your answers are important to us and that we will rely on them.

By signing this Franchisee Disclosure Questionnaire, you are representing that you have responded truthfully to the above questions.

Name of Franchisee/Applicant

Date: _____, 20____

Signature

Name and Title of Person Signing

EXHIBIT I TO THE DISCLOSURE DOCUMENT

MULTI-STATE ADDENDA

FOR THE STATE OF MICHIGAN

1. THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.
 - A prohibition of the right of a franchisee to join an association of franchisees.
 - A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel that deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a Franchise Agreement, from settling any and all claims.
 - A provision that permits a franchisor to terminate a franchise before the expiration of this 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 the failure after being given written notice of the failure and a reasonable opportunity, which in no event need be more than 30 days, to cure the failure.
 - A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials that have no value to the franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchised restaurant are not subject to compensation. This subsection applies only if: (a) the term of the franchise is less than 5 years, and (b) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, 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.
 - A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

- A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration or litigation, to conduct arbitration or litigation at a location outside this state.
 - A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. The subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
 - The fact that the proposed transferee is a competitor of the franchisor or Subfranchisor.
 - The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - The 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.
 - 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 and has failed to cure the breach in the manner provided in ITEM 17(g).
 - 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 a provision has been made for providing the required contractual services.
2. 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.
3. THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL,

RECOMMENDATION OR ENFORCEMENT BY THE ATTORNEY
GENERAL.

4. Any questions regarding this notice should be directed to:

State of Michigan
Consumer Protection Division
Attention: Franchise Bureau
670 G. Mennen Williams Building
525 West Ottawa
Lansing, MI 48933
(517) 373-7117

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

FOR THE STATE OF VIRGINIA

1. The following language is added to the end of the “Summary” section of Item 17(e), entitled **Termination by franchisor without cause**:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise 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.

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

EXHIBIT J TO DISCLOSURE DOCUMENT

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date, stated below:

State	Effective Date
California	N/A
Hawaii	N/A
Illinois	N/A
Indiana	Pending
Maryland	N/A
Michigan	Pending
Minnesota	N/A
New York	N/A
North Dakota	N/A
Rhode Island	N/A
South Dakota	N/A
Virginia	Pending
Washington	N/A
Wisconsin	N/A

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

THIS DISCLOSURE DOCUMENT SUMMARIZES CERTAIN PROVISIONS OF THE FRANCHISE AGREEMENT AND OTHER INFORMATION IN PLAIN LANGUAGE. READ THIS DISCLOSURE DOCUMENT AND ALL AGREEMENTS CAREFULLY.

IF FOCUS CFO GROUP, LLC OFFERS YOU A FRANCHISE, FOCUS CFO MUST PROVIDE THIS DISCLOSURE DOCUMENT TO YOU 14 CALENDAR-DAYS BEFORE YOU SIGN A BINDING AGREEMENT WITH, OR MAKE A PAYMENT TO, THE FRANCHISOR OR AN AFFILIATE IN CONNECTION WITH THE PROPOSED FRANCHISE SALE UNLESS OTHERWISE STATED IN YOUR STATE'S ADDENDUM.

IF FOCUS CFO GROUP, LLC DOES NOT DELIVER THIS DISCLOSURE DOCUMENT ON TIME OR IF IT CONTAINS A FALSE OR MISLEADING STATEMENT, OR A MATERIAL OMISSION, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON, D.C. 20580 AND THE STATE ADMINISTRATOR LISTED IN EXHIBIT A.

Focus CFO Group, LLC's sales agent for this offering is Brad A. Martyn, 1010 Jackson Hole Drive, Suite 202, Blacklick, Ohio 43004, email: b.martyn@focuscfo.com, phone 614-944-5760.

Issuance Date: April 30, 2021

I HAVE RECEIVED A UNIFORM FRANCHISE DISCLOSURE DOCUMENT INCLUDING THE FOLLOWING EXHIBITS ON THE DATE LISTED BELOW:

- A. LIST OF STATE ADMINISTRATORS; STATE DISCLOSURE DOCUMENT EFFECTIVE DATES
- B. LIST OF STATE AGENTS FOR SERVICE OF PROCESS
- C. FRANCHISE AGREEMENT
- D. FINANCIAL STATEMENTS
- E. FRANCHISEE DISCLOSURE QUESTIONNAIRE

Please sign and print your name below, date and return one copy of this receipt to Focus Group, LLC and keep the other for your records.

Date

Signature of Prospective Franchisee

Print Name

Franchisor's Copy - You may return the signed receipt by signing, dating, and mailing it to Stacey Garn, 1010 Jackson Hole Drive, Suite 202, Blacklick, Ohio 43004, email: s.garn@focuscfo.com, phone 614-944-5760.

RECEIPT

THIS DISCLOSURE DOCUMENT SUMMARIZES CERTAIN PROVISIONS OF THE FRANCHISE AGREEMENT AND OTHER INFORMATION IN PLAIN LANGUAGE. READ THIS DISCLOSURE DOCUMENT AND ALL AGREEMENTS CAREFULLY.

IF FOCUS CFO GROUP, LLC OFFERS YOU A FRANCHISE, FOCUS CFO MUST PROVIDE THIS DISCLOSURE DOCUMENT TO YOU 14 CALENDAR-DAYS BEFORE YOU SIGN A BINDING AGREEMENT WITH, OR MAKE A PAYMENT TO, THE FRANCHISOR OR AN AFFILIATE IN CONNECTION WITH THE PROPOSED FRANCHISE SALE UNLESS OTHERWISE STATED IN YOUR STATE'S ADDENDUM.

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