



**ROBOTLAB FRANCHISING, LLC
d/b/a ROBOTLAB CORP**

FRANCHISE DISCLOSURE DOCUMENT

ISSUANCE DATE: APRIL 18, 2025

FRANCHISE DISCLOSURE DOCUMENT



RobotLAB Franchising, LLC
A Delaware limited liability company
950 East State Highway 114 STE 160
Southlake, Texas 76092
415-702-3033
Franchise@RobotLAB.com
www.RobotLAB.com

We offer franchises which operate a retail sales business which includes the sale of advanced robots for automated tasks such as food ordering, delivery, cleaning, guidance, cooking and customer interaction in the restaurant, hospitality, assisted-living, warehouse, government, entertainment, education, and medical industries (the “Franchised Business”). We recommend you will operate from a light industrial warehouse with an office, under the “RobotLAB” mark.

The total investment necessary to begin operation of a RobotLAB Franchised Business is \$278,715 to \$543,464. This includes from \$219,150 to \$220,650 that must be paid to the franchisor or its affiliates.

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Franchise Development Department at RobotLAB Corp via mail at 950 East State Highway 114 STE 160, Southlake, Texas 76092; Tel: +187-RobotLAB ; or at Franchise@RobotLAB.com.

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

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

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

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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 C.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only RobotLAB® business in my area?	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What’s it like to be a RobotLAB® franchised business?	Item 20 or Exhibit C lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this Disclosure Document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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 risks be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation or binding arbitration only in Texas. Out-of-state arbitration may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate with the franchisor in Texas than in your own state.
2. **Spousal Liability.** At the Franchisor's request, your spouse must sign a document making your spouse liable for all financial obligations under the Franchise Agreement, even if your spouse has no ownership interest in the franchise. This Guarantee will place both your and your spouse's marital and personal assets (perhaps including your house) at risk if your franchise fails.
3. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
4. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.
5. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

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

To simplify the language in this franchise Disclosure Document, the franchisor, RobotLAB Franchising, LLC shall be referred to as “RobotLAB Franchising”, “RobotLAB Corp”, “Franchisor”, or “we”, while the individual or entity purchasing the franchised business shall be referred to as “Franchisee” or “you.” If the Franchisee is a corporation, partnership, or other entity, Franchisee or you will refer to all its members, shareholders, and owners.

The Franchisor

We are a Delaware limited liability company organized on January 25, 2023. Our principal place of business is 950 East State Highway 114, STE 160, Southlake, Texas 76092. We do business under our corporate name and under the primary trade name “RobotLAB”. We do not operate a business like the one we offer in this Disclosure Document; we do not conduct any business other than awarding franchises and supporting franchisees. We began offering franchises in April 2023. Our registered agents are disclosed in Exhibit B.

Parents, Predecessors, and Affiliates

We do not have any predecessors or parents.

Our affiliates are:

RobotLAB Inc., a Delaware corporation with a principal business address at 950 East State Highway 114, STE 160, Southlake, Texas 76092, owns certain Marks and intellectual property used in the RobotLAB System, which it licenses to us under a license agreement. RobotLAB Inc. operates a business like the business we offer in this Disclosure Document which will serve as the training and development model for the System.

RobotLAB Financial Services LLC (“RL Financial Services”) is a Delaware limited liability company with a principal business address at 950 East State Highway 114 STE 160 Southlake, Texas 76092. RobotLAB Financial Services offers financing to both franchisees and end-customers.

Except as described above, none of our affiliates will provide products or services to our franchisees. None of our affiliates do any other business nor offer franchises in any line of business.

Franchise Offering

We offer and sell franchises that sell advanced robots designed for automated tasks such as but not limited to, food ordering, delivery, cleaning, guidance, cooking, and customer interaction from a physical retail facility and provide services for these robots which may include installation, deployment, service, and repairs (“Franchised Business”).

You are required to maintain a designated place of business, which is not residential, such as an office, light industrial, or warehouse locations. We recommend a light industrial facility in the operation of your Franchised Business with recommended space ranging from 1,000 to 5,000 square feet (as further described in Item 7 below).

Franchisees operate under the brand name and logo “RobotLAB” (collectively the “Marks”, as further described in Item 13) under the terms of the franchise agreement in the form included in this Disclosure Document, as Exhibit E (the “Franchise Agreement”). Our Franchised Businesses offer high quality automated robots for a multitude of industries for retail. If you enter into a Franchise Agreement, you must pay us a one-time franchise fee upon execution of your Franchise Agreement, as defined below in Item 5 below and in the Franchise Agreement.

Marketing, the System, the Marks, and the Manuals

We have developed a marketing strategy which creates a certain product image in the minds of customers, a business strategy for obtaining and retaining customers, and a distribution method for products and services. We have developed all these areas of business as part of its overall System (the “System”), which you will license from us under the franchise agreement. We use and license certain service marks and trademarks, logos, trade dress, and other commercial symbols (collectively the “Marks”), including but not limited to, the service mark “RobotLAB,” which you will receive the right to use. We may, in the future, modify the Marks as well as add new trademarks, service marks, logos, trade dress, and other commercial symbols.

The purchase of a Franchised Business permits you: (i) to use the Marks; (ii) to obtain access to the distinctive operational and management attributes of the System, including confidential manuals describing complete guidelines for the operation of a Franchised Business (the “Manuals”); (iii) the right to use our Approved Suppliers (see Item 8); and (iv) to receive the benefits of association with an expanding franchising organization, including various forms of opening and operational assistance from us (see Item 11). You must comply with all of the requirements described in the Franchise Agreement and in the Manuals.

The Market and Competition

The market for businesses that offer automated robots for the restaurant, hospitality, assisted-living, warehouse, government, entertainment, education, and medical industries is small, competitive, and growing. As a result, you will likely face significant competition in the future operation of your Franchised Business, both directly and indirectly, from similar retailers as well as other established robotics manufacturers. Several of these competitors may be regional or national systems. Several of these competitors may have significantly greater financial resources than us and you. The market for services offered by Franchised Businesses is not seasonal in nature.

Laws and Regulations Affecting the Business

You must comply with all laws, rules, and regulations governing the operation of the Franchised Business and obtain all licenses and permits necessary to operate your Franchised Business. We have not investigated the laws or regulations applicable to your Franchised Business. You are solely responsible for investigating all applicable federal, state, and local laws and regulations, and your cost to comply with such laws and regulations, and you should do so before purchasing a franchise from us. We strongly suggest that you consult with an attorney, consultant and/or financial advisor regarding such regulations prior to purchasing a franchise from us. Applicable laws and regulations are subject to change.

Your Business may also be subject to various employment regulations concerning wage rates, mandated employee benefits, employment taxes, worker safety, unemployment compensation, workers’ compensation, teenage labor practices, disabled employees, and discrimination in employment practices. You will be subject to the Americans with Disabilities Act which prohibits practices that discriminate against physically and mentally challenged individuals regarding access to public accommodations and employment opportunities. There may be other laws and codes applicable to your Business, and we urge you to make further inquiries about those laws and codes.

ITEM 2.
BUSINESS EXPERIENCE

Chief Executive Officer (CEO): Elad Inbar

Mr. Inbar has served as our CEO since our formation in January 2023. Mr. Inbar has also served as the CEO of all of our affiliates since August 2007 and has continued to the present. Mr. Inbar serves in his current capacities at our offices located at 1900 West Kirkwood Blvd. Suite 5500C, Southlake, Texas 76092.

Vice President of Sales: Cedric Vaudel

Mr. Vaudel has served as our Vice President of Sales since our formation in January 2023. Since September 2016 and continuing through the present, Mr. Vaudel has served as the Vice President of Sales of our affiliate, RobotLAB Inc. Prior roles for Mr. Vaudel include being the head of U.S. Sales for Aldebaran Robotics and SoftBank Robotics. Mr. Vaudel serves in his current capacities at our offices located at 1900 West Kirkwood Blvd. Suite 5500C, Southlake, Texas 76092.

Chief Operating Officer (COO): Priscilla Eklund

Ms. Eklund has served as our COO since our formation in January 2023. Since January 2015 and continuing through the present, Ms. Eklund has served as COO for our affiliate RobotLAB Inc. Ms. Eklund serves in her current capacities at our offices located at 1900 West Kirkwood Blvd. Suite 5500C, Southlake, Texas 76092.

Director of Consumer Success: Paul Knaack

Mr. Knaack has served as our Director of Consumer Success since our formation in January 2023. Since January 2018 and continuing through the present, Mr. Knaack has served as our Director of Consumer Success. Mr. Knaack serves in his current capacities at our offices located at 1900 West Kirkwood Blvd. Suite 5500C, Southlake, Texas 76092.

Director of Franchise Success: Nick Doll

Mr. Doll has served as our Director of Franchise Success since September of 2024, Prior to joining RobotLAB Corp. he served as Vice President of Operations Altitude Trampoline Parks, Director of Franchise Support at Buff City Soap, the Franchise Business Manager at Pie Five Pizza, among many other franchise success positions. Mr. Doll serves in his current capacities at our offices located at 1900 West Kirkwood Blvd. Suite 5500C, Southlake, Texas 76092.

Director of Franchise Development: RJ Andersen

Mr. Andersen is our Franchise Development Director and has held this position since July 2024. He was previously regional manager and senior advisor at United Franchise Group, the Director of Franchise Development of Jimboy North America. Mr. Andersen serves in his capacities at our offices located at 1900 West Kirkwood Blvd. Suite 5500C, Southlake, Texas 76092.

Vice President of Research & Development: Anna Inbar

Since August 2011 and continuing through the present, Ms. Inbar has served as the Vice President of Research & Development for our affiliate, RobotLAB Inc. Ms. Inbar serves in her current capacity at our offices located at 1900 West Kirkwood Blvd. Suite 5500C, Southlake, Texas 76092.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

No bankruptcies are required to be disclosed in this Item.

ITEM 5. INITIAL FEES

Franchise Agreement

When you sign your Franchise Agreement, you must pay to us a non-refundable franchise fee to start onboarding you as a franchisee and reserve your Protected Territory. The initial franchise fee is calculated at a rate equal to \$6.8625 per Qualified Business in a “Block”, which means your first Block requires a minimum initial franchise fee of \$54,900 (the “Franchise Fee”). Your total Franchise Fee is based on the number of Blocks, each equal to 8,000 Qualified Businesses (as defined in Item 12) in your Protected Territory. The minimum size of your Protected Territory is one Block. The initial Franchise Fee described above is calculated and applied uniformly to all our franchisees. The Franchise Fee is not refundable, in whole or in part, under any circumstances and is considered fully earned by us upon payment.

During the 2024 fiscal year we received franchise fees ranging from \$49,410 to \$133,900, which were based on the Blocks purchased by franchisees.

Equipment Package / Initial Inventory

Upon signing the Franchise Agreement, you will also purchase your Equipment Package and pay us a lump sum of \$154,750, as described below (“Equipment Package Fee”). The Equipment Package Fee is calculated per Block in your Protected Territory. The robot or robots, and quantity of robots, we include in the Equipment Package may change from time to time and will be updated based on the current market requirements, software updates, and product availability. The robots in the Equipment Package are your initial inventory, and are yours to sell, not just demo to customers. Once you sell a robot, you will need to purchase another robot (doesn’t have to be the same unit) in order to be able to go to other customers and keep demonstrating robots and closing deals). Although you start with a limited number of robots, you get full access to our entire current and future catalog, and you can purchase any robots at the set discount.

The Equipment Package includes the cost of a combination of robots across multiple segments including cleaning, delivery, and customer service, which will allow you to demonstrate robots to your customers; a “Marketing Kit” that includes your initial supply of brochures, product catalogs, roll-up banners, branded tablecloths, RobotLAB branded apparel, business cards, office signage, and initial software setup fees for owner access (collectively, the “Equipment Package”). These materials will be used in the initial start-up phase and relied upon to promote and market your Franchised Business. The Equipment Package Fee is non-refundable but is not uniform across franchisees.

Initial Training Fee

We will provide you with the Initial Training Program as described in Item 11 of this Disclosure Document. You must pay us a fee equal to \$7,000 which covers your initial trainees. You will be responsible for travel, lodging, and expenses for attending training. Attending additional training sessions will be free of charge.

Mastering Stage Presence Training

You will be required to attend a Mastering Stage Presence training program. We estimate the cost of the program to be between \$2,500 - \$4,000 per attendee. Your owner and every general manager you may employ are required to attend. The fee you pay for stage presence training is non-refundable, paid in a lump sum, and uniform for all franchisees.

Fees Due

The Franchise Fee is due upon execution of the Franchise Agreement. All other fees contemplated in the Item 5 are due at the earlier of (i) 45 days after the signing of the Franchise Agreement, or (ii) prior to the commencement of training. Each of the fees and packages above are calculated uniformly, are nonrefundable, and are deemed earned upon payment.

ITEM 6. OTHER FEES

Type of Fee ¹	Amount	Due Date	Remarks
Royalty Fee	7% of all your Gross Revenue ²	Per transaction	We will deduct this fee from the revenue we collect through our centralized payment systems prior to distributing the balance to you.
Brand Fund Contribution	Currently, 1% of Gross Revenue	Same as Royalty	The purpose of the Brand Fund is to support general development and recognition of the RobotLAB brand. We will deduct this fee from your revenue we collect through our centralized payment systems, prior to distributing the balance to you. We may specify a different Brand Fund contribution, not to exceed 3% of Gross Revenue, upon notice to you.
Local Area Marketing Requirement	3% of Gross Revenue	Per transaction or monthly, as incurred	<p>You will pay us, and we will perform: 1. At least one local event for your Protected Territory, annually; 2. Dedicate a cold-calling campaign to drive leads and appointments for your Protected Territory; 3. Establish a pass-through lead program for all leads and appointments we get in your Protected Territory; 4. Invite you to attend shows and conferences with us, if they are in your Protected Territory; 5. Grant you access to nation-wide corporate accounts we have relationships with; 6. Run Social Media campaigns on your behalf; and 7. Assign existing customers to you, and pay you for the remainder time on their contract for services they paid us to perform.</p> <p>You should spend additional amounts on your own to local vendors and media outlets. We may specify a different Local Area Marketing fee, not to exceed 5% of Gross Revenue upon notice to you.</p>
Transfer Fee	Whichever is greater: (i) \$10,000, or (ii) 25% of the then current franchise fee, per Protected Territory	Before completion of transfer	See Note 3 below. Subject to applicable state law.

Type of Fee ¹	Amount	Due Date	Remarks
Audit Expenses	Cost and expenses related to audit	As invoiced after inspection or audit	Payable only if understatement is greater than 1%. You must submit unaudited P&L reports to us no later than 30 days from the end of each quarter. If there is reasonable uncertainty about the validity of the P&L we may have it audited.
Renewal Fee	Whichever is greater: (i) \$10,000, or (ii) 25% of the then current franchise fee, per Protected Territory	Upon submitting notice of renewal	In addition to payment of the Renewal Fee, you must meet certain conditions to renew your Franchise Agreement. See Item 17 for more information on renewal of your franchise agreement.
Technology Fees	Currently, a base \$794, <i>plus</i> \$161 per person in your organization with an email address or access to any of the online systems, per month	Monthly	<p>Due by the 5th day of every month. Subject to change upon 30 days written notice to you. There is no maximum we can charge you, but we will not unilaterally increase the fee more than 50% annually. As you add employees, your Technology Fee will increase accordingly.</p> <p>This fee gives you and your employees access to all systems REQUIRED to run your Franchised Business, that may include, CRM software such as Salesforce, accounting, marketing, lead- and deal-nurturing automation, dialers and text messaging, online meetings, internal communication, online learning system, task management, customer support and ticketing, Microsoft Office suite, digital contract signing and event management.</p>
Employee Laptops	\$1,500 each	Before initial training, per attendee, and upon onboarding a new employee.	<p>We require you to purchase from us or our affiliate a new laptop with preloaded programs for each new employee.</p> <p>Laptops are not under RobotLAB[®] warranty, and any issues should be processed under manufacturer warranty. We save you time installing and configuring the laptop, systems, and logins to all platforms, during training.</p>
Sales Tablet	\$450 each	Before initial training	We require you to purchase a tablet which we will preload with case study videos you can show customers, like robots working in different environments, and pre-load credit card processing software on the tablet, allowing you to charge customer credit cards directly.
Market Cooperative Contribution	Currently not assessed; capped at a maximum of 5% of Gross Revenue.	As determined upon implementation.	<p>Not currently assessed. If the Franchisor forms a regional advertising or brand awareness co-op, you must contribute to the co-op. Any amount you must contribute to the co-op will be credited against the required local advertising expenditure.</p> <p>Currently there is no Cooperative, but we reserve the right to implement one in the future, whether implemented by us or the franchisees.</p>

Type of Fee ¹	Amount	Due Date	Remarks
			Any Franchisor-owned outlets shall be treated equal to a franchisee outlet as it relates to voting power and implementing fees.
Centrally Managed Key Account Fee (for sales not initiated by you)	10% of the contract amount in your territory, including all future service revenues, is due to you if you choose to perform the services, minus the royalties due	Same as Royalty Fee	<p>We may manage or provide support services to national and/or regional accounts (“Key Accounts”) that require centralized overview and support, and for purposes of responding to requests and referrals for services through the franchise system, managing those relationships, answering calls placed to the toll-free number or a national account on-line access system. You must have our prior approval to provide services to any Key Accounts.</p> <p>By default, you have to opt-in to participate in a national account that we centrally manage, and you may only do so if you have all relevant approved robots and have completed training for each. If you participate in the account, you are required to follow the pricing and service level agreed with the account.</p>
Locally Managed Key Account Fee	You will pay 5% from the initial invoice amount for customers in your Territory, to the entity that opened the Key Account deal	Same as Royalty Fee	We apply this fee when we or other franchisees enter into a contract with a Key Account, but the contracts are managed locally at the location where you will service customers.
Insurance	Actual costs	Upon request by third-party insurance company or directly to RobotLAB	If not facilitated by RobotLAB Admin, payable to third-party insurance provider or if you fail to pay your insurance premium to a third-party insurance company and we pay it on your behalf. Or, in the future event that we aggregate the insurance needs of our franchisees and serve as the broker or provider.
Interest Expenses	Lesser of: (i) 18% per year, or (ii) maximum rate allowed by law	When due	Payable if any fee or other amounts due are not timely paid.
Encroachment Fee	You will split the Gross Profits, 50/50, of sales outside your Protected Territory with either us or the encroached franchisee.	Same as Royalty Fee	<p>You will be required to obtain our written approval before marketing and/or selling to customers outside your Protected Territory, including to Key Accounts, which operate outside your Protected Territory. You will be solely responsible for all expenses associated with any such sales.</p> <p>Imposition of such fees are based upon the facts leading up to the alleged encroachment and the determination of whether to charge such fees will be at our sole discretion.</p>

Type of Fee ¹	Amount	Due Date	Remarks
			“Gross Profits” equals your Gross Revenue minus the cost of goods sold for the products and services sold.
Costs and Attorneys’ Fees	Actual costs	When incurred	We shall recover costs and reasonable attorneys’ fees if we ultimately prevail in a dispute.
Indemnification	Actual costs	Upon the settlement or conclusion of the claim(s) or action(s).	The costs apply to any and all claims filed and pursued by either party, whether through arbitration or litigation.
Credit card processing fee	3.9% of total amount debited	When due, and same as Royalty Fees	Fees will apply if we debit your credit or debit card for any payment to us, or if a customer chooses to pay using a credit or debit card.
Training Fee	\$7,000 training fee will be assessed prior to attending the initial training. Currently, we do not require an additional fee for retraining or additional training.	Prior to attending training	We require franchisee and any member of the team to attend the initial training, additional or retraining can be required by us at any time in our facility. There is no additional charge for the retraining or additional training. Franchisee is responsible for travel, lodging and per diem expenses for themselves or their employees during all trainings. We acknowledge this is a family business, and we welcome, free of charge, any first-degree family members, including children 14 years old and older, to join us for any training and events.
System Non-Compliance Fee	\$500 per instance	Upon invoicing	We may fine you if you do not follow the policies and procedures we provide you in the various manuals.
Equipment Storage Fee	\$750 per month	Upon invoicing	You must have paid for the Equipment Package in full and taken delivery or your equipment within one month of your completing training (“Delivery Deadline”). If you have either not paid the Equipment Package Fee in full or have not scheduled your delivery by the Delivery Deadline, we will store your equipment package and charge you an Equipment Storage Fee each 1 st of every month starting from the first 1 st of a month following the end of training and continuing until your equipment package is shipped.
Late Payment Fee	\$1,000 per late payment plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law)	When due	We may charge a late fee if you fail to make a required payment when due. The late fee applies to all amounts not paid when due until paid in full.

Type of Fee ¹	Amount	Due Date	Remarks
End-Of-Year Summary and New Year Kick-Off Franchise Owner Summit & Attendance Fee	\$750 per attendee	Prior to each Franchise Owner Summit	<p>All Franchisee team members (sales, marketing, technicians, owners, etc.) must attend each Summit (1 per calendar year) at our HQ, or at a place of our choice. If Franchisee personnel cannot attend in person, they must join all sessions remotely. Franchisee must pay to Franchisor an amount equal to the attendance fee for each attendee, regardless of if in person or online. Other additional costs (such as room, board, and travel) are the responsibility of the Franchisee.</p> <p>We welcome, free of charge, any first-degree family members, including children 14 years old and older, to join us for any training and events.</p> <p>We may adjust this fee to match cost of living increases over the term of the agreement.</p>
Approval of Supplier Fee	Reasonable cost of examination and approval of a supplier, requested by Franchisee	Prior to examination	See Section 8(D) in the franchise agreement.

Notes:

1. Except where otherwise noted, all fees are payable to us, are uniformly imposed, and are non-refundable. We require you to allow us to withdraw Royalty Fees, Brand Fund Contributions, Technology Fees, and other fees directly from customers’ payments, and if that is not sufficient, from your bank account. All new franchisees are required to pay the percentage rate or the flat fee at the designated time, as stated in this Disclosure Document.

2. “Gross Revenue” means the total amount of all revenues Franchisee receives from the sale of goods and services, whether for cash or by check, credit card, electronic transfer, or trade, in connection with the Franchised Business, less customer refunds and returns. Gross Revenue will include any sales permitted through the internet and wholesale transactions involving any party other than a RobotLAB® franchisee who is in good standing with Franchisor. Gross Revenue will not include sales tax collected from customers and actually paid to the appropriate tax authorities.

3. You must pay us a transfer fee equal to the greater of: (i) \$10,000 or (ii) 25% of our then-current Initial Franchise Fee per Block that is being transferred to transferee. If a third-party broker locates the transferee, you will also be solely responsible for any broker fees associated with the transfer. There are other conditions for transfer and all conditions must be met before the transfer is approved by us. See Item 17 in this Disclosure Document for additional information regarding transfer.

4. The technology fees cover technology-related services provided by us or approved third-party vendors including, but not limited to, services related to our intranet and extranet platform, current and future digital and on-line training platforms, current and future social and digital media management platforms, email and Microsoft Office suite licenses, marketing software, DocuSign licenses, point-of-sale and customer retention software costs and upgrades to the antivirus and database engine software that supports the software (“Technology Fees”). The Technology Fees are mandatory and are per franchise and additionally, per employee and contractor per month.

**ITEM 7.
ESTIMATED INITIAL INVESTMENT**

A. Your Estimated Initial Investment - Single Territory RobotLAB® Franchised Business

TYPE OF EXPENDITURES ¹	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	LOW ESTIMATE	HIGH ESTIMATE			
Initial Franchise Fee ²	\$54,900	\$54,900	Lump sum	When you sign the Franchise Agreement	Franchisor
Initial Training Fee ³	\$7,000	\$7,000	Lump sum	Earlier of 45 days after you sign the FA or prior to initial training	Franchisor
Stage Presence Training ⁴	\$2,500	\$4,000	As incurred	Earlier of 45 days after you sign the FA or prior to initial training	Franchisor
Equipment Package / Initial Inventory ⁵	\$154,750	\$154,750	Lump Sum	Earlier of 45 days after you sign the FA or prior to initial training	Franchisor
Travel and Living Expenses For Training ⁶	\$500	\$7,500	As arranged	As incurred	Airlines, hotels, restaurants
Rent (3 months) ⁷	\$7,500	\$15,000	As arranged	According to Lease	Lessor/Landlord
Leasehold Improvements ⁸	\$0	\$15,000	As arranged	According to Lease	Lessor/Landlord
Furniture and Fixtures ⁹	\$2,000	\$45,000	As arranged	As incurred	Third-party Suppliers
Grand Opening Marketing ¹⁰	\$2,000	\$15,000	As arranged	As incurred	Third-party Suppliers or to us if you fail to meet required standard 30 days prior to opening.
Computer Systems ¹¹	\$1,500	\$8,000	Lump sum	As incurred	Third-party suppliers or to Franchisor
Technology Fee (3 Months) ¹²	\$2,865	\$4,314	As incurred	As incurred	Franchisor
Business Supplies ¹³	\$1,500	\$3,000	As arranged	Before training	Third-party suppliers
Insurance ¹⁴	\$1,500	\$7,500	As arranged	Before training	Insurance Company
Business Licenses and Permits ¹⁵	\$500	\$2,500	As arranged	As incurred	Governmental Agencies
Professional Fees ¹⁶	\$3,000	\$10,000	As arranged	Before opening	Attorneys, Accountants, etc.

TYPE OF EXPENDITURES ¹	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	LOW ESTIMATE	HIGH ESTIMATE			
Vehicle ¹⁷	\$11,700	\$95,000	As incurred	Before opening	Third-party suppliers
Vehicle Retrofitting ¹⁸	\$0	\$20,000	As incurred	Before opening	Third-party suppliers
Additional Funds - 3 Months ¹⁹	\$25,000	\$75,000	As incurred	As incurred	Employees or third-party suppliers
TOTAL²⁰	\$278,715	\$543,464			

Notes:

1. Except where otherwise noted, all fees that you pay to us are nonrefundable. Refund related questions related to third-party lessors, contractors, suppliers, and vendors will be governed by the terms of each of those respective contracts. All amounts are in United States Dollars (USD).
2. Initial Franchise Fee. The minimum initial Franchisee Fee is \$54,900 and includes one Block. The Franchise Fee is non-refundable and is deemed earned upon receipt. See Item 5.
3. Initial Training Fee. You will be required to pay us the Initial Training Fee as described in Item 5.
4. Stage Presence Training. You will be required to attend a stage presence training program. We estimate the cost of the program to be \$2,500 per attendee. Your owner and General Manager shall be the initial required attendees. You may pay us to organize the training on your behalf or we may require you to contract with our required third-party supplier for conducting the training program.
5. Equipment Package / Initial Inventory. Upon signing the Franchise Agreement, you will pay us a lump sum Equipment Package Fee. The Equipment Package is further described in detail in Items 5, 11, and in the Franchise Agreement (found in Exhibit E).
6. Travel and Living Expenses For Training. This amount includes lodging, meals, and travel expenses for two persons attending the initial training program onsite at our headquarters (see Item 11). However, please note that we may substitute live, in-person training with virtual training, in our sole discretion, in which case the estimated expenses may be less.
7. Rent (if applicable). You are required to rent or lease a designated non-residential facility to be used for the operation of your Franchised Business. The price will vary considerably depending on the following factors, including but not limited to the market, location, square footage (we recommend a minimum of 1,000sqft and around 1,500sqft), age of the property, condition of the structure, rent or lease arrangements, and other such factors. This estimate is based on our knowledge of rent expenses in Dallas, Texas area for light industrial office space. You will be required to use a virtual office service as your main, public address for safety and security.
8. Leasehold Improvements. Leasehold improvement costs, including floor covering, wall treatment, counters, ceilings, painting, window coverings, electrical, carpentry, and similar work. Architect's and contractor's fees are included in this range and will depend on various factors, including: (i) the site's condition, location, and size; (ii) the demand for the site among prospective lessees; (iii) the site's previous use; the build-out required to conform the site for your Franchised Business; and (iv) any construction or other allowances the landlord grants. The lower figure, \$0, provided here under "Leasehold Improvements"

assume that you occupy an existing building that has previously been utilized as a light industrial space and do not require any leasehold improvements. Construction of a new building on a pad site or otherwise likely would require a greater initial investment, the amount of which would depend on market conditions.

Your actual costs will depend on, among other factors, the Franchised Business location, the size of the property, the condition of the premises being remodeled, national and local economic factors, the local costs of material and labor, and the amount of tenant improvement allowances that you are able to obtain, if any. In certain major metropolitan markets such as Boston, Chicago, New York, Los Angeles, San Francisco, Seattle, and Washington, D.C., costs may be higher due to local market rates for materials and labor.

9. Furniture and Fixtures. This estimate includes the furniture and fixtures needed in your facility including, office furniture, tables, chairs, artwork, and signage.

10. Grand Opening Marketing. These estimates include the cost of recommended advertising and marketing strategies and preparing your location utilized during the commencement of your Franchised Business, as outlined in the Manuals. These estimates may include, but are not limited to hosting the event, catering attendees, SEO, SEM, radio, billboard, TV/cable, RobotLAB treatments, car-wrap, and other advertising platforms, which will largely depend on the market, market pricing structure and demand, and availability. All initial advertising and marketing, and your location preparation and grand opening readiness, require final approval from us prior to the opening of your Franchised Business. You will be required to join at least one chamber of commerce in your territory at least 45 days prior to grand opening.

11. Computer Systems. You must use the Computer Systems (defined in item 11) and computer hardware, and printer, which we have approved in the Manuals for the operation of your Franchised Business. We have included the cost for your initial two (2) required laptops and one (1) required sales tablet, and configuration and installation services to conform with our current computer system requirements. This may require you to obtain a license for the Computer Systems from a third-party Approved Supplier or directly from RobotLAB (See Item 11 for more detailed information).

12. Technology Fees. The Technology Fees are mandatory, and cover technology-related services provided by us or approved third-party vendors including, but not limited to, services related to our intranet and extranet platform, current and future digital and on-line training platforms, current and future social and digital media management platforms, point-of-sale and customer retention software costs and upgrades to database engine software that supports the software. As of the date of this Disclosure Document, we charge a base fee of \$794 per franchise for software access, plus \$161 per franchisee team member, per month. You are required to pay for at least one employee on top of your base fee. The high end reflects beginning with three (3) team members. However, we may modify the Technology fees with a minimum of 30 days prior written notice and will not increase the Technology Fees by more than 50% each year.

13. Business Supplies. This amount includes your supplies and inventory necessary to operate the Franchised Business. Your exact investment depends on several factors, including but not limited to your sales volume, relevant inventory levels, transportation costs, financing costs, and similar factors beyond our control. The cost of supplies will increase as your client base and staff grow.

14. Insurance. You must purchase and maintain insurance in the types and amounts described in the Franchise Agreement or Manual. This estimate covers three months' premiums for workers' compensation and commercial liability insurance. Your cost of insurance may vary depending on the insurer, the location of your Business, your claims history, and other factors. You must provide certificates of insurance evidencing coverage which lists us as additional insured, to us on an ongoing basis.

15. Business Licenses or Permits. This amount contemplates the costs of obtaining required business licenses and permits to begin operations of your Franchised Business. This estimate is based on our experiences with business licenses and may vary depending on state and local requirements.

16. Professional Fees. This estimate includes the costs of professional advisors (i.e., attorneys and accountants) for the initial review and advice consistent with the start-up of a Franchised Business.

17. Vehicle. This estimates the costs associated with the purchase and modification of an approved vehicle from our approved suppliers. Your approved vehicle must be properly equipped with an approved vehicle wrap, light bar, two-way camera, and any other specifications we may require. The low end represents a down payment of \$7,500 and three (3) monthly payments of \$1,400 per month. The high end contemplates you purchased the vehicle in full. This is an estimate, and your actual lease cost will depend on your credit score and sales and use tax in your area.

18. Vehicle Retrofitting. You will be required to have a vehicle with certain equipment that meets the needs of a RobotLAB Franchised Business. If you lease your vehicle from our approved vendor, you will not be required to retrofit your vehicle. The high end contemplates that your vehicle will need all modifications we require. We will provide you the specifications in our Manuals. Choosing to retrofit the vehicle yourself will incur costs that are beyond our control, such as adjusting the wrap to your vehicle of choice, hiring a company to wrap it, and installing the lift gate to our specifications, among other expenses. Our approved vendor provides road-ready vehicles as the costs estimated above.

19. Additional Funds (3 Months). This category estimates your pre-operational expenses that are not listed in other categories, as well as any additional funds necessary for the first three (3) months of operational expenses for your Franchised Business, including but not limited, to royalties, employee wages, salaries, payroll taxes, health and workers' compensation, benefits, and staff recruiting expenditures (including payroll to cover the grand opening promotional period and pre-opening training period for your staff); additional legal and accounting fees, additional advertising and marketing, insurance, bank charges, additional supplies and equipment, state tax and license fees, deposits, prepaid expenses, and other miscellaneous expenditures.

20. Total. We developed these estimates based on our management team's experience in the Southlake, Texas area. Except as expressly indicated otherwise, these estimates cover your initial cash investment up to the opening of your Franchised Business and for a period of three months thereafter. They do not provide for your cash needs to cover any financing incurred by you or for other expenses not previously discussed above. You may need more capital to run your business before you start closing deals. We are SBA approved and can introduce you to a broker who can help you apply for an SBA loan.

None of the estimated expenditures listed in the table are refundable, except (i) utility deposits are usually refundable, and (ii) lease security deposits may be refundable. The availability and terms of financing will depend on many factors, including the availability of financing generally, your creditworthiness, other security that you may have, and policies of lending institutions concerning the type of business being operated by you. We do not finance any part of your investment.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must operate your Franchised Business in accordance with the System that we license to you. The System's standards and specifications relating to the establishment, operation, and regulation of your Franchised Business, include but are not limited to, goods, services, supplies, items, equipment, inventory, and real estate fixtures; computer hardware, software, search engine optimization services, client survey services; marketing materials, advertising and sales collateral, use of signs, letterhead, business cards, and other promotional materials; credit card processing services; insurance providers; vehicle manufacturers (including make and model); and all other manufacturers and distributors used in operating your Franchised Business.

You may not contact other robot manufacturers directly and are required to enter all purchase orders from us using the Computer System. Purchasing, leasing, renting, bartering, or trading any products directly with RobotLAB Corp
2025 FDD

manufacturers will be considered an incurable breach of the Franchise Agreement, which will lead to immediate termination of the Franchise Agreement.

We may negotiate programs with manufacturers and suppliers so that franchisees may benefit from volume purchasing and prepaid freight programs. As part of those negotiations, it is possible that we will receive rebates or other material consideration from the vendor related to required purchases made by our franchisees. We may choose to pass such rebates on to the Brand Development Fund, or directly to you, but are not required to do so. We do not currently provide any material benefits to a franchisee based on a franchisee’s purchase of any particular or services or use of particular suppliers.

Third party vendors may charge franchisees directly for products or services. The System’s standards and specifications are based upon our experience within the franchising industry and with various vendors, contractors, and suppliers in the robotics industries. We will provide you with a list of our approved suppliers (“Approved Suppliers”). We retain the sole and absolute discretion to make the final determination on all Approved Suppliers, however, we will consider supplier approval requests from franchisees upon written request. We will approve or disapprove a supplier in writing within 30 days after we receive written notice from you. All suppliers you use must be approved by us before you can use them and may be subject to our training and reporting requirements. Upon your providing notice, we will make available our evaluation criteria to you and your proposed supplier. We may charge you a reasonable fee to cover the cost of evaluating a new supplier. The fee will vary by the product or supplier being reviewed and the extent to which we need to evaluate the new product or supplier.

Insurance. You must obtain insurance as described in the Franchise Agreement and in our Manual, which currently specifies:

Policy	Policy Limits/Description	Required or Recommended
General Liability	\$1,000,000 per occurrence/\$2,000,000 aggregate with the minimum sub-limits must be met: \$1,000,000 Personal & Advertising Injury, \$2,000,000 Products/Completed Operations Aggregate, \$300,000 Damage to Rented Premises and \$10,000 Medical Expense	Required
Owned, Hired & Non-Owned Auto Liability	Minimum \$1,000,000 combined single limit each accident	Required
Workers Compensation and Employers Liability	Minimum limits no less than \$500,000 per accident for bodily injury by accident; \$500,000 policy limit by disease; and \$500,000 per employee for bodily injury by disease or as required by law in your state	Required (if state law requires)
Professional Liability	\$1,000,000 per occurrence/\$1,000,000 aggregate, on an occurrence basis	Required
Special Form property insurance	An amount appropriate to coverage full replacement value of contents. Business Income and Extra Expense must be included on an actual loss sustained basis for a minimum of 12 month	Recommended
1st and 3rd Party Crime	No less than \$25,000 (this requirement can be satisfied with a bond)	Recommended
Umbrella Liability	\$1,000,000 minimum limits to extend over general liability, owned/hired/non-owned liability and employers’ liability	Recommended
Employment Practices Liability (EPL)	\$1,000,000 minimum limit. Coverage must include a 3rd party endorsement	Recommended

Your policies (other than workers' compensation) must list us and all our affiliates as an additional insured, must include a waiver of subrogation in favor of us and our affiliates, must be primary and non-contributing with any insurance carried by us or our affiliates, and must stipulate that we receive 30 days' prior written notice of cancellation. Policy and coverage level deductibles shall not exceed \$5,000 for any coverage required unless a written waiver is granted by us. All insurance companies must carry an A.M. Best's Rating of "A-/Excellent" or better.

We or our affiliates are Approved Suppliers for certain items you are contractually obligated to purchase in the operation of your Franchised Business. RobotLAB Corp, its officers and/or persons affiliated with us, may now or in the future own an interest in RL Financial Services, which is an Approved Supplier of certain items of the System. Ownership interest in any Approved Supplier may include RobotLAB Corp, our officers, our members, our shareholders, and/or persons affiliated with us. Approved Supplier items include, but shall not be limited to, the Equipment Package computer hardware, software, collaboration and communication services, telephone, information management, credit/debit card processing, criminal history background checks, email marketing, online accounting, virtual phone platforms, and client online surveys.

To ensure a uniform image and quality of products and services in operating your Franchised Business and to maintain continuity, you must maintain the standards and specifications of the System in accordance with the Manuals. You must comply with our then-current approved standards and specifications, as detailed in the Manuals, in operating and equipping your Franchised Business. You must use the equipment, including the hardware and software programs for the Computer System that we designate, as well as the signs, items, furnishings, products, supplies, and advertising and sales promotion materials which meet our standards and specifications. In addition, you may sell from your Franchised Business only those products and services that we approve. We periodically publish in the Manuals a list of approved product categories for use by franchisees in the operation of their Franchised Business. We may periodically update and alter these categories of products and services you may sell from your Franchised Business. Our Manuals currently establish standards and specifications for advanced commercial robots, as well as other products and services sold in your Franchised Business. If our Approved Suppliers require you to purchase any products or services, you are required to obtain the required products and services to ensure continued operation of your business and products.

The products or services we require you to purchase or lease from us or Approved Suppliers, in accordance with System's standards and specifications, are referred to collectively as "Required Purchases". We estimate that your Required Purchases in total will be about 40-50% of your total purchases to establish the Franchised Business and about 75-90% of your purchases to continue the operation of your Franchised Business. Please be advised that these percentages do not include any possible lease payments that you may make in connection with your Franchised Business.

We and our affiliates may provide certain administrative, technical, design, and advisory services and data to a limited number of Approved Suppliers and other suppliers. We and/or our affiliates may negotiate supply contracts with our Approved Suppliers or other suppliers under which we are able to purchase products, equipment, supplies, services, and other items at a price that will benefit us and our franchisees. We and/or our affiliate(s) may receive payments or other compensation from Approved Suppliers or any other suppliers on account of these suppliers' dealings with us, our affiliates, you, and other RobotLAB® franchisees. These payments or compensation may come in the form of barter, cash, credit (regardless of collection), rebates, allowances, commissions, or any other forms of compensation. We may use any amounts that we receive from Approved Suppliers and other suppliers for any purpose that we deem appropriate from any and all transactions with RobotLAB® franchisees in the operation of their Franchised Business. We currently do not participate in, nor have we negotiated any purchasing or distribution cooperatives.

During the 2024 fiscal year, we earned \$\$3,496,966 in total revenue, \$2,827,392, or 81%, of our total revenue was derived from all required franchisee leases or purchases. During the 2024 fiscal year, our affiliate, RobotLab Inc., earned \$13,594,190 in total revenue, 13.69% of which was derived from required franchisee leases or purchases. During the 2024 fiscal year, our affiliate RobotLab Financial, earned \$317,613 in total revenue and 0.93% of that total was earned from franchisee required purchases.

ITEM 9. FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Franchise Agreement (FA) Sections 7(A) and 8(O)	Item 11
b. Pre-opening purchases/leases	FA Sections 4(B), 6(C) and 8(D), (O) and (P)	Items 5, 7, and 8
c. Site development and other pre-opening requirements	FA Section 8(B)	Items 6, 7, and 11
d. Initial and ongoing training	FA Sections 7(D) and 8(L)	Items 6, 7 and 11
e. Opening	FA Sections 8 and 15(A)(1)	Item 11
f. Fees	FA Sections 2(B)(4), 4, 5, 6, 8(P), 8(Q) and 14(C)(6)	Items 5, 6, 7, and 11
g. Compliance with standards and policies/ Manual	FA Sections 8(C), (I) and (N)	Items 11 and 16
h. Trademarks and proprietary information	FA Sections 3 and 9	Items 13 and 14
i. Restrictions on products/ services offered	FA Sections 1 and 8(D) and (P)	Items 8, 11, and 16
j. Warranty and customer service requirements	FA Section 8(D)	Item 11
k. Territorial development and sales quotas	FA Section 1(B)	Item 12
l. Ongoing product/service purchases	FA Section 8(D)	Items 8 and 11
m. Maintenance, appearance, and remodeling requirements	FA Sections 2(B)(3) and 8(B) and (E)	Item 11
n. Insurance	FA Section 10	Items 6 and 8
o. Advertising	FA Section 6	Items 6, 7, 8, and 11
p. Indemnification	FA Section 11	Item 6
q. Owner's participation/ management/staffing	FA Sections 7(D) and 8(A) and (J)	Items 11 and 15
r. Records/reports	FA Sections 12(A) and (B)	Item 16
s. Inspections/audits	FA Section 12(C)	Items 6 and 11
t. Transfer	FA Sections 13 and 14	Item 17
u. Renewal	FA Section 2(B)	Item 17
v. Post-termination obligations	FA Section 17	Item 17
w. Non-competition covenants	FA Section 18	Item 17
x. Dispute resolution	FA Section 18(D) and 19	Item 17

Obligation	Section in Agreement	Disclosure Document Item
y. Other: Guaranty of franchisee obligations	FA Sections 9(A), 12(C), 14(B), 18(A), (B) and (C) and 19 (C) and Exhibit B to FA	Item 15

**ITEM 10.
FINANCING**

We do not provide financing for any initial fees or equipment listed in Item 5. We do not guarantee your note, lease, or any other obligation. We are an SBA-approved franchise, and we may introduce you to our SBA broker who might be able to help you obtain an SBA loan. Applying for a loan (from the SBA or other sources) directly, or through our broker, getting approval, delayed closing, and other unexpected gaps in funding, do not change your obligations and payment schedule, as we verify your financial ability to get into this agreement and run the business regardless of your ability to secure loans.

Our affiliate, RL Financial Services, or other financing partners we work with, may be able to finance your customers, and you will be able to offer your customers lease and RaaS (Robot as a Service) models supported by these financing options. Your customer will have to enter a financing or a lease agreement and may or may not be approved for financing based on their credit history, outstanding credit, good standing, or any other parameters. If you purchased a robot for a customer who did not get approved for financing, you are still liable for the payment to us for the robots purchased, even if your customer canceled the order due to financing,

**ITEM 11.
FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING**

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

Pre-Opening Assistance. Before you open your Franchised Business, we will:

- Provide assistance in your evaluation of a Site for a Franchised Business in accordance with the standards and specifications of the System (Franchise Agreement - Section 7(A)). We will provide you with the specifications in our Manuals; we will evaluate your Site selection to ensure it meets our criteria, including but not limited to size, general location, and fitness for RobotLAB purposes; and we will provide you written approval within 30 days. You will be responsible for ensuring your Site conforms to local ordinances, building codes, permitting requirements, and any other construction, remodeling, decorating. If you and we cannot in good faith agree on a Site, we may cancel the Franchise Agreement, and we will not refund the Franchise Fee. We do not generally own the Sites our franchisees lease.
- Provide you with the System standards and specifications for the layout and design of the Franchised Business (Franchise Agreement - Section 7(B)).
- Provide you with a list and specifications of the standard equipment, supplies, signs, and initial custom inventory of the Franchised Business (Franchise Agreement - Section 7(C)). Where we, or our affiliate, are the Approved Supplier, we will provide you with the required equipment and inventory. We will only deliver and/or install equipment and inventory if we are the Approved Supplier and have agreed to do so beforehand.
- Provide the mandatory training program described below (Franchise Agreement - Section 7(D)). You will be required to hire and train your own employees in accordance with the Manuals.

- Provide you with assistance and approval of your opening plan for your Franchised Business (Franchise Agreement Section 7(E)).
- Provide you with electronic copies of the Manuals. You must keep the Manuals confidential, not use them for any other purpose, and return them when the Franchise Agreement terminates (Franchise Agreement - Section 7(F)).
- Assist you in developing a business plan template for your Franchised Business (Franchise Agreement - Section 7(G)).

Ongoing Assistance. During the operation of your Franchised Business, we will:

- Provide consultation as needed to conduct periodic evaluations of your Franchised Business and provide to you feedback to assist you in the operation of your Franchised Business (Franchise Agreement - Section 7(H)).
- Periodically make available all changes to the System via the Manuals electronically (Franchise Agreement - Section 7(H)).
- Periodically furnish you with updated and revised material for the Manuals electronically, (Franchise Agreement - Section 7(H)).
- Develop advertising and marketing materials to assist in promoting your Franchised Business (Franchise Agreement - Section 7(H)).
- If we determine that we may lawfully require you to charge certain prices for goods or services, certain minimum prices for goods or services, or certain maximum prices for goods or services, you must adhere to our pricing policies as set forth in the Manuals or otherwise in writing from time to time (Franchise Agreement – Section 7(H)).

Marketing Programs. Other than as disclosed below, we may but are not required to conduct any advertising and marketing for the RobotLAB® brand. We may conduct marketing on a local, regional, or national level, and either in-house or with a regional or national agency. We will establish and conduct various marketing programs as follows:

Brand Fund

We may use contributions to the Brand Fund to satisfy any and all costs of maintaining, administering, directing, preparing, and producing advertising, social media, public relations, including the cost of preparing and producing television, radio, magazine and newspaper advertising campaigns, the cost of direct mail and outdoor billboard advertising; the cost of public relations activities, social media activities and advertising agencies; the cost of developing and maintaining an internet website and social media pages; and personnel and other departmental costs for advertising that we internally administer or prepare. We may conduct marketing in-house or contract with outside marketing agencies and production companies to produce certain advertising, marketing, and promotional materials on a local, regional, or national scale.

You must pay us a Brand Fund Contribution equal to 1% of your monthly Gross Revenue. This amount may increase to up to 3% upon written notice to you. We administer the use of Brand Fund Contributions collected from franchisees. Not all franchisees will benefit directly or on a pro-rata basis from the Brand Fund's expenditures. We may contribute to the Brand Fund in our sole discretion and be reimbursed later by the Brand Fund. We have not prepared a financial statement as to the collection and use of Brand Fund Contributions, nor are the Brand Fund Contributions audited. Upon your reasonable request, we will provide you an accounting of the most recently completed fiscal year. We are not obligated to spend any

amount of the Brand Fund Contribution on advertising in the area or territory where you are located. We will carry over for future use Brand Fund Contributions not spent in any fiscal year. While we do not anticipate that any part of the Brand Fund will be used for advertising or public relations that are principally a solicitation for the sale of additional franchises, we reserve the right to include a notation in any advertisement indicating that franchises are available. Our affiliate operated outlets are not required to contribute to the Brand Fund but may do so if our management team chooses to do so.

You may print advertising and marketing materials for your own use, at your own cost, as long as you follow the System standards and specifications, as outlined in the Manuals. System guidelines and your materials must be factually correct, accurately depict the Marks, and communicate the RobotLAB® brand position and character that we have established for Franchised Businesses. If you develop advertising or marketing materials, you must provide a copy of the materials to us for our review and written approval before you use the advertising or marketing materials. If you desire to advertise or market on the internet, you must obtain written authorization from us.

During the 2024 fiscal year, collected \$12,904 in Brand Fund Contributions from franchisees. During the 2024 fiscal year we spent \$237,805 on brand awareness such as radio, tv and other media placements, paid ads, conferences, and travel; of that amount spent, we spent 0% on the creation and administration of the Brand Fund.

Local Area Marketing Requirement

In addition to your Brand Fund Contribution, currently you must pay a minimum of 3% of your Gross Revenue to us so we can provide local marketing services for you. We will perform: (a) at least one local event for your Protected Territory annually, (b) dedicate a cold-calling campaign to drive leads and appointments for your Protected Territory; (c) establish a pass-through lead program, for all leads we get from your Protected Territory; (d) invite you to attend shows and conferences with us if they are in your Protected Territory; and (e) allow you to participate in nation-wide corporate deals we have signed. If you fail to pay the required amount in any quarter, we may require you to pay us the shortfall as an additional Brand Fund Contribution or to pay us the shortfall for us to spend on local marketing for your Franchised Business. We may increase the amount of your Local Area Marketing Requirement to a maximum of 5% of your Gross Revenue, upon 30 days' written notice to you. Any advertising or marketing materials must be approved by us in writing prior to your use of such materials. We will include your Business on our website.

We reserve the right to implement a requirement that you spend, independently and in accordance with the Manuals, an amount up to 5% of your Gross Revenue in your local market. This amount is in addition to the amount you pay to us for local marketing currently.

Franchise Advisory Council

During the 2024 fiscal year we implemented a Franchisee Advisory Council ("FAC"). Currently, there are six franchisees that serve on the FAC. We consult the FAC when developing marketing strategy and allocating the use of Brand Fund Contributions. We appoint franchisees to serve as members of the FAC. All FAC members must agree to and sign the FAC bylaws and be in good standing and remain in good standing during their term. All members serve on the FAC for a term determined by us. The FAC serves in an advisory capacity to, among other objectives, provide advice on advertising, research, and promotional activities to us and our outside advertising agencies. We have the power to change or dissolve the FAC.

Local Marketing Cooperative & Expenditures

You also must participate in any local marketing cooperatives ("Cooperative") established by us or by a majority of the Franchised Businesses in the designated market area ("DMA") where two (2) or more unaffiliated franchisees are located, including where you operate your Franchised Business. You will not

be obligated to contribute more than 5% of the Gross Revenue for your Franchised Business to the Cooperative (“Market Cooperative Contribution”) and any Market Cooperative Contributions you make will count toward your Local Area Marketing Requirement.

Each Cooperative must adopt written bylaws, which follow the format we approve. You may request a copy of the bylaws of the Cooperative (if one has been established) for your DMA from the Cooperative president or us, which will be provided within a reasonable time and shall not be unreasonably withheld. Each Cooperative must follow voting procedures that are consistent with the general operating rules that we have established. The members of the Cooperative and their elected officials will administer the Cooperative in your area. We strongly recommend that Cooperatives prepare annual financial statements and make those financial statements available to all franchisees in that Cooperative, but we do not require nor guarantee the Cooperative will do so. We have the power to establish Cooperatives and the bylaws, policies, and rules under which the Cooperatives will operate.

If a franchisor owned outlet joins a Cooperative, it shall have the same voting power, rights, and make contributions equal to a franchisee member.

Computer Systems

You must purchase and use all office management hardware and software (“Local Computer System”) and online computer software programs (“Online Computer Systems”) (collectively, “Computer Systems”), which we have developed or may develop and/or designate for use for the System through Approved Suppliers and you must also purchase such Computer Systems as may be necessary for the efficient operation of the Franchised Business. We have the right to require you to update or upgrade components and software for your Computer Systems as we deem necessary from time to time. In addition, we have the right to require you to enter into a separate maintenance agreement for such Computer System components. Although you must buy, use, and maintain the Computer Systems meeting our standards and specifications, you will have the sole and complete responsibility for: (i) the acquisition, operation, maintenance, and upgrading the Computer Systems; and (ii) all consequences that may arise if the Computer Systems are not properly operated, maintained, or upgraded.

For your Online Computer System, your Technology Fee includes the licenses for the cloud-based software we use, including our sales and customer management system and managing email marketing, as well as other software to operate the business. The Local Computer System which you need to purchase separately consists of: (a) tablets for each employee (b) wired and wireless network equipment, (c) mobile hot spot for robot deployment (including a data subscription), (d) mobile phones for employees, (e) at least one all-in-one printer, (f) tablets for sales and technician personnel, (g) office alarm systems, sensors, and camera (recommended but not required by us), (h) one office desk phone, and (i) one double-sided large format (11x17) printer. These products and systems may generate data for your Franchised Business such as sales data, customer information, employee and labor information, inventory, and financial reports. Your computer hardware and system and any data or information you obtain must be secure.

You are required to participate in any area computer network, intranet, or extranet that we implement for the System, and you may be required by us to use such area computer network, intranet, or extranet to, among other things: (i) submit your reports due under the Franchise Agreement to us online; (ii) view and print portions of the Manuals; (iii) download approved local advertising and promotions materials; (iv) communicate with us and other franchisees; and (v) participate in online training. You must agree to use the facilities of any such area computer network, intranet, or extranet in strict compliance with the standards, protocols, and restrictions that we include in the Manuals, including those related to the encryption of confidential information and prohibitions against the transmission of libelous, derogatory, or defamatory statements.

The estimated range of obtaining the Computer System is between \$1,500 - \$8,000, which can be found in more detail in Item 7. Additionally, you are required to pay the monthly Technology Fee as detailed in Items 6 and 7, but which is subject to change in the future. We are not obligated to provide any ongoing maintenance, repairs, upgrades, or updates. You must maintain and exclusively use franchised “@RobotLAB.com” email accounts for customer communications, which will be provided to you. No contractual limitation exists on our right to access the information on our Online Computer Systems, either provided by you or someone else. We may require you to upgrade or update your Computer System and other office equipment to match minimum market standard at that time. No contractual limitation exists on the frequency or cost of this obligation. We will have independent access to any data which you collect electronically.

There are currently no annual costs for any optional or required maintenance update, upgrading or support contracts. Neither we nor our affiliate are required to provide ongoing maintenance, upgrades, repairs, or updates to the Computer System. We reserve the right, however, to charge a reasonable fee for any ongoing maintenance and repairs, upgrades, and support services, including the costs for the Computer System. There are no contractual limitations on the frequency and cost of this requirement, as technology is constantly changing. We may require you to update your Computer System every five (5) years or as needed, depending on changes in technology, the System, and our current standards and specifications as defined in the Manuals. We estimate that annual costs for upgrades to your Computer System will be approximately \$1,500 - \$3,000 but may vary if we implement changes to the Computer System or otherwise develop additional Computer System components that we require you to use in the operation of your Franchised Business.

We, or a third-party vendor that we select, will provide you with the Computer System components and instructions. We will have real-time, independent access to certain operational and financial information and data produced by your Computer System. There are no contractual limitations on our right to access the information and data.

Development Time

The typical length of time between our acceptance of the Franchise Agreement and the opening of your Franchised Business is six (6) to eight (8) weeks. Once the Franchise Agreement is executed, by its terms you will have up to four (4) months to open your Franchised Business and host the Grand Opening Event at your location. The factors that may affect the Franchised Business opening process may include your ability to find a suitable retail facility, supply chain delays, sign, equipment and inventory acquisition, lease negotiations, and financing or staffing issues. If you fail to open your Franchised Business within the four-month period we may, in our sole discretion, terminate your Franchise Agreement. We may, in our discretion, agree to extend your opening deadline but we may require you to execute a general release as a condition of granting such an extension.

Training

The initial training program, which we call New Franchisee Orientation Training (“NFOT”), takes around two weeks to complete and is held in an online forum through an online learning platform, 1:1 online training sessions, and in-person at our training center in Southlake, TX (“Training Facility”). The training program is typically offered at the beginning of each quarter, four (4) times per year.

We will not allow you to open your Franchised Business until and unless you or your General Manager successfully complete NFOT to our satisfaction. You will not be allowed to sell or service any specific product unless you or your General Manager complete the technical training to our satisfaction.

Neither you nor your team members will be registered to attend any part of the NFOT in-person training if the franchisee or the franchisee’s owner(s) (if franchisee is an entity) did not: (a) pay the Franchise Fee and

Equipment Package in full; and (b) have completed watching the assigned videos through the online training system, and completed the assigned quizzes successfully.

Missing in-person NFOT training will delay your Franchise Business opening as you will have to wait until the next NFOT offered. We will not be able to provide you a dedicated NFOT if you missed your assigned NFOT.

Your, and your team’s undivided attention is required to complete the training in a timely manner. Stepping away from the training to take non-RobotLAB® related calls, meetings, and other activities will result in a termination or your or your team member’s attendance, and you will have to restart the training from the beginning on the next NFOT training dates.

TRAINING PROGRAM

New Franchisee Orientation Training (“NFOT”) – Prior to in-person training, you will need to complete:

Target Audience¹	Subject	Hours of Classroom and Online Training	Hours of “Hands-On” Training	Location
Everyone	Read “Outwitting the Devil” book by Napoleon Hill, and answer the quiz	4 hours (audiobook), or read at your own pace	1-2	Before Signing the FA, or hiring a new team member
Owner/ GM / Sales	Read “Fanatical Prospecting” by Jeff Blount and answer the quiz	4 hours (audiobook), or read at your own pace	1-2	Before Signing the FA, or hiring a new team member in this capacity
Everyone	Who Is RobotLAB; Markets Served; Product Families; What Problems We Solve for Our Customers; Our History; Educational Robotics Legacy	1-2	1-2	Online, unless you request our Training Facility
Everyone	Money Mindset	3-5-3	1-2	Online, unless you request our Training Facility
Owner/ GM / Marketing	Marketing, Building Your Book of Business, How To Get On Local Stages, The Perfect Customer Persona, Social Media, Advertising	16-24	8-12	Online, unless you request our Training Facility
Owner/ GM / Sales	Sales, Presentation, Negotiation, Objection-Handling, Prospecting	24-32	8-12	Online, unless you request our Training Facility
Owner/ GM / Sales	Follow-Up, Trial Closes, Closing the Deal	24-32	8-12	Online, unless you request our Training Facility
Everyone	Corporate Culture, High Talent Density, Daily Standups, Be Your Best Self, Scams Awareness	1-2	1-2	Online, unless you request our Training Facility
Everyone	Computer And Mobile Phone Set Up, Dropbox, Slack, Office Suite, DialPad, Barracuda, Salesforce	1-2	2-3	Online, unless you request our Training Facility
Owner/ GM /Sales	Computer System for Salespeople	1-2	2-3	Online, unless you request our Training Facility

Target Audience¹	Subject	Hours of Classroom and Online Training	Hours of “Hands-On” Training	Location
Owner/ GM / Marketing	Computer System for Marketing People	1-2	2-3	Online, unless you request our Training Facility
Owner/ GM / Operations	Computer System for Operations People	1-2	2-3	Online, unless you request our Training Facility
Owner/ GM / Customer Success	Computer System for Customer Success People	1-2	2-3	Online, unless you request our Training Facility
Owner/ GM	Legal Entity Structures & Financing Options	1-3	On Demand	Online, unless you request our Training Facility
Owner/ GM	Business Planning & Development Strategy	5-8	2	Online, unless you request our Training Facility
Owner/ GM	Loss Prevention and Pre-Emptive Dispute Resolution	2-3	1	Online, unless you request our Training Facility
Owner/ GM	Accounting & Bookkeeping Overview	1-2	2-3	Online, unless you request our Training Facility
Everyone	Vendor And Approved Suppliers Overview	3-5	2	Online, unless you request our Training Facility
Owner/ GM / Marketing	Brand Standards, And Franchise Brand Continuity	1-2	1-2	Online, unless you request our Training Facility
Owner/ GM	Business Operations and Financial Business Management, Cash Flow Management, 5 Bank Accounts System	1-2	1-2	Online, unless you request our Training Facility
Owner/ GM	Inventory Management; Demo Units;	1-2	1-2	Online, unless you request our Training Facility
Owner/ GM	Franchised Business Management	1-2	1-2	Online, unless you request our Training Facility
Owner/ GM	Employee Management	1-2	1-2	Online, unless you request our Training Facility
Everyone	Customer Service & Brand Standards	1-2	1-2	Online, unless you request our Training Facility
Everyone	Phone System and Communication Methods	1-2	1-2	Online, unless you request our Training Facility
	TOTAL HOURS	101 - 153	53 - 83	

The in-person component of our training program requires two weeks at our headquarters. Below is a sample of the agenda for the mandatory two-week training held at our headquarters in Southlake, TX (subject to change from time to time):

Week 1 Training Schedule

Robot Training Key:

■ Gausium ◆ LG ServeBot ● KettyBot ● Pepper / RMS ● Servi+

Monday —

- 8:00 – 8:15 AM — Michael — Arrival, FSM Chats & Coffee
- 8:15 – 8:30 AM — Michael — Welcome, Introductions & ROE
- 8:30 – 10:30 AM — Elad — Our History, Culture, Our Future & Millionaire Math
- 10:30 – 11:45 AM — Elad — Stages Introduction
- 11:45 – 12:35 PM — Lunch
- 12:35 – 1:30 PM — Anna/Ethan — Salesforce: Pre-Sales Processes
- 2:35 – 3:25 PM — Anna/Ethan — Sales Processes Part 1
- 3:25 – 4:15 PM — Anna/Ethan — Sales Processes Part 2
- 4:15 – 5:00 PM — Bryan/IM — ■ Let's Learn Gausium

Tuesday —

- 8:00 – 8:15 AM — Michael — Arrival, FSM Chats & Coffee
- 8:15 – 8:30 AM — Michael — Welcome Back
- 8:30 – 10:30 AM — Justin/IM — Mapping Theory
- 10:30 – 12:00 PM — Michael — The Systems We Use and Why
- 12:00 – 12:50 PM — Lunch
- 2:00 – 4:30 PM — Coach Rick — Stages
- 4:30 – 5:00 PM — Michael/Nick/FSM — Review

Wednesday —

- 8:00 – 8:15 AM — Michael — Arrival, FSM Chats & Coffee
- 8:15 – 8:30 AM — Michael — Welcome Back
- 8:30 – 9:10 AM — Peyton — Taking Pictures & Videos You Can Use
- 9:10 – 11:10 AM — Bryan/IM — ◆ Let's Learn LG ServeBot
- 11:10 – 12:30 PM — Lunch (ChefBot?)
- 12:30 – 1:30 PM — Bryan/IM — ■ Let's Review Gausium
- 1:30 – 2:30 PM — Bryan — Introduction to Customer Success
- 2:30 – 2:35 PM — Break
- 2:35 – 3:30 PM — Bryan/IM — ● Let's Learn KettyBot
- 3:30 – 4:30 PM — Sam — Van Training
- 4:30 – 5:00 PM — Michael/Nick/FSM — Review

Thursday —

- 8:00 – 8:15 AM — Michael — Arrival, FSM Chats & Coffee
- 8:15 – 8:30 AM — Michael — Welcome Back
- 8:30 – 9:45 AM — Bryan — Repairs
- 9:45 – 11:30 AM — Bailey — ● Let's Learn KettyBot Content
- 11:30 – 12:20 PM — Lunch
- 12:20 – 2:20 PM — Bailey — ● RMS
- 2:20 – 3:20 PM — Bailey — ● Fix Pepper Project
- 3:20 – 3:25 PM — Break
- 3:25 – 4:25 PM — Sam K. — Elevator & Door Integration
- 4:25 – 4:55 PM — Michael/Nick/FSM — Daily Review

Friday —

- 8:00 – 8:15 AM — Michael — Arrival, FSM Chats & Coffee
 - 8:15 – 8:30 AM — Michael — Welcome Back
 - 8:30 – 11:00 AM — Anna/Bryan — Post Sales Processes for Customer Success
 - 11:00 – 12:00 PM — Berkan — Social Media & Awareness Marketing
 - 12:00 – 12:50 PM — Lunch
 - 12:50 – 1:40 PM — Team Session — ● Let's Review KettyBot
 - 1:40 – 2:40 PM — Michael P. — Prospecting for Leads
 - 2:40 – 4:10 PM — Michael P. — Cold Outreach Tips & Tricks
 - 4:10 – 4:45 PM — Open Session / Overflow
 - 4:45 – 5:00 PM — FSM/Class — Happy Hour @ HG Supply
-

Week 2 Training Schedule

Robot Training Key:

● Servi+ ◆ LG ServeBot ● KettyBot ● Pepper / RMS

Monday —

- 8:00 – 8:15 AM — Michael — Arrival, FSM Chats & Coffee
 - 8:15 – 8:30 AM — Michael — Welcome Back
 - 8:30 – 10:30 AM — Abby — All Things Marketing
 - 10:30 – 10:35 AM — Break
 - 10:35 – 12:00 PM — Chris T. — The Customer Follow-Up / Best Practices
 - 12:00 – 12:50 PM — Lunch
 - 12:50 – 2:30 PM — Bryan/IM — ● Let's Learn Servi+
 - 2:30 – 3:15 PM — Justin — Advanced Mapping
 - 3:15 – 4:45 PM — Bryan/IM — ● Let's Review Servi+
 - 4:45 – 5:00 PM — Michael/Nick/FSM — Daily Review
-

Tuesday —

- 8:00 – 8:15 AM — Michael — Arrival, FSM Chats & Coffee
 - 8:15 – 8:30 AM — Michael — Welcome Back
 - 8:30 – 11:30 AM — Justin — Implementation Life Cycle
 - 11:30 – 12:20 PM — Lunch
 - 12:20 – 2:45 PM — Bryan/IM — ◆ Let's Review Servebot Advance
 - 2:45 – 4:30 PM — Sam L./Partner — 15/30/60/90 Day Ramp Up
 - 4:30 – 5:00 PM — Michael/Nick/FSM — Review
 - 5:30 PM — *Stages Dinner* – 🍷 Timarron Country Club, Southlake, TX
-

Wednesday —

- 8:00 – 8:15 AM — Michael — Arrival, FSM Chats & Coffee
 - 8:15 – 8:30 AM — Michael — Welcome Back
 - 8:30 – 10:45 AM — Ron/Cedric — Customer Service: Market Insights & Strategies
 - 10:45 – 11:45 AM — Ron/Cedric — Demo Mastery (Customer Service)
 - 11:45 – 12:35 PM — Lunch
 - 12:35 – 2:20 PM — Ron/Cedric/IM — Roleplay for Success
 - 2:20 – 2:30 PM — Break
 - 2:30 – 3:30 PM — Ron/Cedric — Creating the Quote and Closing the Deal
 - 3:30 – 4:30 PM — Bryan/IM — ◆ Let's Review a Robot of Your Choice
 - 4:30 – 5:00 PM — Michael/Nick/FSM — Review
-

Thursday —

- 8:00 – 8:15 AM — Michael — Arrival, FSM Chats & Coffee

- 8:15 – 8:30 AM — Michael — Welcome Back
- 8:30 – 10:45 AM — Rick/Cedric — Cleaning: Market Insights & Strategies
- 10:45 – 11:45 AM — Rick/Cedric — Demo Mastery
- 11:45 – 12:35 PM — Lunch
- 12:35 – 2:20 PM — Rick/Cedric/IM — Roleplay for Success
- 2:20 – 2:30 PM — Break
- 2:30 – 3:30 PM — Rick/Cedric — Creating the Quote and Closing the Deal
- 3:30 – 4:30 PM — Brian — Introduction to Security Robots
- 4:30 – 5:00 PM — Michael/Nick/FSM — Review

Friday —

- 8:00 – 8:15 AM — Michael — Arrival, FSM Chats & Coffee
- 8:15 – 8:30 AM — Michael — Two Days Left
- 8:30 – 10:45 AM — Matt L. / Cedric — Delivery Robots: Market Insights & Strategies
- 10:45 – 11:45 AM — Matt L. / Cedric — Demo Mastery (Delivery)
- 11:45 – 12:35 PM — Lunch
- 12:35 – 1:50 PM — Elad — Millionaire Math Recap & Closing Remarks
- 1:50 – 3:35 PM — Matt L. / Cedric/IM — Roleplay for Success
- 3:35 – 3:45 PM — Break
- 3:45 – 4:45 PM — Matt L. / Cedric — Creating the Quote and Closing the Deal

The instructional material for each subject includes the Manuals, the electronic Computer System guide and guide to CRM reports, training manual, visual merchandising manual, daily operations tools, lectures, classroom discussion, hands-on demonstration, role-play training, and practice training in the Training Facility.

Our training program is led by our CEO, Elad Inbar, who has over 17 years' experience in the industry, and is also our owner and developer of the businesses we offer in this Disclosure Document. We may use other trainers in our training program, all of which will have at least 6 months' experience in the area they are instructing.

We charge the \$7,000 initial training fee, as disclosed in Item 5, for NFOT. You are responsible for travel and living expenses that you and your team incur while attending NFOT. See Item 7 for additional information on those expenses. We require franchisee to attend any additional training programs for their position and areas of responsibilities.

We may require you to complete training provided through a third-party provider. In instances where this training is required, you will be required to pay the providers their fees to complete the training. The third-party training may be in-person or online depending on the program.

Operations Manual. We provide you with an electronic copy of our Manuals in the form of videos on our learning system. The Manuals are subject to change and will be updated electronically, as necessary, through our intranet or by way of policy updates delivered to you. The table of contents for our current Manuals can be found in Exhibit D of this Disclosure Document. There are 100s of hours of video materials in our current Manuals as of the issuance date of this Disclosure Document.

ITEM 12. TERRITORY

Upon signing the Franchise Agreement, we will assign you with an area that is mutually agreed upon, based on availability, in which you will have protected rights (the “Protected Territory”). The geographical area and size of your Protected Territory may vary based on the location and business population demographics and density in your Protected Territory. A Protected Territory consists of a group of zip codes that are mutually agreed upon and are priced based on Blocks of 8,000 relevant businesses as listed by our mapping software provider (“Qualified Businesses”). If you request and we agree, in our sole discretion, to grant you a Protected Territory that contains more than one Block, you must pay us six dollars and eighty-six cents (\$6.8625) (which is \$54,900 divided by 8,000 businesses) for each additional Qualified Business in a Block.

The boundaries of your Protected Territory may be described in terms of zip codes, streets, landmarks (both natural and man-made) or county lines, or otherwise delineated on a map. The sources we use to determine the population within your Protected Territory will be publicly available population information through our GIS system which provides information based on multiple sources. Due to market forces, the economy, frequency of data updates by our vendors, or other reasons, business count in your area will vary. In all cases, we will do everything in our power to ensure franchisees’ Protected Territory has sufficient business opportunity based on these external data sources.

Your approved facility must be located within your Protected Territory. You may not relocate your facility or arrange for an affiliation with a new facility for your Franchised Business without our prior written approval. Our approval for relocation or a change in your facility will not be unreasonably withheld, however factors we may consider in deciding whether to approve your request include: (i) whether the new facility is satisfactory to us and located within your Protected Territory, (ii) your lease, if any, complies with our then-current requirements, (iii) you comply with our then-current requirements for constructing, outfitting, and furnishing the new facility, (iv) the new facility will not, as determined in our sole discretion, materially and adversely affect the Gross Revenue of any other Franchised Business, (v) you have fully performed and complied with each provision of the Franchise Agreement within the last three (3) years prior to, and as of, the date we consent to such relocation (the “Relocation Request Date”), (vi) you are not in default, and no event exists as of the Relocation Request Date, and (vii) you have met all of our then-current training requirements. If you lose your lease, you must secure our approval of another site and enter into a lease for the new approved site within 90 days after you lose your site lease.

We will not establish another Franchised Business or Company-Owned Outlet in your Protected Territory under the mark RobotLAB. We have established a RobotLAB website on the internet, and online sales coming from your Protected Territory will be assigned to you. Although we do not do so as of the issuance date of this Disclosure Document, we reserve the right to distribute products through alternative channels of distribution, including the internet (or any other existing or future form of electronic commerce), using the Marks inside or outside of the Protected Territory. We also reserve the right to distribute products through alternative channels of distribution or establish franchised or company-owned businesses selling similar products or services under a trademark different from the Marks inside or outside of the Protected Territory, although we do not currently plan to do so. We reserve the right to establish or license franchises and/or company-owned outlets or other facilities or businesses offering similar or identical products, services, and classes and using the System or elements of the System (i) under the Marks anywhere outside of the Protected Territory regardless of proximity to the Protected Territory or to your Franchised Business or (ii) under names, symbols, or marks *other than* the Marks anywhere, including inside and outside of the Protected Territory, although we do not currently intend to do so.

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.

Rights We Retain

Although we will grant you a Protected Territory, we or our affiliates may (or may authorize a third party to) conduct any or all of the following activities, without compensation to you:

1. Establish or license franchises and/or company-owned outlets or other facilities or businesses offering similar or identical products, services, and classes and using the System or elements of the System (i) under the Marks anywhere outside of the Protected Territory regardless of proximity to the Protected Territory or to your Franchised Business or (ii) under names, symbols, or marks *other than* the Marks anywhere, including inside and outside of the Protected Territory;
2. Sell or offer, or license others to sell or offer, any products or services, including but not limited to any educational software and programming, AI labs, or virtual reality (“VR”) development, using the Marks or other marks through any alternative distribution channels, including, without limitation, through e-commerce, in retail stores, via recorded media, via online videos, or via broadcast media, anywhere, including inside and outside of the Protected Territory without any compensation to you;
3. Solicit customers for you as well as advertise and promote sales of Franchised Businesses anywhere, including within the Protected Territory and advertise, or authorize others to advertise anywhere, using the Marks;
4. Acquire, be acquired by, or merge with other companies with existing similar businesses, and/or RobotLAB Franchised Businesses anywhere (including inside or outside of the Protected Territory) and, even if such businesses are located in the Protected Territory, (i) convert the other businesses to the RobotLAB name, (ii) permit the other businesses to continue to operate under another name, and/or (iii) permit the businesses to operate under another name and convert existing Businesses to such other name;
5. Engage in any other activity, action or undertaking that we are not expressly prohibited from taking under this Agreement; and
6. Take over sales opportunities you do not nurture and actively follow up on, as recorded in our Computer System. If you have not had a touchpoint over 30 days for an opportunity created, it becomes owned by corporate and will be fulfilled by corporate without any compensation to you. Consistent failure to follow up with open opportunities will be considered a material breach of the agreement.

You may not advertise, market, solicit, sell or service customers outside your Protected Territory (“Non-Exclusive Customers”), unless you are solicited or have a prior verifiable relationship with the Non-Exclusive Customer. If you sell products or services to a Non-Exclusive Customer, you must pay us or the incumbent franchise owner an encroachment fee equal to 50% of the gross profit for Non-Exclusive Customers sales outside of your Protected Territory (“Encroachment Fee”). We may permit you to advertise or market in areas adjacent to your Protected Territory that are not part of the Protected Territory of another franchisee or a company- or affiliate-owned outlet (an “Open Territory”). We reserve the right to revoke our consent at any time, and we may sell the Open Territory to another franchisee or establish a company- or affiliate-owned outlet in the Open Territory at any time, and you must immediately refrain from marketing or selling products and services in an Open Territory upon written notice from us. If we make a sale in the Franchisee’s Protected Territory, we may provide Franchisee the sale and right to service the client as long as franchisee is in good standing and actively running their Franchised Business.

We and all franchisees are allowed to attend trade shows, conventions, and other industry events in any area, even within Protected Territories, so long as the franchisees agree that leads falling within another franchisee’s Protected Territory will be given to the hosting franchisee. Because the primary purpose is to support the RobotLAB brand, expenses incurred in attending these events are credited towards your Local Area Marketing Expenditure.

You may not use alternative channels of distribution, including the internet, catalog sales, telemarketing, or other direct marketing methods to make sales inside or outside your Protected Territory unless specifically authorized by us in writing.

Minimum Performance Standards

You are expected to diligently pursue business development within the Protected Territory. “Pursuing business development” shall be mean actively engaging in efforts to grow the business and generate leads, which include all of, but are not limited to, the following activities: hosting stages events, seminars, or other networking events; conducting brochure drops or distributing marketing materials within the territory; cold calling potential clients or businesses; attending networking events to build connections and expand awareness; participating in trade conferences, either in conjunction with the Franchisor or independently; promptly responding to leads and opportunities either provided by the Franchisor or generated by you, and actively nurturing them without a gap of more than 30 days between touch points; conducting product or service demonstrations and proofs of concept; meeting all Service Level Agreements contracted to customers by you, or us, or other franchisees to local and Key Accounts; having sufficient demo units to enable all customer sales, both in quantity and types of products and the knowledge how to operate and deploy them without assistance either for a demo, or for a complete installation; following up on all sales opportunities and inquiries; and engaging in community outreach or sponsorships to increase brand visibility. You will be required to demonstrate compliance by providing periodic updates on your business development efforts, which we may request and obtain at any time without notice. All your activities must be recorded on the Computer System. Activities outside the systems are not tracked and will not be used as a verification of activity. If you fail to meet the Minimum Performance Standards for two consecutive quarters or are not executing the plan of action in good faith, we may reduce the size of your Protected Territory or elect to terminate your franchise agreement pursuant to Section 15 of the Franchise Agreement without compensation to you.

Key Accounts

We reserve the right to sell at all conventions, conferences, and other trade centers both domestically in the United States and internationally to market and sell its services solely or jointly with any of our franchisees. We may from time to time enter into agreements to provide services to customers as part of a national, regional, or key account program (“Key Accounts”) at locations within the Protected Territory. You must accept and perform the terms of such agreements (including, without limitation, special pricing, payment terms, timing of services, and central invoicing) with respect of locations within the Protected Territory. If you refuse to perform the required services or we determine that your Franchised Business is not qualified, interested, able, or available to perform the services, you are required to allow either our employee(s) or another franchisee to enter the Protected Territory to perform the required services. In the case of an agreement under which the customer will pay a fixed amount for services at all locations listed in the agreement, we may allocate the fixed amount among the businesses performing the services.

Approved Product Offerings

You may not offer products or services through any channel other than those we have expressly approved. If you request approval of any other distribution channel or type of outlet, we will consider the factors we deem appropriate, which may include the time you have been operating the Franchised Business, your sales volume, whether you have met quality standards and other benchmarks, and other standards that we may determine in our sole discretion. You may not sell products to any vendor who would in turn sell them to customers.

Damage or Destruction of Franchised Business

If a Franchised Business is destroyed or damaged by any cause beyond your control such that it may no longer continue to be open for the operation of business (“Destruction Event”), you must diligently work to repair and restore the Franchised Business to our approved plans and specifications as soon as possible. Under such circumstances, the Franchised Business will continue to be deemed a “Franchised Business in operation” for the purpose of the Franchise Agreement for up to 90 days after the occurrence. If a Franchised Business (i) is closed in a manner other than those described in the Franchise Agreement or as otherwise agreed by us in writing or (ii) fails to reopen within 90 days after a Destruction Event, then we may terminate the Franchise Agreement for that particular Franchised Business, and all of your territorial rights, if any, will be eliminated.

ITEM 13. TRADEMARKS

Pursuant to the Franchise Agreement, you are granted a sub-license to operate a Franchised Business using the RobotLAB marks and other marks either owned by us or licensed to us by RobotLAB Inc. in connection with the operation of your Franchised Business (the “Marks”).

Some of the Marks are owned by our affiliate, RobotLAB Inc., and licensed to us under a license agreement (the “License Agreement”). In the License Agreement, RobotLAB Inc. authorizes us to use the Marks in connection with the offer, sale, and support of Franchised Businesses. The License Agreement does not contain any significant limitations on our right to use or license the Marks to you and is perpetual in duration and may be terminated unilaterally by either party only upon a material breach of the License Agreement. Upon termination of the License Agreement, you must immediately discontinue the use of the Marks and assign to RobotLAB Inc., all our franchise agreements licensing the use of the Marks, and RobotLAB Inc. has agreed to assume all obligations under such agreements arising from and after their assignment. In addition to the Marks in the chart below, franchisees may also use other marks, registered or unregistered, that we own or have the right to use through the License Agreement and that we designate as part of the Marks.

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

We have registered the following Marks with the Principal Register of the USPTO:

Mark	U.S. Registration No.	Registration Date
ROBOTLAB	5577504	October 2, 2018
 RobotLAB	5620030	December 4, 2018

We have not yet been required to file any renewal affidavits but will do so as requested by the USPTO with respect to each of the Marks.

We claim common law rights to the Marks and other terms and phrases used regularly in connection with the System. We also claim common law rights to our designs, logos, and trade dress items, including color schemes and appearance, as well as copyright where applicable, but there have not been judicial determinations of the existence, validity, or extent of our rights. We claim and intend to rely on common law and/or statutory trade secret and unfair competition protection for the proprietary materials and information you are awarded a license to use under the Franchise Agreement.

There are presently no final effective determinations of the USPTO, the Trademark Trial and Appeal Board, or any trademark administrator of any state or any court proceedings which limit or restrict our right to use the above-described Marks or are relevant to your use of the Marks for your Franchised Business.

There are no currently effective determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, or any pending infringement, opposition or cancellation proceeding, or any pending material litigation, involving any Marks that are relevant to the operation of your Franchised Business. There are currently no agreements in effect that significantly limit our rights to use or license the use of any Marks listed in this Item 13 in any manner material to the System or your Franchised Business. We are not aware of any superior rights or infringing uses, which could materially affect your use of the Marks.

We are not required to protect you against infringement or unfair competition claims arising out of your use of the Marks, or to participate in your defense or indemnify you. We reserve the right to control any trademark litigation and will take the action we believe is appropriate if a third party infringes our Marks. You must notify us promptly if you become aware of any infringement or unauthorized use of the Marks and cooperate with any action that we take. We will pay the cost and expense of all litigation we incur, including attorneys' fees, specifically related to the Marks. However, we are not required to take affirmative action when notified of these uses or claims. If any party claims that its rights to use any of the Marks are superior and we confirm that claim, you must, at your expense, immediately make the changes and use the substitutions to the Marks that we require.

You may not purchase a domain name, similar, or in conjunction with your company name or territory name as assigned by us. You may not operate any website other than your franchise's presence on our website. Your Franchise Business does not grant you rights to use our trademarks and trade names independently, and without prior written approval.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not currently have any registered patents or pending applications with the USPTO. However, the technology and equipment used in the operation of RobotLAB Franchised Businesses are proprietary to RobotLAB Inc. and us.

The information in the Manuals is proprietary and is protected by copyright and other laws. The designs contained in the Marks, the layout of our advertising materials, and any other writings and recordings in print or electronic form are also protected by copyright and other laws. Although we have not applied for copyright registration for the Manuals, our advertising materials, the content and format of our products or any other writings and recordings, we claim common law and federal copyrights in these items. We grant you the right to use this proprietary and copyrighted information ("Copyrighted Works") for the operation of your RobotLAB Franchised Businesses, but such copyrights remain our sole property.

There are no effective determinations of the United States Copyright Office or any court regarding any Copyrighted Works of ours, nor are there any proceedings pending, nor are there any effective agreements between us and third parties pertaining to the Copyrighted Works that will or may significantly limit using our Copyrighted Works.

Our Manuals, electronic information and communications, sales and promotional materials, the development and use of our System, standards, specifications, policies, procedures, information, concepts and systems on, knowledge of, and experience in the development, operation and franchising of RobotLAB Franchised Businesses, our training materials and techniques, information concerning product and service sales, operating results, financial performance and other financial data of RobotLAB Franchised Businesses and other related materials are proprietary and confidential ("Confidential Information") and are our

property to be used by you only as described in the Franchise Agreement and the Manuals. Where appropriate, certain information has also been identified as trade secrets (“Trade Secrets”). You must maintain the confidentiality of our Confidential Information and Trade Secrets and adopt reasonable procedures to prevent unauthorized disclosure of our Confidential Information and Trade Secrets.

We will disclose parts of the Confidential Information and Trade Secrets to you as we deem necessary or advisable for you to develop your RobotLAB Franchised Businesses during training and in guidance and assistance furnished to you under the Franchise Agreement, and you may learn or obtain from us additional Confidential Information and Trade Secrets during the term of the Franchise Agreement. The Confidential Information and Trade Secrets are valuable assets of ours and are disclosed to you on the condition that you, your owners if you are a business entity, and employees agree to maintain the information in confidence by entering into a confidentiality agreement we can enforce. Nothing in the Franchise Agreement will be construed to prohibit you from using the Confidential Information or Trade Secrets in the operation of other RobotLAB Franchised Businesses during the term of the Franchise Agreement.

We do not contract with individual franchisees to protect the copyrights, to protect individual franchisees against infringement or unfair competition claims arising out of the franchisee’s use of the copyrights, or to participate in the franchisee’s defense or indemnify the franchisee.

You must notify us within three days after you learn about another’s use of language, a visual image, or a recording of any kind, that you perceive to be identical or substantially similar to one of our Copyrighted Works or use of our Confidential Information or Trade Secrets, or if someone challenges your use of our Copyrighted Works, Confidential Information or Trade Secrets. We will take whatever action we deem appropriate, in our sole and absolute discretion, to protect our rights in and to the Copyrighted Works, Confidential Information or Trade Secrets, which may include payment of reasonable costs associated with the action. However, the Franchise Agreement does not require us to take affirmative action in response to any apparent infringement of, or challenge to, your use of any Copyrighted Works, Confidential Information or Trade Secrets or claim by any person of any rights in any Copyrighted Works, Confidential Information or Trade Secrets, and we are not required to participate in the defense of, or provide indemnification to you in connection with, any proceeding related to the Copyrighted Works, Confidential Information or Trade Secrets. You must not directly or indirectly contest our rights to our Copyrighted Works, Confidential Information or Trade Secrets. You may not communicate with anyone except us, our counsel or our designees regarding any infringement, challenge, or claim. We will take action as we deem appropriate regarding any infringement, challenge or claim, and the sole right to control, exclusively, any litigation or other proceeding arising out of any infringement, challenge or claim under any Copyrighted Works, Confidential Information or Trade Secrets. You must sign any and all instruments and documents, give the assistance and do acts and things that may, in the opinion of our counsel, be necessary to protect and maintain our interests in any litigation or proceeding, or to protect and maintain our interests in the Copyrighted Works, Confidential Information or Trade Secrets. If we require you to modify or discontinue use of the Copyrighted Works, Confidential Information or Trade Secrets, you must comply with all of our requirements.

ITEM 15.
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION
OF THE FRANCHISED BUSINESS

We do not require the Franchisee or its Controlling Person to be full-time employees of the Franchised Business, the franchisee, or the Approved Entity. You must have a minimum of one (1) salesperson and one (1) implementation employee, per Block you operate. Your Owner or Controlling Person can act in one of the roles.

We do, however, require that you (or the Controlling Person if you are an entity) are obligated to actively, personally, and frequently monitor and supervise the performance and operation of each Franchised Business. The noncompetition provisions found in the Franchise Agreement, do not prohibit you from being

employed by a company other than your Franchised Business. In the event that your Controlling Person resigns or is otherwise terminated, you must hire a replacement approved by us in writing who meets our then current standards for Controlling Person and who is approved by us in writing before hiring, within 30 days after the resignation or termination of the former Controlling Person. You must train the new Controlling Person within 30 days of hiring. Your Controlling Person and certain key employees and their spouses will be bound by the confidentiality and non-compete covenants of the Franchise Agreement.

Each Franchised Business must also be under the direct, on-premises supervision of either you directly or of a manager:

- (a) who has completed the initial training we conduct, NFOT; and
- (b) who shall have executed, upon our request, an invention assignment and confidentiality agreement in the form provided by us agreeing not to divulge any trade secret or confidential or proprietary information, including the contents of the Manuals.

We may require every general partner and limited partner, if you are a partnership or limited partnership; or every member, if you are a limited liability company, or every stockholder or other holder of equity interest, if you are a corporation (collectively, “Owners”) and your spouses, to personally guarantee your obligations under the Franchise Agreement and also agree to be personally bound by, and jointly and severally liable for the breach of, any provision of the Franchise Agreement. The Owners and their spouses agree to discharge all their obligations under the Franchise Agreement. Furthermore, all Owners and their spouses are bound by all provisions of the Franchise Agreement, including but not limited to maintaining the confidentiality of proprietary information and trade secrets as described in Item 14 and the noncompete covenants described in Item 17. Lastly, the Owners, Owners’ spouses, management personnel, and employees who are provided access to the Manuals or other confidential information must sign a Confidentiality Agreement.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only those goods and services that we have approved. You also must offer all goods and services that we designate as required for all franchisees. You and your team will not be able to offer products you are not certified (via our required training) to sell. We may, in our discretion, add new training materials, goods, and services based on our evaluation of numerous factors, including customer demands, product performance, the geographic location of your Franchised Business, and any other factor which we deem important to the operation of your Franchised Business. Our right to modify the approved list of goods and services to be offered to you in the operation of your Franchised Business is not limited.

You may offer the sale of the approved goods and services from your Franchised Business location to any person or business location domiciled within your Protected Territory. Unless specifically authorized by us, you may only deliver merchandise or offer services from your Franchised Business to customers residing within your Protected Territory or to business locations within your Protected Territory.

On a case-by case basis, we may allow you to sell outside your territory, if there are no other franchised businesses in that area, and if we deem that you are better suited to service these customers than our corporate team. In the event that you sold products in an area that becomes someone’s else territory later on, you are obligated to assign the service contract to the new owner of that territory, and transfer sums that are equal to the remainder of the service contract you have with such customers, to the new franchise owner of that territory.

You may not advertise, market, solicit, sell or service to Non-Exclusive Customers, unless you are solicited or have a prior verifiable relationship with the Non-Exclusive Customer. Notwithstanding the foregoing, you must pay us or the incumbent franchise owner an Encroachment Fee of 50% of the profits attributed to unauthorized sales of products or services to Non-Exclusive Customers.

You may not use alternative channels of distribution, including the internet, catalog sales, telemarketing, or other direct marketing methods to make sales inside or outside your Protected Territory unless specifically authorized by us in writing.

You may not sell or accept in trade any goods (including automated robots or similar technology), in the operation of your Franchised Business that are not provided by an Approved Supplier or that you believe may be stolen, have been recalled, are knowingly counterfeit, or are otherwise unsafe upon inspection. Furthermore, you may only use advertising and promotional materials that we approve.

If you identify educational robot sales opportunities within an educational institution in your area, please introduce it to our education team and we will pay you a 10% commission when a deal is closed. Although you get full access to our current and future product catalog, we do not recommend you attempt to sell educational robots (teaching aids) to educational institutions because purchase decisions often require an 18–24-month time investment for an initial order; however, you are encouraged to promote and sell non-educational robots from our approved products, such as delivery, cleaning, security, and cooking robots to educational institutions.

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

THE FRANCHISE RELATIONSHIP

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

A. Franchise Agreement

Provision		Section in Franchise Agreement	Summary
a.	Length of the franchise	Section 2(A)	10 years.
b.	Renewal or extension of the term	Section 2(B)	If you meet the renewal requirements set forth in the Franchise Agreement, you can renew the Franchise Agreement for additional 5-year period(s).
c.	Requirements for you to renew or extend	Section 2(B)	Provide advance notice in writing, sign then current Franchise Agreement, pay renewal fee, remodel, meet all current Brand Standards, secure extension of lease and be in compliance with the Franchise Agreement during the term of the Agreement. You may be asked to sign a Franchise Agreement with materially different terms and conditions than your original Franchise Agreement.
d.	Termination by you	Section 16(A)	If you are complying with the Franchise Agreement, and we fail to cure a material default within 30 days after our receipt of written notice, subject to state law.

Provision		Section in Franchise Agreement	Summary
e.	Termination by us without cause	Not Applicable	Not Applicable
f.	Termination by us with cause	Sections 15(A) and (B)	We can terminate the Franchise Agreement only if you default.
g.	“Cause” defined – curable defaults	Sections 15(A) and (B)	Grounds for termination for the following are subject to state law: A violation of any material provision of the Franchise Agreement, non-payment of amounts owed to us or any applicable local advertising Cooperative, failure to abide by our standards and requirements in operating the Franchised Business, an assignment of assets to creditors and the expiration or termination of the Franchised Business’s lease.
h.	“Cause” defined – non-curable defaults	Sections 15(A) and (B);	Grounds for termination for the following are subject to state law: Failure to open the Franchised Business within 4 months after you sign the Franchise Agreement, insolvency, conviction of felony, or violation of a statute which harms the Franchised Business’s reputation, the abandonment of the Franchised Business, intentionally falsify any information provided to us, repeated defaults even if cured, defaults which cannot be cured, repeatedly deceives RobotLAB customers, defaults which impair the goodwill associated with our trademarks, uncured defaults in any other agreement with us, our subsidiaries or affiliates, frequent and/or severe complaints from customers and/or employees, failure to fully cooperate, failure to achieve the Minimum Performance Standards for two (2) consecutive quarters; and timely complete audit and violation of the in-term covenant not to compete.
i.	Your obligations on termination/non-renewal	Section 17	Pay all amounts due to us, return manuals and other materials to us, disconnect the telephone number, or assign it to us, redecorate the Franchised Business premises, return, or destroy all copies of the Computer System other than hardware components purchased by you, disconnect any Franchised Business-related internet website, and remove all signs containing any Marks (also see (r), below).
j.	Assignment of contract by Us	Section 14(A);	Assignee must fulfill our obligations under the agreement assigned.
k.	“Transfer” by you – defined	Section 14(C);	Includes any transfer of the Franchised Business, or its assets, your interest in the Franchise Agreement or any significant (“controlling interest”) ownership change.

Provision		Section in Franchise Agreement	Summary
l.	Our approval of transfer by you	Section 14(C)	We have the right to consent to all transfers of the Franchise Agreement but will not unreasonably withhold consent.
m.	Conditions for our approval of transfer	Section 14(C)	New franchisee must qualify and complete training, pay transfer fee, you must pay all amounts owed to us and be in good standing, new franchisee assumes existing Agreement or (at our option) signs then-current agreement, we have determined that the purchase price and payment terms will not adversely affect the new franchisee's operation of the Franchised Business, if the transfer is financed by you, you agree that all of the new franchisee's obligations under promissory notes, agreements or security interests in the Franchised Business are subordinate to the new franchisees obligation to pay fees owed to us under the Franchise Agreement and you agree to observe all post-termination obligations under Franchise Agreement (also see (r), below).
n.	Our right of first refusal to acquire your business	Section 13	We can match any offer for your business.
o.	Our option to purchase your business	Not Applicable, except as indicated in (n), above	Not Applicable.
p.	Your death or disability	Section 13(B)	You can transfer stock to other shareholders without offering us a right of first refusal; if assignee is your spouse or child, no transfer fee is required.
q.	Non-competition covenants during the term of the Franchise Agreement	Section 18(A)	No direct or indirect involvement in any business involving the purchase and/or sale of robot retail services other than your Franchised Business as authorized in the Franchise Agreement (without our prior written consent, subject to state law).
r.	Non-competition covenants after the Franchise Agreement is terminated or expires naturally under the terms	Sections 18(B) and (C)	No direct or indirect involvement in any business involving the purchase and/or sale of robots and accessories for 2 years within 50 miles of your Franchised Business or any other RobotLAB franchisees. If the franchisee is in breach of this provision, the noncompetition period will be extended for a period equal to the time the franchisee operated a competing business, subject to state law.
s.	Modification of the agreement	Sections 3(C), 8(N) and 20(A) and (B)	No modifications generally, but Manuals, list of authorized Marks and required goods subject to change.

Provision		Section in Franchise Agreement	Summary
t.	Integration/merger clause	Section 20(G);	Only the terms of the Franchise Agreement are binding, subject to applicable state law. Any other promises may not be enforceable. Nothing in the Franchise Agreement or any related document is intended to disclaim the representations made in this Disclosure Document. Any representations or promises outside of the Franchise Disclosure Document and other agreements may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Section 19(A)	Except for certain claims, all disputes must be arbitrated in Dallas, Texas, subject to applicable state law.
v.	Choice of forum	Sections 18(D) and 19	All disputes that are subject to arbitration must be arbitrated in Tarrant County, Texas. Other claims may be decided by any court of competent jurisdiction located closest to Tarrant County, Texas, subject to applicable state law.
w.	Choice of law	Section 20(D)	Apply law of the state of Texas, subject to applicable state law.

**ITEM 18.
PUBLIC FIGURES**

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

**ITEM 19.
FINANCIAL PERFORMANCE REPRESENTATIONS**

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

Below we disclose the historical financial performance of our franchised outlets operating at any point during the trailing 12 months from April 1, 2024 to March 31, 2025 (the “Measuring Period”). This representation is based on 13 operating franchised locations who ordered robots and recorded sales in the Measuring Period. We have excluded any franchised outlets who did not record robot sales and only obtained revenue through the transfer of service contracts from our affiliate, RobotLAB Inc to the outlet. To the extent the disclosed outlets also earned revenue through service contracts, that amount is included in the tables.

The explanatory notes included with the following charts are an integral part of this financial performance representation and should be read in their entirety for a full understanding of the information contained in the following charts.

Table 1

This Table 1 discloses the invoice performance data for the disclosed franchised outlets during the Measuring Period.

	Invoice Amount
Max	\$855,154
Min	\$1,180
Median	\$7,320
Average	\$26,042
# of Invoices at or above Average	18 (22%)

Table 2

This Table 2 discloses the invoice-level gross profit margin for the disclosed franchised outlets during the Measuring Period.

	Gross Margin¹
Max	83%
Min	39%
Median	53%
Average	57%

Notes to Tables above:

1. The invoices used to calculate margin include the sale of robots and service contracts. There are 81 total invoices measured in Table 1. 41 monthly invoices are for warranty transfers of existing customers from us to franchisees.
2. “Gross Margin” is calculated as the invoice amount minus the Cost of Goods Sold. All royalties and transaction fees apply to invoice-level income from customers and will be deducted from the gross margin percentages mentioned above before paid to you.
3. You will get 30% discount off MSRP, (which is typically set by manufacturers), from each product that needs to be sourced from a vendor (such as, but not limited to: robots, accessories, consumables, custom software, etc.).
4. You and your team will be trained on providing services to customers, and you will retain 100% of services income from services you will provide to customers. (Such as, but not limited to: warranties, installation services, repairs, content creation, etc.) If you need our team to interface with the customers, we will charge you our standard rates as published from time to time.

5. About 75% of the customers are taking warranties, and we see an average income of 18% of the robot cost as warranty income, per robot, per year. You will experience on average \$250 cost of parts, per robot, per year, to satisfy parts purchases needed from us.

Additional Notes about Outlet Performance:

1. Written substantiation to support the information appearing in this financial performance representation is available to you upon reasonable request.

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

Other than the preceding financial performance representation, we do not make any representations about a franchisee’s future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Elad Inbar, 950 East State Highway 114 STE 160, Southlake, Texas 76092 by email at Franchise@RobotLAB.com, or by phone at 415-702-3033, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20.
OUTLETS AND FRANCHISEE INFORMATION**

**TABLE 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2022 TO 2024**

Outlet Type*	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Business Locations	2022	0	0	0
	2023	0	5	+5
	2024	5	29	+24
Company-Owned Locations	2022	1	1	0
	2023	1	1	0
	2024	1	0	-1
Total Locations	2022	1	1	0
	2023	1	6	+5
	2024	6	29	+23

***Our franchised outlets operate in Blocks, currently we have 29 outlets operating 64 Blocks.**

**TABLE 2
TRANSFERS OF OUTLETS FROM FRANCHISEE TO NEW OWNER
(OTHER THAN COMPANY-OWNED LOCATIONS) FOR YEARS 2022 TO 2024**

State	Year	Number of Transfers
TOTAL	2022	0
	2023	0
	2024	0

TABLE 3
STATUS OF FRANCHISED BUSINESSES
FOR YEARS 2022 TO 2024

State	Year	Outlets at the Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations For Other Reasons	Outlets at the End of the Year
CO	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
FL	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	3	0	0	0	0	4
GA	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
NC	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
	2024	2	0	0	0	0	0	2
NJ	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	1	0	0	0	0	2
NV	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
NY	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
PA	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
TN	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
TX	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	5	0	0	0	0	6
VA	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
IL	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
MN	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2

State	Year	Outlets at the Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations For Other Reasons	Outlets at the End of the Year
MD	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
TOTAL	2022	0	0	0	0	0	0	0
	2023	0	5	0	0	0	0	5
	2024	5	24	0	0	0	0	29

*Our franchised outlets operate in Blocks, currently we have 29 outlets operating 64 Blocks.

**TABLE 4
STATUS OF COMPANY-OWNED LOCATIONS
FOR YEARS 2022 TO 2024**

State	Year	Outlets at the Start of the Year	Outlets Opened	Outlets Reacquired From Franchisees	Company-Owned Outlets Closed	Outlets Sold to Franchisees	Outlets at the End of the Year
TX	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	1	0
TOTAL	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	1	0

**TABLE 5
PROJECTED OPENINGS AS OF DECEMBER 31, 2024**

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
California	2	3	0
Florida	1	2	0
Georgia	0	2	0
Hawaii	1	0	0
Oregon	1	0	0
Pennsylvania	1	1	0
Wisconsin	1	0	0
TOTAL	7	8	0

Our fiscal year ends on December 31 of each year.

Exhibit C lists the names of all current and former franchisees and the addresses and telephone numbers of their Franchised Businesses as of the issuance date of this Disclosure Document.

There are no franchisees who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise or System.

During the last three (3) years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our system.

There are no independent franchisee organizations associated with the franchise or System.

**ITEM 21.
FINANCIAL STATEMENTS**

Attached as Exhibit A to this Disclosure Document are our audited financial statements for the periods ending December 31, 2024 and December 31, 2023. As we were formed in January 2023 and began offering franchises in April 2023, we have not been in business for three years or more and cannot include all financial statements required by the FTC Rule for our last three fiscal years. Our fiscal year ends on December 31.

**ITEM 22.
CONTRACTS**

The following agreements are attached as exhibits to this Disclosure Document:

Contract	Location in this Disclosure Document
Franchise Agreement (FA)	Exhibit E
Franchisee Compliance Questionnaire	Attachment to FA
Form of General Release	Exhibit G
Form of Confidentiality and Noncompete Agreement	Exhibit H
State-Required Addenda and Riders	Exhibit I
Receipts	Attached as last 2 pages

**ITEM 23.
RECEIPTS**

Attached as the last two pages of this Disclosure Document, are detachable Receipts to be signed by you. Please sign both, keep one for your records, and return a copy to us at RobotLAB Corp, 950 East State Highway 114 STE 160, Southlake, Texas 76092.

EXHIBIT A
FINANCIAL STATEMENTS

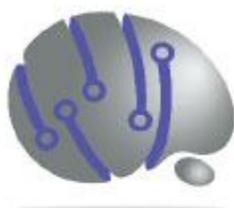


Outside the box. Within the lines.™

Financial Statements

**ROBOTLAB FRANCHISING LLC D/B/A
ROBOTLAB CORP**

**YEAR ENDED DECEMBER 31, 2024 AND
PERIOD FROM JANUARY 22, 2023 (INCEPTION)
THROUGH DECEMBER 31, 2023**



RobotLAB
Franchising LLC



Outside the box. Within the lines.



ROBOTLAB FRANCHISING LLC D/B/A ROBOTLAB CORP
DECEMBER 31, 2024 AND PERIOD FROM
JANUARY 22, 2023 (INCEPTION) THROUGH DECEMBER 31, 2023

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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
RobotLAB Franchising LLC D/B/A RobotLAB Corp
Southlake, Texas

Opinion

We have audited the accompanying financial statements of RobotLAB Franchising LLC D/B/A RobotLAB Corp (a Delaware Limited Liability Company) (the "Company"), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of operations, members' deficiency, and cash flows for the year ended December 31, 2024 and period from January 22, 2023 (inception) to December 31, 2023, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the year and period then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

-1-



Holsinger.cpa

117 VIP Drive, Suite 220, Wexford, PA 15090 ■ 724.934.4880 ■ Fax 724.934.3990

MSI Global Alliance Independent Member Firm



Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Holsinger P.C.

Wexford, Pennsylvania
April 14, 2025

-2-



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117 VIP Drive, Suite 220, Wexford, PA 15090 ■ 724.934.4880 ■ Fax 724.934.3990

MSI Global Alliance Independent Member Firm



ROBOTLAB FRANCHISING LLC D/B/A ROBOTLAB CORP
BALANCE SHEETS

ASSETS

	As of December 31,	
	2024	2023
Current Assets:		
Cash	\$ 81,523	\$ 38,856
Accounts receivable, net	2,332,326	127,374
Deferred consulting fee	48,380	14,000
Total Current Assets	2,462,229	180,230
Related Party Receivables, net	398,868	354,568
Deferred Consulting Fee	416,178	121,583
Total Assets	\$ 3,277,275	\$ 656,381

LIABILITIES AND MEMBERS' DEFICIENCY

Current Liabilities:		
Accounts payable	\$ 143,401	\$ 447,464
Related party payables	1,166,681	-
Accrued payroll	903,051	266,526
Franchisee taxes payable	29,216	-
Deferred franchise fee revenue	292,293	49,876
Total Current Liabilities	2,534,642	763,866
Deferred Franchise Fee Revenue	2,408,521	432,144
Total Liabilities	4,943,163	1,196,010
Members' Deficiency	(1,665,888)	(539,629)
Total Liabilities and Members' Deficiency	\$ 3,277,275	\$ 656,381

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

ROBOTLAB FRANCHISING LLC D/B/A ROBOTLAB CORP
STATEMENTS OF OPERATIONS AND MEMBERS' DEFICIENCY

	Year Ended December 31, 2024	Period from January 22, 2023 (Inception) through December 31, 2023
Revenues:		
Equipment fees	\$ 2,827,392	\$ 442,000
Franchise revenues	235,110	126,217
Initial franchise fees	325,788	16,740
Royalty income	108,676	-
	<hr/>	<hr/>
Total Revenues	3,496,966	584,957
Operating Expenses	<hr/> 4,623,225	<hr/> 1,125,586
Net Loss	(1,126,259)	(540,629)
Members' Deficiency, Beginning	(539,629)	-
Contributions	<hr/> -	<hr/> 1,000
Members' Deficiency, Ending	<hr/> <u>\$ (1,665,888)</u>	<hr/> <u>\$ (539,629)</u>

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

ROBOTLAB FRANCHISING LLC D/B/A ROBOTLAB CORP
 STATEMENTS OF CASH FLOWS
 INCREASES (DECREASES) IN CASH

	<u>Year Ended</u> <u>December 31, 2024</u>	<u>Period from</u> <u>January 22, 2023</u> <u>(Inception) through</u> <u>December 31, 2023</u>
Operating Activities:		
Net Loss	\$ (1,126,259)	\$ (540,629)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Credit loss expense	171,701	-
Changes in assets and liabilities:		
Accounts receivable, net	(2,228,085)	(127,374)
Deferred consulting fee	(328,975)	(135,583)
Accounts payable	(304,063)	1,649
Related party payables	1,166,681	445,815
Accrued payroll	636,525	266,526
Taxes payable	29,216	-
Deferred franchise fee revenue	2,218,794	482,020
	<u>235,535</u>	<u>392,424</u>
Net Cash Used in Operating Activities	235,535	392,424
Financing Activities:		
Related party receivables, net	(192,868)	(354,568)
Member contributions	-	1,000
	<u>(192,868)</u>	<u>(353,568)</u>
Net Cash Provided by Financing Activities	(192,868)	(353,568)
Increase in Cash	42,667	38,856
Cash - Beginning of Period	<u>38,856</u>	<u>-</u>
Cash - End of Period	<u>\$ 81,523</u>	<u>\$ 38,856</u>

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

ROBOTLAB FRANCHISING LLC D/B/A ROBOTLAB CORP
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

Note 1 – Nature of Planned Operations

Nature of Operations – RobotLAB Franchising, LLC D/B/A RobotLAB Corp. (the “Company”) incorporated under the laws of Delaware on January 22, 2023, offers franchises the operation of a RobotLAB® retail sales business which includes the sale of advanced robots for automated tasks such as food ordering, delivery, cleaning, guidance and customer interaction in the restaurant, hospitality, assisted-living, and medical industries. The Company has associated entities, RobotLAB, Inc. and RobotLAB Financial Services LLC. RobotLAB, Inc. owns the equipment purchased by the franchisees and pays for operating expenses on behalf of the Company. RobotLAB Financial Services LLC can be utilized by the franchisees to finance the various costs of purchasing the franchise.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting – The Company uses the accrual basis of accounting in accordance with U.S. GAAP, whereby revenue is recognized when earned and expenses are recorded as incurred.

Cash – The Company considers all demand deposits and short-term investments, that can be easily converted into cash with original maturities of three months or less to be cash. The Company maintains cash and cash equivalents which are fully insured by the Federal Deposit Insurance Corporation (“FDIC”). From time-to-time, amounts exceed FDIC limits.

Accounts Receivable – The Company grants credit without collateral to a majority of its franchisees and records accounts receivable at the time when a new franchise agreement is signed or the contractual criteria for billing has been satisfied. Collectability of receivables is periodically assessed, providing the basis for the allowance for credit losses accounts and related credit loss expense. Management determined an allowance for credit losses and credit loss expense of \$23,331 and \$0 was necessary as of December 31, 2024 and 2023, respectively.

Franchise Taxes Payable – Franchise Taxes Payable represents amounts to be paid by the Company on behalf of the franchisees for federal, state, and local taxes. The Company collects these amounts periodically from the franchisees and pays the associated taxes when they come due.

Deferred Revenue – The Company defers recognition of the initial franchise fee revenue until substantially all initial services required by the franchise or license agreement are performed, typically over 10 years.

Members’ Equity – Membership interest in the Company is composed of 100 membership units.

Revenue Recognition – Revenue is measured based on consideration specified in contracts with franchisees and excludes incentives and amounts collected on behalf of third parties. The Company recognizes revenue when it satisfies a performance obligation by transferring control of a product or service to a franchisee. The following describes principal activities, separated by major product service, from which the Company generates its revenues:

ROBOTLAB FRANCHISING LLC D/B/A ROBOTLAB CORP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024 AND 2023

Note 2 – Summary of Significant Accounting Policies – Continued

Initial Franchise Fees

The initial franchise fee is calculated based on blocks of 8,000 businesses in the territory. Each block is priced at \$54,900. Additional businesses are priced at \$8.68 per business. The initial fees are paid in consideration of the rights granted in the franchise agreement and are non-refundable. The initial fees are recognized as revenue over the term of the initial franchise agreement, which is ten years. Subject to certain requisites, the Company may renew the term of a franchisee upon expiration of the initial term, for an additional five-year period. The renewal fee, to be no more than 25% or \$10,000 of the then current initial franchise fee, whichever is greater, is paid in consideration of the rights granted in the franchise agreement and is non-refundable. The renewal fee is recognized as revenue over the term of the renewal period. The Company offers discounts to franchisees on a case-by-case basis at the inception of the franchise agreement. Deferred franchise fee revenue is recognized net of discounts.

Equipment Fees

The initial equipment package fee is \$110,500 from RobotLAB, Inc. (as defined in the franchise agreement). Financing is available for this package through RobotLAB Financial Services LLC and requires a minimum \$15,000 down payment. The franchisee obtains control of the equipment and revenue is recognized upon the execution of the franchise agreement. When equipment is financed, the Company receives monthly payments from RobotLAB Financial Services LLC as customer payments are made. As of December 31, 2024 and 2023, there were six and four franchisees with a financed equipment package, respectively. As of December 31, 2024, there were no payments made by RobotLAB Financial Services LLC to the Company.

Franchise Royalties

Franchise royalties are calculated based upon 7% of franchisee gross revenue (as defined in the franchise agreement). Franchise royalties are collected and recognized as revenue on a per transaction basis. The Company utilizes a centralized payment processing system for its franchisees, which allows franchise royalties to be collected at the time of payment by the customer.

Brand Fund Revenue

Brand fund revenue is calculated at 1% of franchisee gross revenue (as defined in the franchise agreement). The Company may charge an additional brand fund fee not to exceed 3% of franchisee gross revenue. The Company will use the brand fund fee to conduct advertising research and public relations campaigns, develop websites and other online media programs, develop marketing materials such as television, radio, internet, and print advertising production, and promotional materials for use in each Franchisee's local market, and implement advertising and marketing campaigns. Brand fund revenues are collected and recognized as revenue on a per transaction basis and collected at the time of payment by the customer.

ROBOTLAB FRANCHISING LLC D/B/A ROBOTLAB CORP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024 AND 2023

Note 2 – Summary of Significant Accounting Policies – Continued

Local Area Marketing Revenue

Local area marketing revenue is calculated at 3% of franchisee gross revenue per month (as defined in the franchise agreement) and will begin in the first full month after the date the franchised business opens. The local area marketing requirement may increase up to a maximum of 5% of franchisee gross revenue (as defined in the franchise agreement). Local area marketing revenue is recognized by the Company in the month charged.

Franchisees are required to participate in any local marketing cooperatives established by the Company or by a majority of the Franchised Businesses in the designated market area where two or more unaffiliated franchises are located and operated.

Technology Fee Revenue

Franchisees are required to pay \$485 per employee in the organization with an email address or access to any of the online systems or for other technology-related services provided by the Company. Revenues are recognized in the month charged.

Pre-Opening Services

Pre-opening services include training and general assistance. The Company has adopted the franchisor practical expedient Accounting Standards Update (ASU) 2021-02, Franchisors – Revenue from Contracts with Customers (Subtopic 952-606), which allows the Company to treat pre-opening services as distinct from one another. Training is provided to the franchisee at no additional cost unless additional training is required. Additional training fees are recognized when the service is provided. Pre-opening assistance is provided to the franchisee as needed, and recognized when the service is charged.

Other Non-Recurring Fee Revenue

The Company also reserves the right to charge franchisees for various non-recurring services. Non-recurring services are recognized when the service is charged.

Income Taxes – The Company's taxable status, as determined by management, is a pass-through entity and the Company has no recorded liability for uncertain tax positions. Therefore, no provision for income tax is included in the financial statements. Management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

Fair Value of Financial Instruments – The recorded accounts receivable, related party receivable, other assets, accounts payable, related party payable, accrued payroll and taxes payable approximate fair value due to the short-term nature of the financial instruments.

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

ROBOTLAB FRANCHISING LLC D/B/A ROBOTLAB CORP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024 AND 2023

Note 2 – Summary of Significant Accounting Policies – Continued

Reclassifications – Certain reclassifications of prior year’s data have been made to conform to the current year presentation. These reclassifications have no impact on net income reported on the statements of operations or members’ deficiency as reported on the balance sheets.

Note 3 – Franchising

The Company grants franchise licenses to prospective franchisees. The initial term of each license begins on the effective date of the franchise agreement and ends on the tenth anniversary thereof. Upon expiration of the initial term, and subject to certain requisites, the franchisee has the option to renew the franchise agreement for additional five-year periods.

There were 24 and 5 franchisees sold during the year ended December 31, 2024 and the period from January 22, 2023 (inception) through December 31, 2023, respectively. Ten franchisees commenced principal operations, and no franchises closed during the year ended December 31, 2024. Three franchisees commenced principal operations, and no franchises closed during the period from January 22, 2023 (inception) through December 31, 2023.

The following summarizes the franchise activity as of December 31:

	2024	2023
Agreements signed:	29	5
Pre-opening stage:	16	2
Operational:	13	3
Closed:	0	0

Note 4 – Related Party Transactions

RobotLAB, Inc. pays for operating expenses on behalf of the Company and will bill the Company monthly for these expenses to be reimbursed. During the year ended December 31, 2024 and the period from January 22, 2023 (inception) through December 31, 2023, the Company incurred \$3,814,087 and \$1,077,341 of operating expenses under this arrangement with RobotLAB Inc., respectively. There were \$2,069,732 and \$712,341 of expenses that remained unpaid as of December 31, 2024 and 2023, including \$903,051 and \$266,526 of accrued payroll, respectively.

As of December 31, 2024 and 2023, the Company had net accounts receivable of \$398,868 and \$354,568, respectively, from RobotLAB Financial Services LLC related to financed equipment packages purchased by the Company’s franchisees. No payments were received from RobotLAB Financial Services LLC during the year ended December 31, 2024 and the period from January 22, 2023 (inception) through December 31, 2023. Management determined an allowance for credit losses and credit loss expense of \$148,568 and \$0 was necessary as of December 31, 2024 and 2023, respectively.

ROBOTLAB FRANCHISING LLC D/B/A ROBOTLAB CORP
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024 AND 2023

Note 5 – Subsequent Events

Management has evaluated all subsequent events through April 14, 2025, the date the financial statements were available to be issued and determined that no material subsequent events have occurred.

As of the date of this report, the Company has agreements in place two franchisees that will commence operations during the year ended December 31, 2025. Additionally, two franchisees are expected to cease operations during the year ended December 31, 2025.

EXHIBIT B

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

List of State Regulatory Administrators

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

LIST OF STATE ADMINISTRATORS	
<p><u>CALIFORNIA</u> Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free (866) 275-2677</p>	<p><u>CONNECTICUT</u> State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, Connecticut 06103-1800 (860) 240-8230</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 (808) 586-2722</p>	<p><u>ILLINOIS</u> Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465</p>
<p><u>INDIANA</u> Indiana Secretary of State Franchise Section 302 Washington Street, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681</p>	<p><u>MARYLAND</u> Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360</p>
<p><u>MICHIGAN</u> Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48933 (517) 373-7117</p>	<p><u>MINNESOTA</u> Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600</p>
<p><u>NEW YORK</u> New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222</p>	<p><u>NORTH DAKOTA</u> North Dakota Securities Department State Capitol Department 414 600 East Boulevard Avenue, Fourteenth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712</p>
<p><u>OREGON</u> Department of Business Services Division of Finance and Corporate Securities Labor and Industries Building 350 Winter Street, NE Room 410 Salem, Oregon 97310 (503) 378-4387</p>	<p><u>RHODE ISLAND</u> Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527</p>
<p><u>SOUTH DAKOTA</u> Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563</p>	<p><u>VIRGINIA</u> State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051</p>
<p><u>WASHINGTON</u> Department of Financial Institutions Securities Division, P.O. Box 41200 Olympia, Washington 98507 (360) 902-8760</p>	<p><u>WISCONSIN</u> Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139</p>

List of Agents for Service of Process

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

LIST OF STATE AGENT FOR SERVICE OF PROCESS	
<p><u>CALIFORNIA</u> Commissioner Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free (866) 275-2677</p>	<p><u>CONNECTICUT</u> Banking Commissioner Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, Connecticut 06103-1800 (860) 240-8230</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 (808) 586-2722</p>	<p><u>ILLINOIS</u> Illinois Attorney General Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465</p>
<p><u>INDIANA</u> Indiana Secretary of State Franchise Section 302 West Washington Street, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681</p>	<p><u>MARYLAND</u> Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360</p>
<p><u>MICHIGAN</u> Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48933 (517) 373-7117</p>	<p><u>MINNESOTA</u> Minnesota Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600</p>
<p><u>NEW YORK</u> Secretary of State 99 Washington Avenue Albany, NY 12231 (518) 472-2492</p>	<p><u>NORTH DAKOTA</u> North Dakota Securities Commissioner State Capitol 600 East Boulevard Avenue, Fifth Floor Bismarck, North Dakota 58505 (701) 328-4712</p>
<p><u>OREGON</u> Secretary of State Corporation Division - Process Service 255 Capitol Street NE, Suite 151 Salem, OR 97310-1327 (503) 986-2200</p>	<p><u>RHODE ISLAND</u> Director of Department of Business Regulation Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527</p>
<p><u>SOUTH DAKOTA</u> Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563</p>	<p><u>VIRGINIA</u> Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733</p>
<p><u>WASHINGTON</u> Director, Department of Financial Institutions Securities Division, 3rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760</p>	<p><u>WISCONSIN</u> Administrator, Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139</p>

EXHIBIT C

LIST OF CURRENT FRANCHISEES

We respectfully ask that when contacting franchisees, you please respect their time and wait until after attending our Discovery Day to get in contact with them.

CURRENT FRANCHISEES

In Operation as of December 31, 2024

Territory	Blocks	Address	Phone Number	Franchisee Contact
Denver, CO	1	4777 Leyden St. Denver, CO 80216	1-877-626-8522	Alex Sleznov
Cape Canaveral, FL	1	8816 96th Ct. Vero Beach, FL 32967	1-877-626-8522	Troy and Paul Forsberg
Ft. Lauderdale, FL	4	5000 SW 52 nd Street, Unit 513 Davie, FL 33314	1-877-626-8522	Felipe Alvarez
Orlando South, FL	2	7380 Sand Lake Rd. STE 552 Orlando FL 32819	1-877-626-8522	Li Tang
Tampa Bay, FL	1	4838 14th Ave E Bradenton, FL 34208	1-877-626-8522	Geoff Fischer
Atlanta, GA	2	Johns Creek Pkwy, STE #B Suwanee, GA 30024.	1-877-626-8522	Li Tang
Growth Partners, GA	1	Johns Creek Pkwy, STE #B Suwanee, GA 30024.	1-877-626-8522	Windy Garrat
Chicago NW, IL	4	6633 North Hiawatha Chicago, IL 60646	1-877-626-8522	Matt Ortolano
Chicago West, IL	2	415 Prairieview Parkway Hampshire, IL 60140	1-877-626-8522	Ryan and Marie Krajecki
Baltimore, MD	2	1301 Bonsal Street Baltimore, MD 21224	1-877-626-8522	Richard Shank
Bethesda, MD	1	950 East State Highway 114 STE 160, Southlake, Texas 76092	1-877-626-8522	Sunitha Madala
Minneapolis, MN	3	14471 Enclave Court NW Prior Lake, MN 55372	1-877-626-8522	Keith McDonald
St. Paul, MN	1	410 Energy Park Drive STE 6 St. Paul, MN 55108	1-877-626-8522	Dex Chia
Raleigh, NC	4	5000 Centregreen Way, STE 500 Cary, NC 27513	1-877-626-8522	Kalpesh Patel
Charlotte, NC	3	1235 East Blvd, STE E PMB 5063 Charlotte, NC 28203	1-877-626-8522	Neel Patel & Chetan Patel
Newark, NJ	2	8 Keppel Rd, Keppel Road Plainsboro, NJ 08536	1-877-626-8522	Neeraj Budhiraja
South Jersey, NJ	1	1000W Washington Avenue Pleasantville, NJ 08232	1-877-626-8522	Ren Parikh
Las Vegas, NV	3	6000 S Eastern Ave STE 7C Las Vegas, NV 89119	1-877-626-8522	Ketan Vaidya & Tom Laplante
Lower Manhattan, NY	4	68 35th Street Building 4 Brooklyn, NY 11232	1-877-626-8522	Cassy Sullivan
Eastern Pennsylvania, PA	1	120 Walker Dr. Northampton, PA 18067	1-877-626-8522	Kripa and Jagriti Dawar
Philadelphia, PA	1	1515 Market St STE 1200 Philadelphia, PA 19102	1-877-626-8522	Orlinda McCall

Territory	Blocks	Address	Phone Number	Franchisee Contact
Knoxville, TN	1	5416 Middlebrook Pike STE C Knoxville, TN 37921	1-877-626-8522	Michael McLaughlin
Dallas, TX (DFW)	4.5	955 W John Carpenter Fwy Irving, TX 75039	1-877-626-8522	Prashant & Ruchika Nagrath
Austin, TX	3	7413 Buchholz St Austin, TX 78745	1-877-626-8522	Alex Bergeron
Dallas, TX	5	806 Rutledge Ln. Lucas, TX 75002	1-877-626-8522	Meshva and Ravi Desai
DFW West, TX	2	1900 W Kirkwood Blvd Southlake, TX 76092	1-877-626-8522	Paulo Orosz
Houston, TX	7	11261 Richmond Ave., STE G106 Houston, TX 77082	1-877-626-8522	Eric and Keith Edwards
San Antonio, TX	1	20770 US Hwy 281 N San Antonio, TX 78258	1-877-626-8522	Gayatri Kesavamurthy and Chris Drungell
Fairfax, VA	1	8630 Webster Tavern Way, Manassas, VA 20109	1-877-626-8522	Samuel Idossa

Signed Franchise Agreement but not operating as of December 31, 2024

Territory	Blocks	Address*	Phone Number	Franchisee Contact
Delaware Valley, PA	3	950 East State Highway 114 STE 160, Southlake, Texas 76092	1-877-626-8522	Vik and Sam Parajpe
Hawaii	1	950 East State Highway 114 STE 160, Southlake, Texas 76092	1-877-626-8522	Billy Cressman
Jacksonville, FL	2	950 East State Highway 114 STE 160, Southlake, Texas 76092	1-877-626-8522	Daniel Fico
Los Angeles West, CA	1	950 East State Highway 114 STE 160, Southlake, Texas 76092	1-877-626-8522	Justin Wei
Milwaukee, WI	2	950 East State Highway 114 STE 160, Southlake, Texas 76092	1-877-626-8522	Milka Krecack
Portland, OR	1	950 East State Highway 114 STE 160, Southlake, Texas 76092	1-877-626-8522	Kadhar Masthan
San Jose, CA	3	950 East State Highway 114 STE 160, Southlake, Texas 76092	1-877-626-8522	Shishir Sharma

***Where our franchisees do not have a business address, we use our address to protect their privacy.**

FORMER FRANCHISEES

NONE.

EXHIBIT D

OPERATIONS MANUAL TABLE OF CONTENTS

The Operations Manual is still under development; therefore, these numbers are estimates based on what has currently been developed and are subject to change.

Chapter	Pages
Introduction	12
Start-Up	20
Accounting & Administration	16
Human Resources	32
Marketing & Social Media	18
Daily Business Operations	10
Safety & Security	25
Total	133

EXHIBIT E

FRANCHISE AGREEMENT
WITH ATTACHMENTS



FRANCHISE AGREEMENT

between

**ROBOTLAB FRANCHISING, LLC
D/B/A ROBOTLAB CORP**

and

Franchisee

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ATTACHMENTS

- A. FRANCHISEE INFORMATION AND PROTECTED TERRITORY
- B. PERSONAL GUARANTY FOR OWNER/SHAREHOLDER
- C. ELECTRONIC FUNDS TRANSFER AUTHORIZATION
- D. LEASE RIDER
- E. FRANCHISEE COMPLIANCE QUESTIONNAIRE
- F. AUTHORIZATION TO PROCESS CREDIT CARDS

ROBOTLAB FRANCHISING, LLC

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (“Agreement”) is made and entered into as of the “Effective Date” set forth on Attachment A, by and between RobotLAB Franchising, LLC, a Delaware limited liability company (“Franchisor”), and the franchisee(s) listed on Attachment A to this Agreement (“Franchisee”).

BACKGROUND

A. Franchisor offers RobotLAB® franchises which sell advanced robots designed for automated tasks such as but not limited to, food ordering, delivery, cleaning, guidance, cooking, and customer interaction from a physical retail facility and provide services for these robots which may include installation, deployment, service, and repairs based in a light industrial warehouse (each a “Franchised Business”). Franchisor uses and licenses certain trademarks, including RobotLAB®, and may hereafter adopt, use, and license additional or substitute trademarks, service marks, logos, and commercial symbols in connection with the operation of Franchised Businesses (collectively, the “Marks”). RobotLAB® Franchised Businesses use Franchisor’s methods, procedures, standards, specifications, and the Marks (all of which are collectively referred to as the “Business System”), which Franchisor may periodically improve, further develop, or otherwise modify.

B. Franchisee desires to operate a RobotLAB® Franchised Business which will conform to the uniform requirements and Brand Standards of the Business System.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and promises set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties hereto, Franchisor and Franchisee hereby agree as follows:

1. GRANT OF FRANCHISE; PROTECTED TERRITORY; COMPLIANCE

A. Grant of Franchise. Subject to the provisions stated below, Franchisor grants to Franchisee a personal and non-exclusive license and franchise to operate a RobotLAB® Franchised Business using the Marks as designated by Franchisor from time to time in conformity with Franchisor’s Business System at a location within the territory specified in Attachment A attached hereto. The specified area identified in Attachment A is referred to as the “Protected Territory.” Franchisee will operate the Franchised Business under the Business System in strict compliance with the provisions of this Agreement and only at a location within the Protected Territory approved by Franchisor (the “Franchised Location”).

B. Franchisee’s Protected Area; Rights Reserved By Franchisor. During the term of this Agreement, Franchisor will not establish for its own account or franchise others the right to operate a RobotLAB® Franchised Business from a permanent location within the Protected Territory specified in Attachment A. Except as expressly provided in this Agreement, we and our affiliates retain the right, in our sole discretion, to conduct any business activities, under any name, in any geographic area, and at any location, regardless of the proximity to or effect on your Franchised Business. For example, we and our affiliates have the right to:

1. Establish or license franchises and/or company-owned outlets or other facilities or businesses offering similar or identical products, services, and classes and using the System or elements of the System (i) under the Marks anywhere outside of the Protected Territory regardless of proximity to the Protected Territory or to your Franchised Business or (ii) under names, symbols, or marks *other than* the Marks anywhere, including inside and outside of the Protected Territory;

2. Sell or offer, or license others to sell or offer, any products or services, including but not limited to any educational software and programming, AI labs, or virtual reality (“VR”) development, using the Marks or other marks through any alternative distribution channels, including, without limitation, through e-commerce, in retail stores, via recorded media, via online videos, or via broadcast media, anywhere, including inside and outside of the Protected Territory without any compensation to you;
3. Solicit customers for you, as well as advertise and promote sales of Franchised Businesses anywhere, including within the Protected Territory, specifically at trade shows, conventions, and other industry events, and advertise, or authorize others to advertise, anywhere using the Marks;
4. Acquire, be acquired by, or merge with other companies with existing similar businesses, and/or RobotLAB® Franchised Businesses anywhere (including inside or outside of the Protected Territory) and, even if such businesses are located in the Protected Territory, (i) convert the other businesses to the RobotLAB® name, (ii) permit the other businesses to continue to operate under another name, and/or (iii) permit the businesses to operate under another name and convert existing Businesses to such other name;
5. Engage in any other activity, action, or undertaking that we are not expressly prohibited from taking under this Agreement; and
6. Take over sales opportunities you do not nurture and actively follow up on, as recorded in our Computer System. If you have not had a touchpoint over 30 days for an opportunity created, it becomes owned by corporate and will be fulfilled by corporate without any compensation to you. Consistent failure to follow up with open opportunities will be considered a material breach of the agreement.

C. Encroachment Fee. Franchisee may not advertise, market, solicit, sell, or service customers outside its Protected Territory (“Non-Exclusive Customers”), unless Franchisee is solicited or has a prior verifiable relationship with the Non-Exclusive Customer. Notwithstanding the foregoing, Franchisee must pay either Franchisor or the incumbent franchise owner an encroachment fee equal to fifty percent (50%) of the profits attributed to the Non-Exclusive Customers sales outside of its Protected Territory (“Encroachment Fee”). Franchisor has the right to withhold the Encroachment Fee from the proceeds due to Franchisee.

D. Centrally Managed Key Accounts. Franchisor may manage or provide support services to national and/or regional accounts that require centralized overview and support and for purposes of responding to requests and referrals for services through the franchise system, managing those relationships, and answering calls placed to the toll-free number or a national account on-line access system. In that case, Franchisor will pay you 10% of the contracted amount for the services in your Protected Territory, including renewals, if you choose to perform the services, subject to the Royalty and Brand Fund Fees due. You must opt-in to participate in a national account that we centrally manage, and you may only do so if you have all relevant approved robots and have completed training for each. If you participate in the account, you are required to follow the agreed upon account pricing and service level.

E. Locally Managed Key Accounts. Franchisor may enter into contracts on a regional or national scale where the parent requires or approves its branches and affiliates to purchase our products. In those cases, you will pay to us a 5% of Gross Revenue generated from sales to those accounts.

F. Diligent Development of Protected Territory. You are expected to diligently pursue business development within the Protected Territory. “Pursuing business development” shall be mean actively engaging in efforts to grow the business and generate leads, which include all of, but are not limited to, the following activities: hosting stages events, seminars, or other networking events; conducting brochure drops or distributing marketing materials within the territory; cold calling potential clients or businesses; attending networking events to build connections and expand awareness; participating in trade conferences, either in

conjunction with the Franchisor or independently; promptly responding to leads and opportunities either provided by the Franchisor or generated by you, and actively nurturing them without a gap of more than 30 days between touch points; conducting product or service demonstrations and proofs of concept; meeting all service level agreements contracted to customers by you, or us, or other franchisees to local and Key Accounts; having sufficient demo units to enable all customer sales, both in quantity and types of products and the knowledge how to operate and deploy them without assistance either for a demo, or for a complete installation; following up on all sales opportunities and inquiries; and engaging in community outreach or sponsorships to increase brand visibility. You will be required to demonstrate compliance by providing periodic updates on your business development efforts, which we may request and obtain at any time without notice. All your activities must be recorded on the Computer System. Activities outside the systems are not tracked and will not be used as a verification of activity. If you fail to meet these minimum requirements for two consecutive quarters or are not executing the plan of action in good faith, we may reduce the size of your Protected Territory or elect to terminate the Agreement pursuant to Section 15 herein.

2. TERM OF FRANCHISE; RENEWAL RIGHTS

A. Term. The term of this Agreement will be for ten (10) years commencing on the date of this Agreement, unless terminated sooner in accordance with the terms hereof.

B. Renewal. Franchisee will have the right to renew its RobotLAB® franchise for the Franchised Location for additional five (5) year terms, provided Franchisee meets the following conditions:

1. Franchisee has given Franchisor written notice at least one hundred eighty (180) days before the end of the term of this Agreement of its intention to renew;
2. Franchisee has complied with all of the material provisions of this Agreement, including the payment of all monetary obligations owed by Franchisee to Franchisor and its affiliates and suppliers, and has complied with Franchisor's material operating and Brand Standards and procedures and meets all current Brand Standards during the term of the Franchise Agreement;
3. Franchisee has, at its expense, made such reasonable capital expenditures necessary to remodel, modernize, and redecorate the Franchised Business premises, and to replace and modernize the supplies, items, and equipment customary in Franchisee's business so that Franchisee's business reflects the then-current physical appearance of new RobotLAB® Franchised Businesses;
4. Franchisee has paid a Renewal Fee equal to the greater of: (i) ten thousand dollars (\$10,000.00), or (ii) twenty-five percent (25%) of the then-current franchise fee to Franchisor at least thirty (30) days before the expiration of the initial (and any renewal) term of this Agreement expires;
5. Franchisee, at Franchisor's option, executes the then-current Franchise Agreement, provided, however, that Franchisee will be required to pay the Renewal Fee in lieu of the Initial Franchise Fee stated in such Franchise Agreement, and that such Franchise Agreement may not contain any further rights of renewal, but may contain continuing rates and advertising contributions (which may be different than those contained in this Agreement), and an altered Protected Territory; and
6. Franchisee is able to secure a renewal or extension of the lease for the Franchised Location or is able to secure a new location within the Protected Territory which has been accepted by Franchisor, such acceptance not to be unreasonably withheld.
7. Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law

3. OWNERSHIP AND USE OF MARKS

A. Ownership. Franchisor is the exclusive owner of all right, title, and interest in and to the Marks and Business System, and all past, present, or future goodwill of Franchisee's Franchised Business and of the business conducted at the Franchised Location that is associated with or attributable to the Marks. Franchisee's use of the Marks and the Business System will inure to the benefit of Franchisor. Franchisee disclaims all right, title, and interest in or to such goodwill and the Marks and the Business System and acknowledges, and agrees, that such goodwill and the Marks and the Business System are the exclusive property of Franchisor. Any and all improvements by Franchisee relating to the Marks and Business System will become the sole property of Franchisor who has the exclusive right to register and protect all such improvements in its name. Franchisee will execute any document required by Franchisor to transfer or assign any such improvements relating to the Marks and the Business System to Franchisor.

B. Use. Franchisee's right to use and identify with the Marks and Business System applies only to the operation of the Franchised Business within the Protected Territory and exists concurrently with the term of this Agreement and only so long as Franchisee is in full compliance with Franchisor's quality and operating standards. Franchisee will have the right to use the Marks and Business System only in the manner Franchisor directs and approves in writing. Franchisee will not have or acquire any rights in any of the Marks or Business System other than the right of use as governed by this Agreement. If, in the judgment of Franchisor, Franchisee's acts infringe upon or harm the goodwill, standards of uniformity or quality, or business standing associated with the Marks and Business System, Franchisee will immediately, upon written notice from Franchisor, modify or discontinue its use of the Marks and Business System in the manner Franchisor directs in writing. Franchisee will not, during or after the term of this Agreement, do anything directly or indirectly which would infringe upon, harm, mislead, or contest Franchisor's rights in the Marks or Business System, or the goodwill associated with the Marks or the Business System. Franchisee cannot advertise any liquidation or going-out-of-business sales or similar types of activity.

C. Promotion. Franchisee will operate the Franchised Business so that it is clearly identified and advertised as a RobotLAB® Franchised Business. The style, form, and use of the words "RobotLAB®" in any advertising, written materials, or supplies must, however, have Franchisor's prior written approval, which approval will not be unreasonably withheld. Franchisee will use the name "RobotLAB®" and the other Marks which now or hereafter may form a part of the Business System, on all paper supplies, business cards, letterhead, envelopes, uniforms, advertising materials, signs, or other articles in the identical combination and manner as Franchisor may require in writing. Franchisee will comply with all trademark, trade name, service mark, and copyright notice marking requirements.

D. Identity. Franchisee will not use the word "RobotLAB®" in its corporate or partnership name. Franchisee will clearly indicate on its business checks, purchase orders, business cards, receipts, promotional materials, and other written materials that Franchisee is the owner of the Franchised Business and that Franchisee is a RobotLAB® franchisee. Franchisee, in a manner that is clearly visible to the general public, will display a sign indicating that the Franchised Business is independently owned and operated .

E. Substitutions. If at any time Franchisor determines it advisable or necessary, Franchisee will, upon receiving written notice from the Franchisor, immediately, at its expense, make such changes and amendments or discontinuation of or to any or all of the Marks as Franchisor may require. Franchisee will not make any changes, amendments, or discontinuations of or to the use of any of the Marks and Business System unless directed by Franchisor in writing.

F. Litigation. Franchisee will not, without Franchisor's prior written consent, defend or enforce any of the Marks in any court or other proceedings for or against imitation, infringement, any claim of prior use, or for any other allegation. Franchisee will, however, immediately notify Franchisor of any claims or complaints made against Franchisee respecting the Marks and will, at its expense, cooperate in all respects with Franchisor in any court or other proceedings involving the Marks. Franchisor will pay the cost and expense of all litigation Franchisor incurs, including attorneys' fees, specifically relating to the Marks.

Franchisor and its legal counsel will have the right to control and conduct any litigation relating to the Marks.

G. Crisis Communication. Franchisor will have the sole and absolute discretion to determine what steps will be taken in instances of a crisis that impacts the RobotLAB® brand and may cause harm or injury to the RobotLAB® Marks, Business System, reputation, or image.

H. Affixing Notice. Franchisee hereby covenants and agrees that it will affix in a conspicuous location in or upon the Franchised Location, a sign containing a form of notice substantially in the following form, or such other form as Franchisor may require:

“This business is owned and operated independently by [*Franchisee Entity Name*] who is an authorized, licensed user of the trademark “RobotLAB®,” which trademark is owned by RobotLAB Franchising, LLC.”

4. INITIAL FRANCHISE FEES

A. Initial Franchise Fee. Franchisee shall pay Franchisor a non-refundable Initial Franchise Fee as set forth on Attachment A for a Protected Territory, which will be fully earned and payable on the date of this Agreement. Franchisee shall pay six dollars and eighty-six cents (\$6.8625) per qualified business within the Protected Territory, with a minimum purchase of 1 Block, which equals eight thousand (8,000) Qualified Businesses.

Based upon Franchisor’s financial condition, the California Department of Financial Protection and Innovation, the Maryland Securities Commissioner, the South Dakota Securities Regulation Office, the Virginia State Corporation Commission’s Division of Securities and Retail Franchising, the Minnesota Department of Commerce, the North Dakota Securities Department, the Illinois Attorney General’s Office, and the Washington Securities Division have determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. Each of these states has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement and has commenced business operations.

B. Initial Training Fee. Upon signing the Agreement, Franchisee shall pay a non-refundable Initial Training Fee equal to \$7,000. Franchisee shall be responsible for its own travel, lodging, and other costs and expenses for its attendees while attending training.

C. Initial Equipment/Inventory Fee. Franchisee will pay Franchisor a non-refundable “Equipment Package Fee” per Block that Franchisee agrees to operate, as set forth on Attachment A. The Equipment Package includes the cost of your initial inventory of robots for sale, and a “Marketing Kit” which includes brochures, product catalogs, roll-up banners, branded tablecloths, RobotLAB branded apparel, business cards, office signage, and initial software setup fees for owner access (“Equipment Package”).

D. Stage Presence Training. Franchisee will pay Franchisor to organize and enroll Franchisee’s owner(s) in a stage presence training program. The “Stage Presence Training Fee” is \$2,500.00 per franchise agreement and is non-refundable.

E. When Due. The Initial Franchise Fee shall be due upon your signing the Franchise Agreement, except where a state has required a financial assurance, as described in Section 4(A). The fees contemplated in the Section 4(B), 4(C), and 4(D) shall be due at the earlier of (i) 45 days after the signing the Franchise Agreement, (ii) prior to the commencement of training, or (iii) if you are in a state which required us to provide a financial assurance, when you have commenced business operations. You may be assessed an “Equipment Storage Fee” equal to \$750 per month if you have not paid for the Equipment Package in full and taken delivery or your equipment within one month of your completing training (“Delivery Deadline”).

If you have either not paid the Equipment Package Fee in full or have not scheduled your delivery by the Delivery Deadline, we will store your Equipment Package and charge you the Equipment Storage Fee each 1st of every month starting from the first 1st of a month following the end of training and continuing until your Equipment Package is shipped to you.

5. ROYALTY FEE

A. Royalty Fee. Franchisee will, for the term of this Agreement, pay to Franchisor a Royalty Fee equal to seven percent (7%) of Franchisee's Gross Revenue (as defined below). Franchisee's obligation to pay Franchisor the Royalty Fee under the terms of this Agreement will remain in full force and effect until this Agreement has expired or is terminated or transferred under the provisions herein. Franchisor will withhold the Royalty Fee per transaction from the customer funds due to Franchisee based on sales.

B. Payment.

1. Franchisee must comply with all our payment policies, procedures, and requirements, as described in the Manuals.
2. Franchisee must create an opportunity and a quote with line items for all products or services provided to customers, including related taxes and all other mandatory information on Computer Systems, as described in the Manuals. You will not accept any funds directly or indirectly, or offer products or services without issuing an opportunity, a quote, and an order on the Computer System. All funds due from customers shall be paid to RobotLAB for product sales, services, rentals, warranties, or for any other reason. Franchisor will match the sales with granted territories, product availability, and have the right to approve or reject any sale, withhold sums for fees, royalties, and other dues, and then distribute the remainder to Franchisee. If Franchisee does not have technical personnel trained for deployment of specific product as ordered, Franchisor will assign a technician from the franchisor's pool, and charge Franchisee the deployment fee, as invoiced.
3. On a per transaction basis, we will calculate the Gross Revenue, Net Revenue, and Credit Card Sales generated from the operation of your RobotLAB® Franchised Business. We will reconcile the reports on a monthly basis.
4. On a per transaction basis, we will pay to you, by EFT, ACH, direct deposit, or a similar means, the Net Sales generated from sales and services of your RobotLAB® Franchised Business during the previous day minus: (i) all Royalty Fee, Brand Fund Fees (Section 6.A) and Local Ad Fund (Section 6.B); (ii) amounts you owe us or our affiliates for purchases of supplies; and (iii) any other monetary obligation that you have to us, our affiliates, or Approved Suppliers that we have been made aware of prior to the date that we would make a payment to you. Our payment to you is referenced as the "Franchisee Share."
5. You must sign and deliver to us the documents we require to authorize us to electronically debit and credit your business checking account automatically ("Electronic Funds Transfer Authorization" or "EFTA"). Our current form of EFTA is attached as Attachment C. We will debit the EFTA for these amounts on their due dates. You agree to ensure that funds are available in the EFTA to cover our withdrawals.
6. Purchases of inventory or services from Franchisor can be invoiced on a Net 30 basis. You do not have to finance through us or our affiliate; you can finance through any other entity, and you will be liable for these payments regardless. We do not guarantee your loans.
7. We require you to pay the Technology Fees on a monthly basis, and we will withdraw these fees from your account via ACH transaction.

C. Gross Revenue. The term “Gross Revenue” means all revenue transacted from or during the operation of your RobotLAB® Franchised Business including, but not limited to, robot sales and service, business interruption insurance, and all amounts that you receive at or away from the Franchised Location, whether from cash, check, EFT, ACH, wire transfer, credit and debit card, barter, exchange, trade credit, loyalty program points, gift card redemptions, or other credit transactions.

D. Net Revenue. The term “Net Revenue” means Gross Revenue minus: (i) the amount of any documented refunds or chargebacks provided to customers in good faith; (ii) any documented contributions (up to a maximum amount set by us) you make to an approved not for profit organization in conjunction a RobotLAB® approved charitable event; (iii) any tips received by your employees; and (iv) Franchisor designated or approved discounts, promotions, or credits.

E. Credit Card Sales. The term “Credit Card Sales” means all revenue transacted from or during the operation of your Franchised Location including, but not limited to, robot sales and service, business interruption insurance, and all amounts that you receive at or away from the Franchised Location, whether from credit cards, debit cards, gift cards, Apple Pay, Samsung Pay, PayPal, Venmo, or other similar electronic or card-based payment systems. Credit card payments will carry a service charge of 4% on top of the transaction amount.

6. ADVERTISING AND MARKETING

A. Brand Fund Fee. Franchisee will pay to Franchisor’s “Brand Fund” a “Brand Fund Fee” of up to three percent (3%) of Gross Revenue in the same manner and at the same time as the Royalty Fee, as described in Section 5.C above. Currently, Franchisor collects one percent (1%) of Gross Revenue. Franchisor will use the Brand Fund Fee to conduct advertising research and public relations campaigns; develop websites and other online media programs; develop marketing materials, such as television, radio, internet, and print advertising production and promotional materials for use in each franchisee’s local market; and implement advertising and marketing campaigns. All Brand Fund Fees will be placed in a Brand Fund administered by Franchisor. Reasonable disbursements from the Brand Fund will be made solely for the payment of expenses incurred in connection with the general promotion of the Marks and the Business System, including the cost of formulating, developing, and implementing advertising and promotional campaigns; and the reasonable costs of administering the Brand Fund, including accounting and other professional expenses and the actual costs of salaries and fringe benefits paid to Franchisor’s employees or contractors engaged in administration of the Brand Fund. Although Franchisor will strive to manage the Brand Fund in such a manner that benefits franchisees uniformly, taking into account regional and/or local advertising costs and forms of media available, Franchisor cannot ensure that any individual franchisee will benefit directly or on a pro rata basis from the future placement of any such advertising in its local market. Without limiting the generality of the foregoing, Franchisor is under no obligation to administer or distribute the Brand Fund according to any particular geographic area or territory, whether in Canada, the United States, or otherwise, and furthermore is under no obligation to do so within the Protected Territory. Franchisor shall determine the methods of advertising, media employed and contents, terms and conditions of advertising campaigns and promotional programs. Upon reasonable request by Franchisee, Franchisor will provide Franchisee an annual unaudited statement of the receipts and disbursements of the Brand Fund.

B. Local Area Marketing Requirement. In addition to your Brand Fund Contribution, beginning in the first full month after the date the Franchised Business opens, you must pay to us three percent (3%) of your Gross Revenue per transaction to perform yearly local marketing services on your behalf. We will perform: (a) at least one local event for your Protected Territory yearly, (b) dedicate a cold-calling campaign to drive leads and appointments for your Protected Territory; (c) establish a pass-through lead program for all leads we get from your Protected Territory; and (d) invite you to attend shows and conferences with us if they are in your Protected Territory. We recommend you spend additional amounts on local advertising and promotional activities, which shall be payable directly to third-party marketing vendors and that may include us or an affiliate we form to provide local marketing services for you. If you fail to pay the required amount in any quarter, we may require you to pay us the shortfall as an additional Brand Fund Contribution

or to pay us the shortfall for us to spend on local marketing for your Franchised Business. We may institute a separate Local Area Marketing Requirement which you will spend on your own with local vendors and media outlets. This additional amount shall not exceed five percent (5%) of your Gross Revenue. We reserve the right to increase the Local Area Marketing Requirement paid to us up to a maximum of five percent (5%) of your Gross Revenue, upon 30 days' written notice to you. Any advertising or marketing materials must be approved by us prior to your use of such materials. We will include your Business on our website.

We and all franchisees are allowed to attend trade shows, conventions, and other industry events in any area, even within Protected Territories, so long as the franchisees agree that leads falling within another franchisee's Protected Territory will be given to the hosting franchisee. Because the primary purpose is to support the RobotLAB® brand, expenses incurred in attending these events are credited towards your Local Area Marketing Requirement.

C. Marketing Cooperatives. You also must participate in any local marketing cooperatives ("Cooperative") established by us or by a majority of the Franchised Businesses in the designated market area ("DMA") where two (2) or more unaffiliated franchisees are located, including where you operate your Franchised Business. You will not be obligated to contribute more than 5% of the Gross Revenue for your Franchised Business to the Cooperative ("Market Cooperative Contribution") and any Market Cooperative Contributions you make will count toward your Local Area Marketing Requirement. Each Cooperative must adopt written bylaws, which follow the format we approve. You may request a copy of the bylaws of the Cooperative (if one has been established) for your DMA from the Cooperative president or us. Each Cooperative must follow voting procedures that are consistent with the general operating rules that we have established. The members of the Cooperative and their elected officials will administer the Cooperative in your area. We strongly recommend that Cooperatives prepare annual financial statements and make those financial statements available to all franchisees in that Cooperative. We have the power to establish Cooperatives and the bylaws, policies, and rules under which the Cooperatives will operate.

D. Franchise Advisory Council. We have established an advertising council ("Advertising Council"). The Advertising Council serves in an advisory capacity to us with respect to certain advertising expenditures, including providing advice/guidance on how to administer the Brand Fund. At our discretion, the Advertising Council may be comprised of our management representatives, employees, you and/or other franchisees in the System. Currently, there are six franchisee members on the Advertising Council. To serve on the Advertising Council, you must agree to and sign the bylaws, be in good standing, and remain in good standing during the Term. We will have the right to modify or dissolve an Advertising Council at any time.

E. Approved Advertising and Marketing Materials. Franchisee will use only approved advertising and marketing materials. If Franchisee desires to use any unapproved advertising or promotional materials bearing the name "RobotLAB®" or other Marks, Franchisee must obtain written approval from Franchisor before using any such materials.

F. Promotion. Franchisee will use its best efforts to promote and advertise its RobotLAB® business and will participate in all advertising and promotional programs Franchisor establishes. Franchisee will participate, at its own expense, in the RobotLAB® national (electronic) gift card program and approved e-mail marketing and loyalty programs. Franchisee will have to advertise pricing as approved by Franchisor ("Franchisor Approved Pricing" or "FAP") but will have the right to discount and sell products at whatever prices Franchisee determines as long as prices that deviate from FAP do not become public knowledge.

G. Media Placement. Franchisee will use the approved vendors designated by Franchisor for broadcast media placement and online advertising for its pre-opening and all other marketing activities thereafter.

H. Marketing in Open Territory. We may permit you to advertise or market in areas adjacent to your Protected Territory that are not part of the Protected Territory of another franchisee or a company- or affiliate-owned outlet (an "Open Territory"). We reserve the right to revoke our consent at any time, and we may sell the Open Territory to another franchisee or establish a company- or affiliate-owned outlet in

the Open Territory at any time, and you must immediately refrain from marketing or selling products and services in an Open Territory upon written notice from us. If we make a sale in the Franchisee's Protected Territory, we may provide Franchisee the sale and right to service the client as long as franchisee is in good standing and actively running their Franchised Business.

7. FRANCHISOR'S OBLIGATIONS

A. Location. Franchisor will provide Franchisee with assistance with regard to site location and evaluation for the Franchised Business to ensure consistency with the Business System standards. Franchisee acknowledges that any assistance (including site selection and project oversight) provided by Franchisor or its nominee in relation to the selection or development of the Franchised Business is only for the purpose of determining compliance with the Business System standards and does not constitute a representation, warranty, or guarantee, express, implied or collateral, regarding the choice and location of the Franchised Business, that the development of the Franchised Business is free of error, nor that the franchised business is likely to achieve any level of volume, profit, or success.

B. Lay-Out and Design. Franchisee shall construct and equip the Franchised Business in accordance with the timetable or schedule specified by, and in conformity with the standard layout plans, specifications, and motif provided by Franchisor. Following receipt of such materials from Franchisor, the responsibility and cost of customizing specific plans, specifications, and drawings to the Franchised Business (upon prior approval of Franchisor) and all costs and expenses pertaining to the construction and equipping of the Franchised Business shall be borne exclusively by Franchisee. Franchisor shall have the right to inspect the construction and development of the Franchised Business at all reasonable times to ensure conformity with applicable standards.

C. Equipment, Supplies, and Inventory. Franchisee agrees to use in the operation of the Franchised Business only those service providers, manufacturers, brands or types of items, equipment (including, the Equipment Package), and signs that Franchisor will designate and approve. Franchisee shall purchase approved brands or types of items, equipment, services, and signs only from suppliers approved by Franchisor, which may include Franchisor or its affiliates. Franchisee further agrees to place or display at the Franchised Business (interior and exterior) only such signs, emblems, lettering, logos, and display materials that are from time to time approved in writing by Franchisor, which approval may be given or withheld by Franchisor.

D. Training. Franchisor will, at its expense, provide a training program, New Franchisee Orientation Training ("NFOT"), in the city in which our then-current corporate headquarters are located (currently Southlake, Texas), online, or at such other location Franchisor designates to educate, familiarize, and acquaint Franchisee with the business of operating a RobotLAB® Franchised Business. NFOT will include online and self-directed instruction components. The NFOT program length will be at Franchisor's discretion but generally will be online programming followed by two (2) weeks of in-person sessions and will be made available to you by Franchisor at its discretion. If Franchisee (or such other trainees required by Franchisor) fails to successfully complete the NFOT, they will not be permitted or authorized to manage Franchisee's business and may be required to start NFOT from the beginning at the next available session or Franchisor may terminate this Agreement pursuant to Section 15. Franchisee will be responsible for travel costs, room and board, the salaries, fringe benefits, and other expenses Franchisee and its employees and designated trainees incur in attending the training program. The training described in this Paragraph is provided at no charge for you, your members/shareholders (if you are an entity), and one key employee, up to a maximum of two (2) people. If you wish to send additional personnel to NFOT, or we provide training to any additional or replacement personnel you may do so as long as we have space in the training session.

E. Opening Assistance. Franchisor will assist in scheduling the opening of the Franchised Business. Franchisee will not open or commence business operations until Franchisee has received written approval from Franchisor. Franchisor's approval may be withheld if Franchisee fails to meet minimum inventory requirements, training and/or marketing requirements or Brand Standards established by Franchisor. Franchisor will, at no charge, provide pre-opening assistance prior to Franchisee's Franchised Business

opening. Franchisor will also provide assistance with the Franchised Business opening around the time of grand opening. You must open your Franchised Business and host your grand opening event no later than four (4) months from the Effective Date of this Agreement.

F. Operations Manual. Franchisor will provide Franchisee with an electronic copy of the Operations Manual (the “Manual(s)”) wherein Franchisor will describe its operational policies, standards, requirements, and practices as such things are modified and amended by Franchisor from time to time. The Manuals may also include computer software, videos, information available on an internet/extranet site and other electronic media that Franchisor may change from time to time. Franchisee will comply with all provisions of the Manuals. Franchisor reserves the right to revise the Manuals at any time.

G. Additional Initial Assistance. Franchisor will assist Franchisee in the development of a business plan. Franchisor and Franchisee may also agree that Franchisor provide management assistance and other services, in addition to the usual initial assistance and supervision Franchisor provides to all franchisees, for additional agreed upon compensation.

H. Ongoing Assistance. During the operation of Franchisee’s business, Franchisor will: (i) inspect the Franchised Business as often as Franchisor deems necessary and provide written reports to Franchisee on operations; (ii) provide, upon the written request of Franchisee, advisory services pertaining to the operation of Franchisee’s business; (iii) periodically make available to Franchisee all changes, improvements and additions to the Business System to the same extent as made available to other franchisees; (iv) provide Franchisee with all supplements and modifications to the Manuals; and (v) develop advertising and marketing materials. Any evaluation or inspection Franchisor conducts is not intended to exercise, and does not constitute, control over Franchisee’s day-to-day operation of the Business or to assume any responsibility for Franchisee’s obligations under this Agreement.

8. OPERATION OF THE FRANCHISEE’S BUSINESS

The Marks and Business System licensed to Franchisee represent valuable goodwill distinctive of Franchisor’s business and reputation. Franchisor will periodically develop uniform standards of quality and service regarding the business operations of the Franchised Business so as to protect (for the benefit of all franchisees and Franchisor) the distinction, valuable goodwill, and uniformity represented and symbolized by the Marks and Business System. To ensure that all franchisees will maintain the uniform requirements and Brand Standards for goods and services associated with the RobotLAB™ Franchised Businesses and with the Marks and Business System, Franchisee will maintain the uniformity and Brand Standards and pricing Franchisor reasonably requires for all products and services and agrees to the following provisions:

A. Managerial Responsibility. During the term of this Agreement, the parties who have signed this Agreement on behalf of Franchisee will personally manage and operate Franchisee’s business and will not, without Franchisor’s prior written consent, delegate its authority and responsibility with respect to management and operation. Franchisor will only give its consent if the proposed manager has completed the Initial Training Program conducted by Franchisor and has signed all necessary system documentation. If Franchisee is a corporate entity or a partnership, one individual will retain at least fifty percent (50%) of the equity and voting interest in such corporation or partnership and will be obligated to personally manage and operate the Franchisee’s business (the “Principal Executive”). The Principal Executive will be listed on Attachment A to this Agreement.

B. Design and Appearance of Premises. The design and appearance of the exterior and interior of the Franchised Business, including signage, are part of the Business System. It is essential to the integrity of Franchisor’s Business System that all RobotLAB® Franchised Businesses have a high degree of uniformity. Without limitation to anything provided for in this Agreement, Franchisee agrees that: (i) no alteration or addition will be made to the premises without Franchisor’s prior written consent; (ii) the painting and decor will be maintained in such manner and form as Franchisor may require; (iii) Franchisee will follow Franchisor’s instructions with respect to layout and character of interior items and furnishings; and (iv) only such signs, emblems, logos, lettering, and artwork as Franchisor may require or periodically

provide will be displayed on the Franchised Business premises. Franchisee must follow Franchisor's current standards regarding the design and appearance of the premises.

C. General Operation. Franchisee will use the Marks and Business System in strict compliance with the standards, operating procedures, specifications, requirements, and instructions required of all RobotLAB® franchisees, which Franchisor may periodically amend and supplement. Any required standards exist to protect Franchisor's interests in the Business System and the Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to Franchisee. The required standards generally will be set forth in the Operations Manual or other written materials. The Operations Manual also will include guidelines or recommendations in addition to required standards. In some instances, the required standards will include recommendations or guidelines to meet the required standards. Franchisee may follow the recommendations or guidelines or some other suitable alternative, provided Franchisee meets and complies with the required standards. In other instances, no suitable alternative may exist. In order to protect Franchisor's interests in the Business System and Marks, Franchisor reserves the right to determine if Franchisee is meeting a required standard and whether an alternative is suitable to any recommendations or guidelines.

D. Products and Services. Franchisee will sell only those products and services Franchisor approves in writing and will offer for sale all products and services required by Franchisor from time to time. Franchisee will conform to all quality and customer service standards Franchisor requires in writing. Franchisee will purchase only such products, services, and supplies that Franchisor approves for RobotLAB® as meeting its specifications and standards, including specifications and standards for quality, design, warranties, appearance, function, and performance. Franchisee acknowledges and agrees that such items shall be purchased only from sources, or suppliers approved in writing by Franchisor (which sources or suppliers may include Franchisor or affiliates of Franchisor). FRANCHISOR DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IN CONNECTION WITH FRANCHISOR'S SALE OF ANY GOODS OR SUPPLIES TO FRANCHISEE. Franchisee agrees to execute any and all documents Franchisor reasonably requests, including letters of credit, security agreements, and financing statements, to provide collateral for amounts due to Franchisor for purchases of inventory and other items custom in Franchisee's business. To the extent Franchisor's affiliate provides warranties for products and services, Franchisor's affiliates are solely responsible for those warranties.

1. Educational Robots. If you identify educational robot sales opportunities within an educational institution in your Protected Territory, you are required to introduce it to Franchisor's education team and Franchisor will pay you a 10% commission when a deal is closed. Franchisor does not recommend Franchisees attempt to sell educational robots (teaching aids) to educational institutions because purchase decisions often require an 18–24-month time investment for an initial order.

E. Maintenance of Premises; Modernization. Franchisee will, at its expense, repair, paint, and keep in an attractive, clean, and sanitary condition the interior and exterior of the Franchised Business premises. Franchisee will ensure that all equipment will be kept in good working order and will meet Franchisor's Brand Standards. Franchisee will periodically make capital expenditures to remodel, modernize, and redecorate the Franchised Business and to replace and modernize the furniture, items, signs, supplies, and equipment customary in the Franchised Business so that the Franchised Business will reflect the then-current physical appearance of new RobotLAB® Franchised Businesses. All remodeling, modernization, or redecoration of the Franchised Business must be done pursuant to Franchisor's then-current standards and specifications and only with Franchisor's prior written approval. Franchisee agrees to commence remodeling activities within ninety (90) days after written notice from Franchisor, although Franchisee will not be required to remodel, modernize, and redecorate the Franchised Business more than once every five years during the term of this Agreement.

F. Compliance with Laws. Franchisee will, at its expense, comply with all applicable local, state, federal, and municipal laws, ordinances, rules, and regulations pertaining to the operation of the Franchised

Business, including all licensing and bonding requirements, as well as the Americans with Disabilities Act (“ADA”), the Gramm-Leach-Bliley Act, the Fair Credit Reporting Act (“FCRA”), the Telephone Consumer Protection Act (“TCPA”), the Fair and Accurate Credit Transactions Act (“FACTA”), and the National Automated Clearinghouse Association (“NACHA”) and associated regulations (collectively “Privacy Laws”). No music, videos, or television may be played in the Franchised Business unless the appropriate licenses are obtained.

If the California Consumer Privacy Act (“CCPA”), Cal. Civ. Code § 1798.100, *et seq.*, or any federal or state privacy law applies to the Franchised Business, whenever and to the extent Franchisee operates as a “Service Provider” under the CCPA or in a similar capacity under any federal or state privacy law, Franchisee represents, warrants, and covenants that:

1. Franchisee and its employees, contractors, and other personnel will not sell, make available or otherwise disclose any Customer Information to any third-party;
2. Franchisee will retain, use, or disclose Customer Information only for the specific purpose of performing the services specified in this Agreement, and not any commercial or noncommercial purpose other than providing the services specified in this Agreement;
3. Franchisee will not retain, use, or disclose Customer Information outside of the direct business relationship between Franchisee and Franchisor;
4. Franchisee will delete any Customer Information upon Franchisor’s request unless Franchisee can prove that such request is subject to an exception under applicable law; and
5. Franchisee certifies that it understands the restrictions in Paragraphs 1-4 of this section and will comply with them. Franchisee also acknowledges and agrees that Franchisor may modify the restrictions by written notice to Franchisee, including adding other similar privacy restrictions that may be required under other state or federal privacy laws.

G. Payment of Liabilities. Franchisee will timely pay all of its obligations and liabilities due and payable to Franchisor, suppliers, lessors, and creditors. Franchisor reserves the right to assess a Late Fee equal to one thousand dollars (\$1,000) per occurrence or any other late payment, plus interest on the unpaid amount at a rate equal to eighteen percent (18%) per annum or the highest amount permitted by applicable law, whichever is less.

H. Taxes. Franchisee will promptly pay all federal, state, and local taxes arising out of the operation of Franchisee’s business. Franchisor will not be liable for these, or any other taxes, and Franchisee will indemnify Franchisor for any such taxes that may be assessed or levied against Franchisor which arise or result from Franchisee’s business.

I. Standardization. Franchisee will require its employees to wear such uniforms as Franchisor may designate and will comply with such programs of standardization as Franchisor may periodically develop to promote the common business image and to protect the goodwill associated with the Marks and Business System.

J. Personnel. Franchisee will, at all times when open for business, have a person designated as a management person on duty who will be responsible for the business operations of Franchisee’s business and who has completed NFOT and who shall have executed a confidentiality agreement in the form we require. Franchisee will employ and maintain a sufficient number of adequately trained and competent employees to provide efficient service to Franchisee’s customers. Franchisee must employ a minimum of one (1) salesperson and one (1) implementation employee per Block Franchisee operates. Franchisee’s employees will not be deemed to be Franchisor’s employees for any purpose whatsoever, and nothing in any aspect of the Business System or the Marks in any way shifts any employee or employment related

responsibility from Franchisee to Franchisor. Franchisee alone is responsible for hiring, firing, training, setting hours for, and supervising all employees.

K. Hours of Operation. Franchisee's Franchised Business will be open for business at the time and in the manner, Franchisor provides in the Operations Manual. The minimum hours of operation may be periodically amended by Franchisor and/or updated in the Operations Manual.

L. Additional Training Seminars. Franchisor may periodically conduct refresher courses, seminars, and other programs for all RobotLAB® franchisees. Franchisee and/or its employees will be required to attend any such programs and will be responsible for any expenses incurred by them in attending such programs including the cost of training sessions as detailed in the Operations Manual, transportation, lodging, meals, and any wages. If Franchisor hires or designates a third-party to conduct a training session, Franchisee shall be required to pay the training provider their fees to complete the training.

M. Photographs. Franchisor will have the right to photograph the Franchised Business premises and, with prior written consent, Franchised Business employees and customer sites at all reasonable times.

N. Operations Manual. To protect Franchisor's reputation and goodwill and to maintain uniform operating standards under the Marks and Business System, Franchisee will conduct its business according to Franchisor's Operations Manual and other confidential Manuals provided by Franchisor. Franchisee will receive an electronic or hard copy of each Manual. Franchisee will treat each Manual as confidential and will use all reasonable efforts to maintain the Operations Manual as secret and confidential. The Manuals will remain Franchisor's sole property. Franchisor may periodically revise the contents of the Manuals. Franchisee agrees to comply with each new or changed standard. Franchisee will ensure that its copy of each Manual is kept current. In the event of any dispute as to the contents of any Manual, the terms of the master copy of such Franchisor maintains will control. At Franchisor's option, Franchisor may post some or all of the Operations Manual and other confidential Manuals and materials on the Extranet to which Franchisee will have access. Any passwords or other digital identifications necessary to access the Operation Manual on the extranet will be deemed secret and confidential. It is Franchisee's obligation to monitor and access the extranet for any updates to the Operating Manual or system standards. If you fail to comply with the system standards or the Operating Manual, we may assess a "System Non-Compliance Fee" equal to \$500.00 per occurrence. Repeated instances of non-compliance may result in termination of the Franchise Agreement.

O. Lease. Franchisee's lease or sublease for the Franchised Business premises must be reviewed by Franchisor before its execution. Franchisee must provide Franchisor with an executed copy of any lease for the Franchised Business. Franchisor makes no guarantees concerning the success of the Franchised Business located on any site consented to by Franchisor. Franchisor recommends that Franchisee employ an independent real estate broker to assist Franchisee in locating a suitable site and negotiating a lease for such site. Franchisee's lease must contain provisions requiring that: (i) so long as this Agreement remains in effect, the premises will be custom only for a RobotLAB® business; (ii) the landlord will provide Franchisor written notice of any Franchisee default and/or right to cure; and (iii) upon termination of this Agreement or the Lease, Franchisee must remove, at its sole expense, all signs and materials bearing the name "RobotLAB®" and other Marks. Concurrently with the execution of your lease, you and the landlord for your leased premises must execute the form of Lease Rider contained in Attachment D to this Agreement.

P. Computer Systems. Franchisee will utilize in the Franchised Business the "Computer Systems" (individually, the "Local Computer System" and "Online Computer System" as defined below) which Franchisor has selected for the Business System, including all future updates, supplements, and modifications. Franchisee may be required to enter into a separate computer software license agreement specified by any third-party suppliers of the Computer Systems. Franchisor may access information and data produced by Franchisee's Computer Systems. As further described in Section 5(C), Franchisor has the right to use the information obtained from Franchisee's Computer Systems to determine the amounts owed for Royalty Fees. The computer hardware components must conform with specifications Franchisor

develops and must be configured as a package unit as Franchisor designates. The “Local Computer System” includes: (a) laptops for *each* employee which must be purchased from Franchisor at a preset rate, currently one thousand five hundred dollars (\$1,500.00) per laptop, (b) wired and wireless network equipment, (c) mobile hot spot for robot deployment (including a data subscription), (d) mobile phones for employees, (e) at least one all-in-one printer, (f) tablets for sales and technician personnel, currently four hundred fifty dollars (\$450.00) per tablet, (g) office alarm systems, sensors, and camera (recommended but not required by us), (h) one office desk phone, and (i) one large format (11x17) printer. The “Online Computer System” includes the license and hardware for the cloud-based software we use, including our sales and customer management system and managing email marketing, as well as the software to operate the business. Franchisee will be required to utilize and, at Franchisor’s discretion, pay for all future updates, supplements, and modifications to the Computer System. Franchisee may be required to update its Computer System every five (5) years or less, depending on updates in technology and Franchisor’s current standards. Franchisor will provide a minimum of thirty (30) days’ written notice prior to implementation of such fee. It is Franchisee’s responsibility to make sure that Franchisee is in compliance with all laws that are applicable to the Computer System or other technology custom in the operation of Franchisee’s Business, including all data protection or security laws. You must maintain and exclusively use franchised “@RobotLAB.com” email accounts for customer communications, which will be provided to you. You may not contact other robot manufacturers directly and are required to enter all purchase orders from us using the Computer System. Purchasing, leasing, renting, bartering, or trading any products directly with manufacturers will be considered an uncurable breach of the Franchise Agreement, which will lead to immediate termination of the Franchise Agreement.

Q. Technology Fee. Currently, Franchisee must pay a base rate of seven hundred ninety-four dollars (\$794.00), *plus* one hundred sixty-one dollars (\$161.00) per employee per month to Franchisor for the Technology Fee for technology-related services provided by Franchisor. Franchisor will provide a minimum of thirty (30) days’ written notice prior to any increase of the Technology Fee unilaterally. As you add employees, you should expect your Technology Fee to rise by the then-current per employee rate. The Technology Fee will be proportionate to the technology services we provide to you.

R. Participation in Internet Website. Franchisee must have high speed internet access from the Franchised Business. Franchisor will include Franchisee in the Franchised Business location section of Franchisor’s website www.RobotLAB.com at no charge as part of Franchisee’s marketing fund. Franchisor will establish the rules from time to time, and Franchisee shall be required to strictly abide by all such rules and follow the then current form of RobotLAB® Internet Code of Conduct. Franchisee shall not create a separate Franchised Business website, domain name, similar or in conjunction with your company name or Protected Territory name, as assigned by us. Franchisor will, at its discretion, determine the content and use of the RobotLAB® website, and the core brand content and design of the franchisee Franchised Business website templates. Franchisor will retain all rights relating to the RobotLAB® website and the individual Franchised Business’s website template and domain name(s) (URL) and may alter or terminate the websites upon thirty (30) days’ notice to Franchisee. Franchisee’s general conduct on the internet and specifically its use of the Marks on the internet (including the domain name and any other Marks Franchisor may develop as a result of participation on the internet) will be subject to the provisions of this Agreement and regulated by the Internet Code of Conduct or similar document. Franchisee acknowledges that certain information obtained through its participation in the RobotLAB® internet and extranet websites may be considered Confidential Information (as defined in Section 9 below), including access codes and identification codes. Franchisee’s online rights to participate in the RobotLAB® internet or extranet sites, or otherwise use the Marks or Business System on the internet, will terminate when this Agreement expires or terminates. It is Franchisee’s responsibility to ensure that its website and other web content complies with all applicable provisions of the current Web Content Accessibility Guidelines (“WCAG”) and/or related laws.

S. Summits and Conventions. RobotLAB®’s annual Franchisee summit (a “Summit”) is mandatory for all Franchisees, and the designated representative if Franchisee is an entity. The Franchisee, or designated representative, must attend each Summit (up to one (1) per calendar year) and we may charge a “Summit Fee” which is currently seven hundred fifty dollars (\$750.00) per attendee. Even if Franchisee, or

a designated representative, do not attend, you will be charged the full Summit Fee. Franchisee is also responsible for paying the costs of travel, living expenses, food, and wages for its personnel while attending the Summit. Franchisor reserves the right to increase the Summit Fee in proportion to match the cost of living increases over the life of the Term.

T. Required Equipment, Supplies and Vehicles. Franchisee must purchase the required equipment, supplies, and vehicles for its use in the Franchised Business. The equipment, supplies, and vehicles must meet the specifications (brand, model and/or performance specifications) in the Operations Manual, including supplies, communications equipment, and business technology, and software used in the Franchised Business. These specifications include standards for delivery, performance, design, reliability, and appearance. Such specifications may be modified periodically, and any costs associated with such modifications shall be the sole responsibility of Franchisee.

1. Franchisee shall maintain the equipment and vehicles in good condition and repair throughout the term of this Agreement. Franchisee shall follow all service guidelines and bulletins regarding the periodic maintenance and servicing of the equipment and vehicles provided by Franchisor or the supplier.
2. Franchisee must use the equipment and vehicles in strict accordance with this Franchise Agreement and Operations Manual. Among other restrictions, Franchisee may use the equipment and vehicles solely for the Business and for no other purpose and Franchisee may not sell, encumber, or transfer any rights in the equipment or vehicles except in strict compliance with this Franchise Agreement.
3. In the event this Agreement is terminated for whatever reason and the Franchisee is no longer operating a RobotLAB[®] Franchised Business, the Franchisor shall have the right of first refusal, but not the obligation, to purchase the equipment and vehicles at a price the parties agree on.

9. CONFIDENTIAL INFORMATION

A. Non-Disclosure of Confidential Information. Franchisee and those individuals who have signed the Personal Guaranty attached hereto as Attachment B agree to use and permit the use of Franchisor's Confidential Information (as defined below) solely in connection with the operation of the Franchised Business. Franchisee and Personal Guarantors further agree that they will never, during the initial term or any renewal term of this Agreement, or any time after this or any renewal Franchise Agreement expires or terminates, or Franchisee's rights under this Agreement or any renewal Franchise Agreement are assigned or terminated, divulge or use any of Franchisor's Confidential Information for the benefit of any third-party (including any person, business entity, or enterprise of any type or nature), nor will Franchisee or Personal Guarantors directly or indirectly aid such third party to imitate, duplicate or "reverse engineer" any of Franchisor's Confidential Information. "Confidential Information" means all information, knowledge, trade secrets, or know-how utilized by the Business System, or which otherwise concerns Franchisee's or Franchisor's systems of operation, programs, services, products, customers, practices, materials, books, records, manuals, computer files, databases, or software. Confidential Information includes (without limitation): all elements of the Business System and all products, services, equipment, technologies, policies, standards, requirements, criteria, and procedures that now or in the future are part of the Business System; Franchisor's Operations Manual (including supplements to the Manual); all specifications, sources of supply, all procedures, systems, techniques, and activities employed by Franchisor or Franchisee in the offer and sale of products and or services at the Franchised Business; all pricing paradigms established by Franchisor or by Franchisee; all of Franchisor's and/or Franchisee's sources (or prospective sources) of supply and all information pertaining to same (including wholesale pricing structures, the contents of sourcing agreements and identity of suppliers); Franchisor's specifications, and Franchisee's final plans, for the construction, build-out, design, renovation, décor, equipment, signage, furniture items, and trade dress elements of the Franchised Business; the identity of, and all information relating to, the computer and POS hardware and software utilized by Franchisor and Franchisee; all information pertaining to Franchisor's and Franchisee's advertising, marketing, promotion and merchandising campaign activities,

materials, specifications, and procedures; all customer lists, customer data and other records generated and/or otherwise maintained by the Franchised Business; Franchisor's Internet Code of Conduct, social media policy, internet/web protocols, procedures and content; Franchisor's training and other instruction programs and materials; all communications between Franchisor and Franchisee (including the financial and other reports Franchisee is required to submit to Franchisor under the Agreement); additions to, deletions from and modifications and variations of the components of the Business System and all other information, knowledge and know-how which Franchisor and its affiliates, now or in the future, designate as confidential.

Confidential Information will not, however, include information that Franchisee and Personal Guarantors can demonstrate came to their attention before Franchisor disclosed it to Franchisee (unless illegally or improperly procured by Franchisee or its Personal Guarantors before Franchisor's disclosure) or which, at or after the time of disclosure, has become a part of the public domain through publication or communication by others, but not through any act of Franchisee or Personal Guarantors.

Except as authorized in this Agreement, Franchisee and Personal Guarantors agree never to copy, duplicate, record, or otherwise reproduce any of the Confidential Information, in whole or in part; otherwise share it with any other third-party individual or entity; store it in a computer or other electronic format; or otherwise make it available to any third-party by any other means whatsoever. Upon the expiration or termination of this Agreement, Franchisee and Personal Guarantors agree to return to Franchisor such Confidential Information as Franchisor requests (including customer lists and records; all training materials and other instructional content; financial and non-financial books and records; the Manual; and computer databases, software and manuals) which are then in Franchisee's or Personal Guarantor's possession, or upon Franchisor's request, destroy all or certain Confidential Information and certify such destruction to Franchisor. It is specifically understood that all customer lists or information acquired by the Franchised Business is Franchisor's property, not the property of Franchisee or Personal Guarantors. Franchisor may use this information to market to Franchisee's customers during and after the term of the Franchise Agreement. Franchisee will execute any document required by Franchisor to ensure that Franchisor will have access to that information.

Franchisee and Personal Guarantors must only divulge such Confidential Information to Franchisee's operational personnel as is necessary for each to perform his/her functions and then only on a "need to know" basis. Franchisee and Personal Guarantors agree to take all necessary precautions to ensure that these individuals maintain the Confidential Information in confidence and comply with the confidentiality provisions of this Agreement. Franchisee's agreement to procure execution of a Confidentiality/Non-Competition Agreement from certain of Franchisee's owners, management and staff is set forth before in Section 9(B) of this Agreement.

B. Confidentiality/Non-Competition Agreements. All of Franchisee's employees who have access to Confidential Information of Franchisor, as well as all corporate officers, directors, and shareholders if Franchisee is a corporation (all partners if Franchisee is a partnership), must sign Confidentiality/Non-Competition Agreements in a form satisfactory to Franchisor, agreeing to maintain the confidentiality, during the course of their agreement and thereafter, of all information Franchisor copyrights or designates as confidential and proprietary. Copies of the executed agreements will be provided to Franchisor upon request.

Franchisee agrees to vigorously and vigilantly prosecute to the fullest extent permitted by law breaches of any Confidentiality/Non-Competition Agreement executed pursuant to this provision, and acknowledge Franchisor's right, to be exercised as Franchisor alone determines, to enforce the terms of any such executed Confidentiality/Non-competition Agreement. If the substantive provisions of the Confidentiality/Non-Competition Agreement have been breached by an individual employed, engaged, or otherwise serving the Franchised Business who has not executed a Confidentiality/Non-Competition Agreement, Franchisee must nevertheless vigorously and vigilantly prosecute such conduct to the fullest extent permitted by law.

C. Non-solicitation. Except to the extent prohibited by applicable law, Franchisor and Franchisee agree not to recruit or hire, either directly or indirectly, any officer, director, employee, independent contractor or agent of the other party (or a former employee, independent contractor or agent for the other party) for one (1) year after his or her employment or business relationship with Franchisor or franchisee, as the case may be, has ended without first obtaining the other party's written consent. If Franchisor or franchisee violate this provision, in addition to any other rights or remedies Franchisor or franchisee may have, Franchisor or franchisee, as the case may be, shall pay the other party an amount equal to two times the annual compensation of such individual, including salary and/or other compensation (e.g., commissions) of such individual, plus all costs and attorneys' fees incurred by the non-breaching party, which the parties agree is a reasonable estimation of each of the party's damages in the event of such a breach of this Agreement.

10. INSURANCE; BONDING

A. Insurance. Franchisee will obtain and maintain in force (under policies of insurance issued by a carrier that is rated A- or better by A.M. Best) and pay the premiums for:

Policy	Policy Limits/Description	Required or Recommended
General Liability	\$1,000,000 per occurrence/\$2,000,000 aggregate with the minimum sub-limits must be met: \$1,000,000 Personal & Advertising Injury, \$2,000,000 Products/Completed Operations Aggregate, \$300,000 Damage to Rented Premises and \$10,000 Medical Expense	Required
Owned, Hired & Non-Owned Auto Liability	Minimum \$1,000,000 combined single limit each accident	Required
Workers Compensation and Employers Liability	Minimum limits no less than \$500,000 per accident for bodily injury by accident; \$500,000 policy limit by disease; and \$500,000 per employee for bodily injury by disease or as required by law in your state	Required (if state law requires)
Professional Liability	\$1,000,000 per occurrence/\$1,000,000 aggregate, on an occurrence basis	Required
Special Form property insurance	An amount appropriate to cover full replacement value of contents. Business Income and Extra Expense must be included on an actual loss sustained basis for a minimum of 12 months	Recommended
1st and 3rd Party Crime	No less than \$25,000 (this requirement can be satisfied with a bond)	Recommended
Umbrella Liability	\$1,000,000 minimum limits to extend over general liability, owned/hired/non-owned liability and employers' liability	Recommended
Employment Practices Liability (EPL)	\$1,000,000 minimum limit. Coverage must include a 3rd party endorsement	Recommended

Such insurance policies will expressly protect both Franchisee and Franchisor and will require the insurer to defend both Franchisee and Franchisor in any action. In addition, each such insurance policy must name

Franchisor as an additional insured, and provide that such policy will not be canceled, amended, or modified except upon thirty (30) days' prior written notice to Franchisor. On an annual basis and upon Franchisor's request, Franchisee will furnish to Franchisor endorsements or other proof of insurance Franchisor requires evidence that Franchisee has obtained and is maintaining in force all required insurance policies. Maintenance of the insurance requirement will not relieve Franchisee of the obligations of indemnification stated in Section 11 below. If Franchisee fails to obtain or maintain in force any insurance as required by this Section or to furnish any endorsements or other proof of insurance Franchisor requires hereunder, Franchisor may, in addition to all other available remedies, obtain such insurance or endorsements or proof of insurance, and Franchisee will promptly reimburse Franchisor for all insurance premiums and other costs incurred in obtaining such insurance or endorsements or other proof of insurance.

B. Bonding. Franchisee will comply with any and all bonding requirements which may be applicable to its RobotLAB® business.

11. INDEPENDENT CONTRACTORS; INDEMNIFICATION

Franchisor and Franchisee are independent contractors. Neither Franchisor nor Franchisee will make any agreements, representations, or warranties in the name of or for the other or that their relationship is anything other than franchisor and franchisee. Neither Franchisor nor Franchisee will be obligated by or have any liability under any agreements, representations, or warranties made by the other. Franchisee alone will be responsible for all loss or damage arising out of or relating to the operation of Franchisee's business or arising out of the acts or omissions of Franchisee or any of its agents, employees, or contractors in connection with the preparation and sale of products by Franchisee, and for all claims for damage to property or for injury or death of any persons directly or indirectly resulting therefrom.

Franchisee will indemnify Franchisor against and will reimburse Franchisor for all obligations and damages arising out of the operation of Franchisee's business, including all costs Franchisor reasonably incurs in the defense of any such claim brought against it or in any action in which it is named as a party (including reasonable attorneys' fees), including without limitation any claims brought against it related to or arising out of any act, error, and/or omission of Franchisee (including Franchisee's ownership, operation, and/or management of the Franchised Business) and/or any referral, service provider, supplier, or other agent/independent contractor or employee of Franchisee including acts, errors, or omissions committed or incurred, negligent or intentional acts in connection with Franchisee's operation of the Franchised Business and infringement, violation or alleged infringement or violation of any Name, Mark, patent or copyright, or any misuse of the Confidential Information. This provision includes all claims as indicated above, of Franchisor, directly against Franchisee (without a third-party involvement) due to acts or omissions of Franchisee or Franchisor in which Franchisor suffers damages including but not limited to, harm to its goodwill and reputation.

Franchisor will have the right to control all litigation, including selection and management of counsel, and defend and/or settle any claim, arbitration, against and/or including us and/or the Franchisor related persons/entities, or affecting our and/or their interests with no obligation to you and without affecting our rights under this indemnity or otherwise. Franchisee shall appoint separate independent counsel to represent Franchisee's interest in such suits, proceedings, claims, etc., all at Franchisee's expense. Franchisee's indemnification obligations shall survive the termination or expiration of this Agreement.

Nothing in this Agreement may be construed to create a partnership, joint venture, agency, employment, or fiduciary relationship of any kind. None of Franchisee's employees will be considered to be Franchisor's employees. Neither Franchisee, nor any of Franchisee's employees whose compensation is paid by Franchisee, may in any way, directly or indirectly, expressly or by implication, be construed to be an employee of Franchisor for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied, or fixed by any city, state, or federal governmental agency. Franchisor will not have the power to hire or fire Franchisee's employees. Franchisee will alone exercise day-to-day control over all operations, activities, and elements of the Franchised Business. Franchisee is solely responsible for the safety and well-being of Franchisee's

employees and the customers of the Franchised Business. Franchisee acknowledges and agrees that the various requirements, prohibitions, specifications, and procedures of the Business System which Franchisee is required to comply with under this Agreement, whether set forth in the Operations Manual or otherwise, do not directly or indirectly constitute, suggest, infer, or imply that Franchisor controls any aspect or element of the day-to-day operations of the Franchised Business, which Franchisee alone controls, but only constitute standards Franchisee must adhere to when exercising control of the day-to-day operations of the Franchised Business. Franchisee may not, without Franchisor's written approval, have any power to obligate Franchisor for any expense, liabilities, or other obligations, other than specifically provided in this Agreement.

12. SALES REPORTS, FINANCIAL STATEMENTS AND AUDIT RIGHTS

A. Sales Reports. Franchisor and Franchisee will have access to all sales reports on the Online Computer System.

B. Financial Statements. Franchisee will, at its expense, provide Franchisor with quarterly and annual financial statements and such other financial reports as Franchisor specifies using the forms and chart of accounts Franchisor requires. All financial information provided to Franchisor under this Section must be presented in the form Franchisor periodically requires in writing. Franchisee will deliver the quarterly financial information to Franchisor by the thirtieth (30th) day of the month following the end of the preceding quarter. The annual financial statement must be provided on or before March 1 of each year for the preceding calendar year. If there is reasonable uncertainty as to the validity of the financial statements, we may have it audited.

C. Audit Rights. Franchisee will make all its financial books and records (including the tax returns of Franchisee, its Personal Guarantors, and its shareholders) available to Franchisor or its designated representative at all reasonable times for review and audit by Franchisor or its designee. Franchisee will keep its financial books and records for each fiscal and calendar year in a secure place and will make them available for audit by Franchisor for at least five (5) years. If an audit conducted by Franchisor results in a determination that the Royalty Fees or other amounts paid to Franchisor are deficient (underpaid) by more than one percent (1%), Franchisee will pay Franchisor for the reasonable costs and expenses that it has incurred as a result of the audit. If pursuant to audits, the Royalty Fees have been deficient by more than one percent (1%) twice or more within any five (5) year period, this will be considered a material breach of this Agreement. In addition, Franchisee's failure to fully cooperate and timely complete the audit procedures is a material breach of the Franchise Agreement, and Franchisee will pay all Franchisor's costs and expenses Franchisor incurs resulting from Franchisee's lack of cooperation and untimeliness.

13. FRANCHISOR'S RIGHT OF FIRST REFUSAL TO PURCHASE

A. Restrictions. Franchisee will not sell, assign, trade, transfer, lease, sublease, or otherwise dispose of: (i) any interest in or any part of the Franchised Location or this Agreement, or (ii) any controlling interest (whether through one or more related transactions) in Franchisee's business or the assets of Franchisee's business to any third party, without first offering the same to Franchisor in writing, at the same price and on the same terms as stated in the proposed third-party offer. Franchisee's written offer to Franchisor must contain all material provisions of the proposed sale or transfer. Upon Franchisor's receipt of written notice specifying the proposed price and terms of a proposed sale or transfer of Franchisee's business or interest therein, Franchisor will give Franchisee written notice within ten (10) business days thereafter if Franchisor has an interest in negotiating to purchase the business or interest being offered according to the proposed terms. If Franchisor commences negotiations to purchase Franchisee's business or interest therein as described herein, Franchisee may not sell the business or interest being offered to a third-party for at least thirty (30) days or until Franchisor and Franchisee agree in writing that the negotiations have terminated, whichever comes first. If Franchisor waives its right to purchase, Franchisee may complete the sale or transfer of the business or interest therein according to the terms described in the written notice to Franchisor but not upon more favorable terms. Any such sale, transfer, or assignment to a third party is

subject to the provisions stated in Section 14 of this Agreement. Franchisor's nonacceptance of Franchisee's written offer will not affect or change Franchisee's obligations under this Agreement.

B. Corporate Franchisee. If Franchisee is a corporation, the shareholders cannot sell, assign, pledge, or otherwise dispose of a controlling interest in the capital stock of Franchisee ("Capital Stock") (except to immediate family members of the controlling shareholder(s) or to a trust established for their benefit) until the Capital Stock has been first offered to Franchisor in writing under the same terms and conditions offered to any third-party. A shareholder of Franchisee may, however, bequeath, sell, assign, trade, or transfer his/her Capital Stock to the other shareholders of Franchisee corporation because of death or permanent disability without first offering it to Franchisor, provided Franchisee provides Franchisor with written notice of all such transactions. All shares of Capital Stock issued by Franchisee's corporation to its shareholders must bear the following legend on the reverse side of each issued and outstanding stock certificate:

The shares of capital stock represented by this certificate are subject to a written Franchise Agreement which grants RobotLAB® a right of first refusal to purchase these shares of capital stock from the shareholder.

Nothing in this Section will be construed as prohibiting the shares of Capital Stock of a corporate Franchisee from being pledged as security to an institutional lender who has provided financing to or for the Franchised Business, provided the institutional lender accepts such security interest subject to Franchisor's reasonable conditions.

14. ASSIGNMENT OF FRANCHISE AGREEMENT

A. By Franchisor. A sale, transfer, or assignment by Franchisor of its interest in the Business System or the Marks or any parts thereof, and/or in the sale, transfer, or assignment by Franchisor of this Agreement or any interest therein, may be completed without the consent of Franchisee. To the extent that the purchaser or transferee shall assume the covenants and obligations of Franchisor under this Agreement, Franchisor shall thereupon and without further agreement, be freed and relieved of all liability with respect to such covenants and obligations. Franchisee acknowledges that nothing in this Agreement shall prevent Franchisor from granting security over any of its assets, including the Marks and any other intellectual property, on terms required by any secured party from time to time, and Franchisee further acknowledges that any such secured party or any agents acting on behalf of such secured party shall not have any obligations to Franchisee by reasons only of such security interest.

B. Corporate Franchisee. This Agreement may be transferred or assigned by Franchisee to a corporation which is owned or controlled by Franchisee, provided Franchisee and all other shareholders of the assignee corporation owning at least ten percent (10%) of the Capital Stock thereof sign the Personal Guaranty attached hereto as Attachment B and agree to be bound by the provisions of this Agreement. Franchisee will give Franchisor fifteen (15) days written notice before the proposed date of assignment or transfer of this Agreement to a corporation owned or controlled by Franchisee. Any change in the owners of the Corporate Franchisee requires a prior, written approval from Franchisor. The transfer or assignment of this Agreement will not be valid or effective until Franchisor has received the legal documents which its legal counsel deems necessary to properly document such transfer or assignment.

C. Conditions to Other Transfer or Assignment. Franchisee (and its partners and shareholders, if any) will not transfer (whether voluntary or involuntary), assign, or otherwise dispose of, in one or more transactions, Franchisee's business, the Franchised Location, all or substantially all of the assets of Franchisee's business, this Agreement, or any controlling interest in Franchisee (a "controlling" interest will include a proposed transfer of fifty percent (50%) or more of the Capital Stock of a corporate Franchisee) without Franchisor's prior written consent, except to trusts established for Franchisee's benefit. Franchisor will not unreasonably withhold its consent to a transfer, subject to any or all the following conditions described below which Franchisor may deem necessary:

1. All of Franchisee's accrued monetary obligations to Franchisor and suppliers will have been satisfied, and Franchisee is not in default under this Agreement;
2. Franchisee executes a written agreement in a form satisfactory to Franchisor, in which Franchisee covenants to observe all applicable post-term obligations and covenants contained in this Agreement;
3. The transferee-franchisee enters into a written agreement in a form satisfactory to Franchisor assuming and agreeing to discharge all of Franchisee's obligations and covenants under this Agreement for the remainder of its term or, at Franchisor's option, executes Franchisor's then-current standard form of franchise agreement which may not contain any further rights of renewal, but may contain royalty rates and advertising contributions (which may be different than those contained in this Agreement), and an altered Protected Territory;
4. The transferee-franchisee is not a competitor, or deemed as a competitor by Franchisor, of Franchisor or the Business system and is approved by Franchisor and demonstrates to Franchisor's satisfaction that he/she meets Franchisor's managerial, financial, and business standards for new franchisees, possesses a good business reputation and credit rating, and has the aptitude and ability to conduct the franchised business. Franchisee understands that Franchisor may communicate directly with the transferee-franchisee during the transfer process to respond to inquiries, as well as to ensure that the transferee-franchisee meets Franchisor's qualifications;
5. While Franchisor does not determine the purchase price of the franchised business, Franchisor has determined that the purchase price and payment terms will not adversely affect the transferee-franchisee's operation of the Franchised Business;
6. If Franchisee finances any part of the purchase price, Franchisee agrees that all of the transferee-franchisee's obligations under any promissory notes, agreements, or security interests reserved in the Franchised Business are subordinate to the transferee-franchisee's obligations to pay Royalty Fees, Brand Fund Fees, and any other amounts due to Franchisor under the Franchise Agreement;
7. The transferee-franchisee successfully completes Franchisor's training program; and Franchisee pays Franchisor a transfer fee equal to the greater of: (i) ten thousand dollars (\$10,000.00); or (ii) twenty five percent (25%) of the then current Initial Franchise Fee per Protected Territory being sold, plus any third-party brokers' fees, and the costs Franchisor incurs, including the costs of any required training. There will be no transfer fee payable for transfers to immediate family members (i.e.: spouse or children).

15. FRANCHISOR'S TERMINATION RIGHTS

A. Grounds. Franchisee will be in default, and Franchisor may, at its option, terminate this Agreement, as provided herein, if: (i) Franchisee fails to open and commence operations of the Franchised Business at such time as the premises are ready for occupancy or within four (4) months of the execution of this Agreement, whichever occurs first; (ii) Franchisee violates any material provision or obligation of this Agreement; (iii) Franchisee or any of its managers, directors, officers, or majority shareholders are convicted of, or plead guilty to or no contest to (a) a charge of violating any law which adversely impacts upon the reputation of the franchised business or (b) any felony; (iv) Franchisee fails to conform to the material requirements of the Business System or the material standards of uniformity and quality for the products and services Franchisor has established in connection with the Business System; (v) Franchisee fails to timely pay Royalty Fees, Brand Fund Fees, buying group (inventory) obligations or any other obligations or liabilities due and owing to Franchisor or fails to timely pay any advertising cooperative obligations; (vi) Franchisee is insolvent within the meaning of any applicable state or federal law; (vii) Franchisee makes an assignment for the benefit of creditors or enters into any similar arrangement for the disposition of its assets for the benefit of creditors; (viii) Franchisee voluntarily or otherwise "abandons" (as defined below) the franchised business; (ix) Franchisee is involved in any act or conduct which materially impairs the goodwill associated with the name "RobotLAB®" or any of the Marks or the

Business System; (x) Franchisee's lease for the Franchised Business premises expires or is terminated for any reason (unless Franchisee receives Franchisor's written consent and relocates within the Protected Territory to a site approved by Franchisor within sixty (60) days thereafter and Franchisee signs a new lease in compliance with Section 8(O)); (xi) Franchisee defaults in any other agreement with Franchisor, its subsidiaries or affiliates, and does not cure such default in accordance with the terms of such other agreement; (xii) Franchisee receives frequent and/or severe complaints from customers and/or employees concerning the Franchised Business; (xiii) Franchisee fails to fully cooperate and timely complete any audit authorized by Franchisor; (xiv) Franchisee fails to satisfy the requirements in Section 1(F); or (xv) Franchisee violates the in-term covenant not to compete. The term "abandon" means Franchisee's failure to operate the Franchised Business during regular business hours for a period of ten (10) consecutive days without Franchisor's prior written consent unless such failure is due to an act of God, war, strikes, or riots.

B. Procedure. Except as described below, Franchisee will have thirty (30) days, or such longer period as applicable law may require, after its receipt from Franchisor of a written Notice of Termination within which to remedy any default hereunder, and to provide evidence thereof to Franchisor. If Franchisee fails to correct the alleged default within that time (or such longer period of time as applicable law may require), this Agreement will terminate without further notice to Franchisee effective immediately when the thirty (30) day period (or such longer period as applicable law may require) expires. Franchisor may terminate this Agreement immediately upon delivery of written notice to Franchisee, with no opportunity to cure, if the termination results from any of the following: (i) Franchisee repeatedly fails to comply with one or more material requirements of this Agreement; (ii) the nature of Franchisee's breach makes it not curable; (iii) Franchisee willfully and repeatedly deceives customers relative to the source, nature or quality of goods sold; (iv) any default under items (i), (iii), (vi), (viii), (ix), (xi), (xii), (xiii), (xiv), or (xv) in Section 15(A) above; or (v) Franchisee willfully and materially falsifies any report, statement, or other written data furnished to Franchisor either during the franchise application process or after Franchisee is awarded a franchise. For purposes of Section 15(B)(i) of the Franchise Agreement, the word "repeatedly" means Franchisee's failure, on two or more separate occurrences during any twenty-four (24) month period, to comply with one or more material requirements of the Franchise Agreement, even if the default is subsequently cured within the applicable time period. Any report submitted pursuant to Section 12 will be conclusively deemed to be materially false if it understates Gross Revenue by more than four percent (4%).

C. Applicable Law. If the provisions of this Section 15 are inconsistent with applicable law, the inconsistent provision will be modified, to the minimum extent necessary, to comply with the applicable law and such applicable law will apply.

16. FRANCHISEE'S TERMINATION RIGHTS; NOTICE REQUIRED

A. Termination. Franchisee may terminate this Agreement if Franchisor violates any material obligation of Franchisor to Franchisee and fails to cure such violation within thirty (30) days after Franchisor's receipt of written notice from Franchisee; provided, however, that Franchisee is in substantial compliance with the Agreement at the time of giving such notice of termination. Franchisee's written notice will identify the violation and demand that it be cured.

B. Required Notice. A party must give the other party written notice of an alleged default under or violation of this Agreement after it has knowledge of, determines, or is of the opinion that there has been an alleged default under or violation of this Agreement. If there is failure to give written notice of an alleged default under this Agreement within one (1) year from the date that the nonbreaching party has knowledge of, determines or is of the opinion that there has been an alleged default, the alleged default will be deemed to be approved and waived, and the alleged default or violation will not be deemed to be a default under or violation of this Agreement.

17. FRANCHISEE'S OBLIGATIONS UPON TERMINATION

A. Post-Term Duties. If this Agreement is terminated for any reason, Franchisee will: (i) within five (5) days after termination, pay all amounts due and owing to Franchisor or suppliers under this Agreement; (ii) return to Franchisor by first class prepaid United States mail the Manuals and any other manuals, advertising materials, and all other printed materials relating to the operation of the franchised business; (iii) assign to Franchisor or, at Franchisor's discretion, disconnect the telephone number for the Franchised Business; and (iv) remove all signs and other materials bearing the name "RobotLAB®" and other Marks; (v) disconnect any internet website Franchisee has established in connection with Franchisee's operation of the Franchised Business; and (vi) comply with all other applicable provisions of this Agreement, including the non-compete provisions. Upon termination of this Franchise Agreement for any reason, Franchisee's right to use the name "RobotLAB®" and the other Marks and the Business System will immediately terminate. If Franchisee fails to remove all signs and other materials bearing the Marks, Franchisor may do so at Franchisee's expense.

B. Redecoration. If this Agreement is terminated for any reason, and Franchisee either remains in possession of the Franchised Location to operate a separate business not in violation of Section 18 below or enters into an agreement with a third party to allow such third party to directly operate a business at the Franchised location, Franchisee will, at its expense, modify both the exterior and interior appearance of the business premises so that they will be easily distinguished from the appearance as a RobotLAB® Franchised Business. At a minimum, such changes and modifications to the premises will include: (i) repainting the premises with totally different colors; (ii) removing all signs and other materials bearing the name "RobotLAB®" and other Marks; (iii) removing from the premises all items which are indicative of RobotLAB® Franchised Businesses; (iv) discontinuing use of the approved employee uniforms and refraining from using any uniforms which are confusingly similar; and (v) discontinuing use of all packaging and confidential information regarding the operation of the Franchised Business.

18. FRANCHISEE'S COVENANTS NOT TO COMPETE

A. During Term. During the term of the Franchise Agreement, Franchisee will receive proprietary information, materials, and trade secrets specifically geared to and utilized in advanced robotics for automated tasks for all of Franchisor's franchised brands. To protect the valuable proprietary information and prevent Franchisee from using that information to operate a business that competes with any of Franchisor's robotics services, Franchisee (and all Personal Guarantors and owners of all or part of Franchisee) will not, during the term of this Agreement, on their own account or as an employee, agent, consultant, partner, officer, director, or shareholder of any other person, firm, entity, partnership or corporation, own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in, or assist any person or entity engaged in any advanced robotics for automated tasks sale or service business not offered by RobotLAB®, without Franchisor's prior written consent.

B. After Termination. Franchisee (and all Personal Guarantors and owners of all or part of Franchisee) will not, directly or indirectly, for a period of two (2) years after this Agreement expires or is terminated (except for a termination as a result of a Franchisor's breach), on their own account or as an employee, consultant, partner, officer, director, or shareholder of any other person, firm, entity, partnership or corporation, own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in or assist any person or entity engaged in any similar business not offered by RobotLAB® involving advanced robotics for automated tasks located at the Franchised Location or within a fifty (50) mile radius of the Franchised Location or the protected territory of any other RobotLAB® Franchised Business. Franchisee expressly agrees that the two (2) year period and the fifty (50) mile radius are the reasonable and necessary time and distance needed to protect Franchisor if this Agreement expires or is terminated for any reason.

C. Extension During Breach. Franchisee (and all Personal Guarantors and owners of all or part of Franchisee) acknowledge and agree that the two (2) year non-competition period set forth in Section 18(B) above will be extended for a period of time equal to the time during which the Franchisee is in breach of any of the provisions of Section 18(B).

D. Injunctive Relief. Franchisee agrees that damages alone cannot adequately compensate Franchisor if there is a violation of these non-competition covenants, and Franchisee stipulates that Franchisor would be irreparably harmed by such a violation and that preliminary and permanent injunctive relief is essential and must be entered for the protection of Franchisor. Preliminary and permanent injunctive relief will be entered by a court of competent jurisdiction enforcing the non-competition covenants without Franchisor posting any bond or security, in addition to all other remedies that may be available to Franchisor at equity or law.

19. ARBITRATION; ENFORCEMENT

A. Arbitration Process. Except to the extent Franchisor elects to enforce the provisions of this Agreement by judicial process and injunction as provided pursuant to Section 19(E), all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance, or interpretation thereof (including claims of fraud in the inducement and other claims of fraud and the arbitrability of any matter) will be settled by arbitration in Denton County, Texas pursuant to the Federal Arbitration Act. The arbitrator(s) will have a minimum of five (5) years' experience in franchising or distribution law and will have the right to award any type of relief except as limited by Section 19(D). The proceedings will be conducted under the commercial arbitration rules of the American Arbitration Association, to the extent such Rules are not inconsistent with the provisions of this arbitration provision. The decision of the arbitrator(s) will be final and binding on all parties. Claims in arbitration of different parties may not be joined. This Section will survive termination or non-renewal of this Agreement under any circumstances. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof. During the pendency of any arbitration proceeding, Franchisee and Franchisor will fully perform their respective obligations under this Agreement.

B. Additional Proceedings. If, after Franchisor or Franchisee institutes an arbitration proceeding, one or the other asserts a claim, counterclaim or defense, the subject matter of which, under statute or current judicial decision is non-arbitrable for public policy reasons, the party against whom the claim, counterclaim, or defense is asserted may elect to proceed with the arbitration of all arbitrable claims, counterclaims, or defenses or to proceed to litigate all claims, counterclaims, or defenses in a court having competent jurisdiction.

C. JURY TRIAL & CLASS ACTION WAIVER. THE PARTIES IRREVOCABLY WAIVE: (i) TRIAL BY JURY; AND (ii) THE RIGHT TO ARBITRATE OR LITIGATE ON A CLASS ACTION BASIS IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THE PARTIES.

D. Punitive Damages. Franchisor and Franchisee acknowledge that judgment upon an arbitration award may be entered in any court of competent jurisdiction and will be binding, final, and non-appealable. Franchisor and Franchisee (and their respective owners and guarantors, if applicable) agree to waive, to the fullest extent permitted by law, the right to or claim for any punitive or exemplary damages against the other and agree that in the event of a dispute between them, each will be limited to the recovery of actual damages sustained by it.

E. Enforcement of Franchise Agreement. Notwithstanding the other provisions of this Section 19, Franchisee recognizes that the failure of a single franchisee to comply with the terms of its RobotLAB® Franchise Agreement would cause irreparable harm to Franchisor or to some or all other RobotLAB® franchisees. Franchisor and Franchisee therefore agree that, in the event of a breach or threatened breach of Sections 3, 8, 9, 12, 13, 14, 17, and/or 18 of this Agreement by Franchisee or in the event of any conduct by Franchisee which is illegal or is dishonest or misleading to Franchisee's customers or prospective customers or may impair the goodwill associated with the Marks, Franchisor may obtain a temporary, preliminary, or permanent injunction restraining such breach or obtain a decree of specific performance, without showing or proving any actual damage and without posting any bond or other security. The

foregoing equitable remedy will be in addition to, and not in lieu of, all other remedies or rights which Franchisor might otherwise have by virtue of any breach of this Agreement by Franchisee.

F. Attorney's Fees. The non-prevailing party will pay all costs and expenses, including reasonable attorney's fees, incurred by the prevailing party in any arbitration or action in court between Franchisor and Franchisee.

G. Maryland Claims. Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

20. SEVERABILITY AND CONSTRUCTION

A. Severability. All provisions of this Agreement are severable, and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and partially valid and enforceable provisions will be enforced to the extent they are valid and enforceable. If any applicable law or rule of any jurisdiction requires a greater prior notice period than is required hereunder, or if under any applicable law or rule of any jurisdiction, any provision of this Agreement is invalid or unenforceable, the prior notice required by such law or rule will be substituted for the notice requirements hereof, or such invalid or unenforceable provision will be modified to the extent required to be valid and enforceable. Such modifications to this Agreement will be effective only in such jurisdiction and will be enforced as originally made and entered into in all other jurisdictions.

B. Waiver. Franchisor and Franchisee may by written instrument unilaterally waive any obligation of or restriction upon the other under this Agreement. No acceptance by Franchisor of any payment by Franchisee and no failure, refusal, or neglect of Franchisor or Franchisee to exercise any right under this Agreement or to insist upon full compliance by the other with its obligations hereunder, including any mandatory specification, standard or operating procedure, will constitute a waiver of any provision of this Agreement.

C. Cumulative Rights. The rights of Franchisor and Franchisee hereunder are cumulative and no exercise or enforcement by Franchisor or Franchisee of any right or remedy hereunder will preclude the exercise or enforcement by Franchisor or Franchisee of any other right or remedy hereunder or which Franchisor or Franchisee is entitled by law to enforce.

D. Governing Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Section 1051 et seq.), this Agreement and the franchise relationship will be governed by the laws of the state of Texas.

E. Binding Effect. This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns, and successors in interest.

F. Consents. Whenever a party's consent or approval is required under this Agreement, such consent or approval will not be unreasonably withheld or delayed.

G. Entire Agreement. The "Background" section is a part of this Agreement which, together with exhibits, represents the entire agreement of the parties. This Agreement supersedes and terminates any prior oral or written understandings or agreements between Franchisor and Franchisee relating to the subject matter of this Agreement. Nothing in this Agreement or any related agreement is intended to disclaim the representations made in the Franchise Disclosure Document. No modification of this Agreement will be effective unless it is in writing and signed by Franchisor and Franchisee. The term "Franchisee" as custom herein is applicable (where relevant) to one or more persons, a corporation, or a partnership. References to

“Franchisee,” “assignees,” and “transferees” which are applicable to an individual or individuals mean the principal owner or owners of the equity or operating control of Franchisee or any such assignee or transferee if Franchisee or such assignee or transferee is a corporation or partnership. If Franchisee consists of more than one individual, all individuals will be bound jointly and severally by the provisions of this Agreement.

21. NOTICES

All notices required under this Agreement must be in writing addressed to Franchisor at its corporate headquarters or to Franchisee at the Franchised Location or the last known address of Franchisee and will be deemed given: (i) if personally delivered on the date delivered, (ii) if sent in the United States mail, by certified mail, postage prepaid, three (3) business days after it is sent, (iii) if sent by a recognized overnight delivery service which requires a written receipt, one (1) business day after it is sent, or (iv) if sent electronically, on the date delivered to the authorized email address. You may change your notice address by giving written notice under this Section.

MARYLAND FRANCHISEES:

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

[SIGNATURE PAGE FOLLOWS]

:: Signature Page to Franchise Agreement ::

IN WITNESS WHEREOF, Franchisor and Franchisee have signed this Agreement as of the day and year signed below.

FRANCHISOR:
ROBOTLAB FRANCHISING, LLC

By:

Name: Elad Inbar

Title: CEO

Date:

FRANCHISEE:
[FRANCHISEE ENTITY]

By:

Name:

Title:

Date:

**ATTACHMENT A
TO THE FRANCHISE AGREEMENT**

FRANCHISEE INFORMATION & PROTECTED TERRITORY

Effective Date:

Franchisee's Name(s):

(and state of incorporation, if applicable)

Ownership of Franchise: *If the franchisee is a business entity, the following persons constitute all the owners of a legal and/or beneficial interest in the franchisee:*

Owner Name	Ownership Percentage
	%
	%
	%

Principal Executive:

Franchisee Notice Information

- **Address:**

- **Phone:**

- **Email:**

Franchised Business Territory Information	
Blocks Franchisee Will Operate	
Franchise Fee	
Equipment Package Fee	

Protected Territory:

[Attach map or list of distinguishing territory features such as list of zip codes]

[SIGNATURE PAGE FOLLOWS]

Signature Page for Attachment A to the Franchise Agreement

IN WITNESS WHEREOF, Franchisor and Franchisee have signed this Agreement as of the day and year signed below.

FRANCHISEE:
[FRANCHISEE ENTITY]

By:

Name:

Title:

Date:

FRANCHISOR:
ROBOTLAB FRANCHISING, LLC

By:

Name: Elad Inbar

Title: CEO

Date:

**ATTACHMENT B
TO THE FRANCHISE AGREEMENT**

PERSONAL GUARANTY OF OWNER/SHAREHOLDER

This Personal Guaranty and Assumption of Obligations (this “Guaranty”) is given as of the date signed by each party below, by [OWNERS AND SPOUSES OF FRANCHISEE ENTITY].

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement of even date herewith (“Franchise Agreement”) by RobotLAB Franchising, LLC (“RobotLAB Franchising”, Franchisor” or “we”), a Delaware limited liability company, and [FRANCHISEE ENTITY], a [STATE ENTITY TYPE] (“Franchisee”), the undersigned hereby personally and unconditionally, jointly and severally: guaranties to Franchisor and its successors and assigns, for the Term of the Franchise Agreement and, including any renewal thereof, as provided in the Franchise Agreement, that Franchisee shall punctually pay and perform each and every undertaking, agreement and covenant stated in the Agreement and any documents, agreements, and instruments signed with or in connection with the Franchise Agreement (collectively, the “Franchise Documents”); and agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Franchise Documents applicable to the owners of Franchisee.

The undersigned waives:

1. acceptance and notice of acceptance by Franchisor of the foregoing undertakings;
2. notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed;
3. protest and notice of default to any party with respect to the indebtedness of non-performance of any obligations hereby guaranteed;
4. any right the undersigned may have to require that an action be brought against Franchisee or any other person as a condition of liability; and
5. any and all other notices and legal or equitable defenses to which the undersigned may be entitled.

The undersigned consents and agrees that:

1. the undersigned’s direct and immediate liability under this Guaranty shall be joint and several with all signatories to this and similar guaranties of Franchisee’s obligations;
2. the undersigned shall render any payment or performance required under the Franchise Agreement upon demand if Franchisee fails or refuses punctually to do so;
3. this Guaranty shall apply to any claims Franchisor may have due to return of any payments or property Franchisor may have received from Franchisee as a preference, fraudulent transfer or conveyance or the like in any legal proceeding;
4. such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and
5. such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Franchisee or any other person, including without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which in any way modify or amend this Guaranty, which shall be continuing

and irrevocable during and after the terms of the Franchise Documents, as the same may be amended or renewed, until Franchisee's duties and obligations to Franchisor are fully discharged and satisfied.

All capitalized terms when used shall have the meanings ascribed to them in the Franchise Agreement.

This Guaranty shall be governed, construed, and interpreted in accordance with the substantive laws of the state where Franchisor has its principal place of business at the time a dispute arises, without giving effect to its conflicts of law principles.

IN WITNESS WHEREOF, each of the undersigned has affixed his signature as dated below.

GUARANTOR(S):

(add more signature boxes as necessary)

By:

Name:

Date:

**ATTACHMENT C
TO THE FRANCHISE AGREEMENT**

ELECTRONIC FUNDS TRANSFER AUTHORIZATION FORM

Individual or Entity Name:

ID Number:

The undersigned depositor (“Depositor” or “Licensee”) hereby authorizes RobotLAB Franchising, LLC (“Licensor”) to initiate debit entries and/or credit correction entries to the undersigned’s checking and/or savings account(s) indicated below, and the depository designated below (“Depository” or “Bank”) to debit or credit such account(s) pursuant to Licensor’s instructions. Please attach a voided blank check, for purposes of setting up bank and transit numbers.

Depository:

Branch:

City, State Zip:

Bank Transit/ABA Number:

Account Number:

This authority is to remain in full force and effect until 60 days after Licensor has received written notification from Licensee of its termination or expiration.

AGREED:

FRANCHISEE:

[FRANCHISEE ENTITY]

By:

Name:

Title:

Date:

ATTACH A VOID CHECK TO DEPOSITOR’S ACCOUNT.

**ATTACHMENT D
TO THE FRANCHISE AGREEMENT**

LEASE RIDER

THIS LEASE RIDER is entered into between the undersigned parties.

WHEREAS, Company and Franchisee are parties to a Franchise Agreement dated _____, (the "Franchise Agreement"); and

WHEREAS, the Franchise Agreement provides that Franchisee will operate a RobotLAB ("Business") at a location that Franchisee selects, and Company accepts; and

WHEREAS, Franchisee and Landlord propose to enter into the lease to which this Rider is attached (the "Lease"), pursuant to which Franchisee will occupy premises located at the address listed on the signature page below (the "Premises") for the purpose of constructing and operating the Business in accordance with the Franchise Agreement; and

WHEREAS, the Franchise Agreement provides that, as a condition to Company's authorizing Franchisee to enter into the Lease, the parties must execute this Lease Rider; and

NOW, THEREFORE, in consideration of the mutual undertakings and commitments set forth in this Rider and in the Franchise Agreement, the receipt and sufficiency of which the parties acknowledge, the parties agree as follows:

1. During the term of the Franchise Agreement, Franchisee will be permitted to use the Premises for the operation of the Business and for no other purpose.
2. Subject to applicable zoning laws and deed restrictions and to prevailing community standards of decency, Landlord consents to Franchisee's installation and use of such trademarks, service marks, signs, decor items, color schemes, and related components of the RobotLAB system as Company may from time to time prescribe for the Business.
3. Landlord agrees to furnish Company with copies of all letters and notices it sends to Franchisee pertaining to the Lease and the Premises, at the same time it sends such letters and notices to Franchisee. Notice shall be sent to Company by the method(s) as stated in the lease to:

RobotLAB Franchising, LLC
950 East State Highway 114, STE 160
Southlake, Texas 76092
franchise@RobotLAB.com

4. Company will have the right, without being guilty of trespass or any other crime or tort, to enter the Premises at any time or from time to time (i) to make any modification or alteration it considers necessary to protect the RobotLAB system and marks, (ii) to cure any default under the Franchise Agreement or under the Lease, or (iii) to remove the distinctive elements of the RobotLAB trade dress upon the Franchise Agreement's expiration or termination. Neither Company nor Landlord will be responsible to Franchisee for any damages Franchisee might sustain as a result of action Company takes in accordance with this provision. Company will repair or reimburse Landlord for the cost of any damage to the Premises' walls, floor or ceiling that result from Company's removal of trade dress items and other property from the Premises.

5. Franchisee will be permitted to assign the Lease to Company or its designee upon the expiration or termination of the Franchise Agreement. Landlord consents to such an assignment and agrees not to impose

any assignment fee or similar change, or to increase or accelerate rent under the Lease, in connection with such an assignment.

6. If Franchisee assigns the Lease to Company or its designee in accordance with the preceding paragraph, the assignee must assume all obligations of Franchisee under the Lease from and after the date of assignment but will have no obligation to pay any delinquent rent or to cure any other default under the Lease that occurred or existed prior to the date of the assignment.

7. Franchisee may not assign the Lease or sublet the Premises without Company's prior written consent, and Landlord will not consent to an assignment or subletting by Franchisee without first verifying that Company has given its written consent to Franchisee's proposed assignment or subletting.

8. Landlord and Franchisee will not amend or modify the Lease in any manner that could materially affect any of the provisions or requirements of this Lease Rider without Company's prior written consent.

9. The provisions of this Lease Rider will supersede and control any conflicting provisions of the Lease.

10. Landlord acknowledges that Company is not a party to the Lease and will have no liability or responsibility under the Lease unless and until the Lease is assigned to, and assumed by, Company.

IN WITNESS WHEREOF, the parties have executed this Lease Rider on the date signed below:

COMPANY:

ROBOTLAB FRANCHISING, LLC

Signature:

Name: Elad Inbar

Title: CEO

FRANCHISEE:

[FRANCHISEE ENTITY]

Signature:

Name:

Title:

LANDLORD:

[LANDLORD]

Signature:

Name:

Title:

Effective Date of this Lease Rider:

Premises Address:

**ATTACHMENT E
TO THE FRANCHISE AGREEMENT**

FRANCHISEE QUESTIONNAIRE/COMPLIANCE CERTIFICATION

FOR PROSPECTIVE FRANCHISEES THAT RESIDE IN OR ARE SEEKING TO OPERATE THE FRANCHISED BUSINESS IN ANY REGULATED STATE, SUCH PROSPECTIVE FRANCHISEE IS NOT REQUIRED TO COMPLETE THIS QUESTIONNAIRE OR TO RESPOND TO ANY OF THE QUESTIONS CONTAINED IN THIS QUESTIONNAIRE.

DO NOT SIGN THIS STATEMENT IF YOU ARE A RESIDENT OF, OR INTEND TO OPERATE THE FRANCHISED BUSINESS IN, ANY OF THE FOLLOWING STATES (EACH A REGULATED STATE): CA, HI, IL, IN, MD, MI, MN, NY, ND, RI, SD, VA, WA, WI.

As previously discussed, RobotLAB Franchising, LLC (“we”, “us”), and you are preparing to enter into a franchise agreement for the right to operate one (1) RobotLAB Franchised Business within a Protected Territory (each, a “Franchised Business”). The purpose of this Questionnaire is to: (i) determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate, or misleading; (ii) be certain that you have been properly represented in this transaction; and (iii) be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. **You cannot sign or date this Questionnaire the same day as the Receipt for the Franchise Disclosure Document, but you must sign and date it the same day you sign the Franchise Agreement and pay us the appropriate Franchisee Fee.** Please review each of the following questions carefully and provide honest responses to each question. If you answer “No” to any of the questions below, please explain your answer on the back of this sheet.

Y/N _____ 1. Have you received and personally reviewed the Franchise Agreement, as well as each exhibit or schedule attached to these agreements that you intend to enter into with us?

Y/N _____ 2. Have you received and personally reviewed the Franchise Disclosure Document we provided?

Y/N _____ 3. Did you sign a receipt for the Disclosure Document indicating the date you received it?

Y/N _____ 4. Do you understand all the information contained in the Disclosure Document and the Franchise Agreement you intend to enter into with us?

Y/N _____ 5. Have you reviewed the Disclosure Document and Franchise Agreement with a lawyer, accountant or other professional advisor and discussed the benefits and risks of operating the Franchised Business with these professional advisor(s)?

Y/N _____ 6. Do you understand the success or failure of your Franchised Business will depend in large part upon your skills, abilities, and efforts and those of the persons you employ, as well as many factors beyond your control such as demographics of your Protected Territory, competition, interest rates, the economy, inflation, labor and supply costs, lease terms, and the marketplace?

Y/N _____ 7. Do you understand we have only granted you certain, limited territorial rights under the Franchise Agreement, and that we have reserved certain rights under the Franchise Agreement?

Y/N _____ 8. Do you understand we and our affiliates retain the exclusive unrestricted right to engage, directly or through others, in the providing of services under the Business System or the Mark(s) or any other mark(s) at any location outside your Protected Territory under the Franchise Agreement, without regard to the proximity of these activities to the premises of your Protected Territory or Franchised Business(s)?

Y/N _____ 9. Do you understand all disputes or claims you may have, arising out of or relating to the Franchise Agreement, must be mediated and/or arbitrated, at our option, at our then-current headquarters?

Y/N _____ 10. Do you understand the Franchise Agreement provides that you can only collect compensatory damages on any claim under or relating to the Franchise Agreement and are not entitled to any punitive, consequential, or other special damages?

Y/N _____ 11. Do you understand the sole entity or person against whom you may bring a claim under the Franchise Agreement is us?

Y/N _____ 12. Do you understand that the Franchisee (or one of its principals if Franchisee is an organization), as well as any Principal Executive(s) (as defined in the Franchise Agreement), must successfully complete the appropriate initial training program(s) before we will allow the Franchised Business to open or consent to a transfer of that Franchised Business?

Y/N _____ 13. Do you understand that we require you to successfully complete certain initial training program(s) and if you do not successfully complete the applicable training program(s) to our satisfaction, we may terminate your Franchise Agreement?

Y/N _____ 14. Do you understand that we do not have to sell you a franchise or additional franchises or consent to your purchase of existing franchises (other than those that you timely fulfill your development obligations and have contracted to open under the Development Agreement, provided you have not materially breached that agreement and failed to timely cure that breach)?

Y/N _____ 15. Do you understand that we will send written notices, as required by your Franchise Agreement, to either your Franchised Business or home address until you designate a different address by sending written notice to us?

Y/N _____ 16. Do you understand that we will not approve your purchase of a franchise, or we may immediately terminate your Franchise Agreement, if we are prohibited from doing business with you under any anti-terrorism law enacted by the United States Government?

Y/N _____ 17. Is it true that no broker, employee, or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Franchised Business that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?

Y/N _____ 18. Is it true that no broker, employee, or other person speaking on our behalf made any statement or promise regarding the actual, average, or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Franchised Business will generate, that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?

Y/N _____ 19. Is it true that no broker, employee, or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement and/or Development Agreement concerning advertising, marketing, media support, marketing penetration, training, support service or assistance that is contrary to, or different from, the information contained in the Disclosure Document?

Y/N _____ 20. Is it true that no broker, employee, or other person providing services to you on our behalf has solicited or accepted any loan, gratuity, bribe, gift or any other payment in money, property, or services from you in connection with a Franchised Business purchase with exception of those payments or loans provided in the Disclosure Document?

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

FRANCHISEE APPLICANT(S):

(add more signature boxes as necessary)

By:

Name:

Date:

GIVE A COMPLETE EXPLANATION OF ANY NEGATIVE RESPONSES ON THE BOTTOM OF THIS PAGE (REFER TO QUESTION NUMBER(S)).

**ATTACHMENT F
TO THE FRANCHISE AGREEMENT**

AUTHORIZATION TO PROCESS CREDIT CARD TRANSACTIONS

Franchisor hereby authorizes Franchisee to process customer credit card transactions directly through a credit card processing platform. By accepting this authorization, Franchisee agrees to assume full financial responsibility for all credit card transactions processed by its staff.

Financial Verification and Liability

By processing credit card transactions independently, Franchisee acknowledges and agrees to the following:

a) Chargeback Liability

- **Responsibility:** Franchisor is not involved in financial verifications of transactions processed by Franchisee shall bear full liability for any chargebacks resulting from credit card transactions processed by Franchisee.
- **Obligation to Secure Alternative Payment:** In the event of a chargeback, Franchisee must promptly secure an alternative form of payment from the customer to successfully process the transaction.
- **Consequences of Non-Compliance:** If Franchisee fails to obtain an alternative form of payment, Franchisor reserves the right to withdraw the equivalent amount from Franchisee's account to cover the chargeback.

b) Platform Fee

- **Additional Charge:** Franchisee is required to add a 4% platform fee to the total amount due from customers for each credit card transaction. This fee compensates for the credit card processing services provided by the chosen platform.
- **Impact on Funds Transfer:** Consequently, the funds transferred from Franchisor to Franchisee for each transaction will be the total amount due minus the 4% platform fee.

3. Royalties and Other Fees

All other royalties, fees, and financial obligations outlined in the Agreement shall continue to apply to Franchisee's income as specified therein. The platform fee is discussed in the Franchise Agreement, it is listed here for clarity and transparency.

4. Indemnification

Franchisee agrees to indemnify, defend, and hold harmless Franchisor from any and all claims, liabilities, damages, and expenses (including reasonable attorneys' fees) arising out of or related to the processing of credit card transactions by Franchisee, including but not limited to chargebacks, fraud, and non-compliance with applicable laws and regulations.

5. Compliance with Laws and Regulations

Franchisee shall comply with all applicable federal, state, and local laws and regulations governing credit card processing, including the Payment Card Industry Data Security Standard (PCI DSS).

6. Termination of Authorization

Franchisor reserves the right to revoke Franchisee's authorization to process credit card transactions at any time if Franchisee fails to comply with the terms set forth in this Appendix or the Agreement. Upon termination, Franchisee must cease processing credit card transactions immediately.

7. Miscellaneous

- **Amendments:** This Appendix may be amended only by a written agreement signed by both Franchisor and Franchisee.
 - **Severability:** If any provision of this Appendix is found to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.
 - **Governing Law:** This Appendix shall be governed by and construed in accordance with the laws of the state of Texas.
-

IN WITNESS WHEREOF, the parties hereto have executed this Appendix as of the date first above written.

Franchisor:

RobotLAB Corp

By: _____

Name: Elad Inbar

Title: CEO

Franchisee:

RobotLAB _____

By: _____

Name:

Title:

EXHIBIT F

RESERVED

EXHIBIT G

FORM OF GENERAL RELEASE

GENERAL RELEASE OF CLAIMS

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

This General Release of Claims (“Release”) is made as of the date signed below, by the individual or entity listed below as franchisee (“Franchisee”), and each individual holding an ownership interest in Franchisee (collectively with Franchisee, “Releasor”) in favor of RobotLAB Franchising, LLC (“Franchisor,” and together with Releasor, the “Parties”).

WHEREAS, Franchisor and Franchisee have entered into a Franchise Agreement (“Agreement”) pursuant to which Franchisee was granted the right to own and operate a RobotLAB business;

WHEREAS, [Franchisee has notified Franchisor of its desire to transfer the Agreement and all rights related thereto, or an ownership interest in Franchisee, to a transferee/enter into a successor franchise agreement/amend the Agreement] OR [the Agreement is being terminated/or indicate other reason for the requirement of this waiver and release], and Franchisor has consented to such; and

WHEREAS, as a condition to Franchisor’s consent, Releasor has agreed to execute this Release upon the terms and conditions stated below.

NOW, THEREFORE, in consideration of Franchisor’s consent, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, Releasor hereby agrees as follows:

1. Representations and Warranties. Releasor represents and warrants that it is duly authorized to enter into this Release and to perform the terms and obligations herein contained, and has not assigned, transferred, or conveyed, either voluntarily or by operation of law, any of its rights or claims against Franchisor or any of the rights, claims, or obligations being terminated and released hereunder. Each individual executing this Release on behalf of Franchisee represents and warrants that he/she is duly authorized to enter into and execute this Release on behalf of Franchisee. Releasor further represents and warrants that all individuals that currently hold a direct or indirect ownership interest in Franchisee are signatories to this Release.

2. Release. Releasor and its subsidiaries, affiliates, parents, divisions, successors and assigns, and all persons or firms claiming by, through, under, or on behalf of any or all of them, hereby release, acquit, and forever discharge Franchisor, any and all of its affiliates, parents, subsidiaries, or related companies, divisions, and partnerships, and its and their past and present officers, directors, agents, partners, shareholders, employees, representatives, successors and assigns, and attorneys, and the spouses of such individuals (collectively, the “Released Parties”), from any and all claims, liabilities, damages, expenses, actions, or causes of action which Releasor may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, including without limiting the generality of the foregoing, all claims, liabilities, damages, expenses, actions, or causes of action directly or indirectly arising out of or relating to the execution and performance of the Agreement and the offer and sale of the franchise related thereto, except to the extent such liabilities are payable by the applicable indemnified party in connection with a third party claim.

3. Nondisparagement. Releasor expressly covenants and agrees not to make any false representation of facts, or to defame, disparage, discredit, or deprecate any of the Released Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Released Parties, their business, or their reputation.

4. Confidentiality. Releasor agrees to hold in strictest confidence and not disclose, publish, or use the existence of, or any details relating to, this Agreement to any third party without Franchisor’s express

written consent, except as required by law.

5. Miscellaneous.

a. Releasor agrees that it has read and fully understands this Release and that the opportunity has been afforded to Releasor to discuss the terms and contents of said Release with legal counsel and/or that such a discussion with legal counsel has occurred.

b. This Release shall be construed and governed by the laws of the state where the Franchised Business is located.

c. Each individual and entity that comprises Releasor shall be jointly and severally liable for the obligations of Releasor.

d. In the event that it shall be necessary for any Party to institute legal action to enforce or for the breach of any of the terms and conditions or provisions of this Release, the prevailing Party in such action shall be entitled to recover all of its reasonable costs and attorneys' fees.

e. All of the provisions of this Release shall be binding upon and inure to the benefit of the Parties and their current and future respective directors, officers, partners, attorneys, agents, employees, shareholders, and the spouses of such individuals, successors, affiliates, and assigns. No other party shall be a third-party beneficiary to this Release.

f. This Release constitutes the entire agreement and, as such, supersedes all prior oral and written agreements or understandings between and among the Parties regarding the subject matter hereof. This Release may not be modified except in a writing signed by all the Parties. This Release may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document.

g. If one or more of the provisions of this Release shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect or impair any other provision of this Release, but this Release shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

h. Releasor agrees to do such further acts and things and to execute and deliver such additional agreements and instruments as any Released Party may reasonably require to consummate, evidence, or confirm the Release contained herein in the matter contemplated hereby.

[Signature Page follows]

Signature Page to General Release Form

IN WITNESS WHEREOF, Releasor has executed this Release as of the date signed below.

FRANCHISEE:

[FRANCHISEE]

By:

Name:

Title:

Date:

FRANCHISEE'S OWNERS:

(add more lines signature lines as necessary)

Signature:

Name:

Date:

Signature:

Name:

Date:

EXHIBIT H

FORM OF NONDISCLOSURE AND NONCOMPETE AGREEMENT

[THIS EXHIBIT IS FOR REFERENCE PURPOSES ONLY AS A SAMPLE FORM CONFIDENTIALITY AGREEMENT THAT FRANCHISOR MAY APPROVE FOR USE BY FRANCHISEE – BEFORE USING WITH AN EMPLOYEE OR CONTRACTOR FRANCHISEE SHOULD HAVE THIS AGREEMENT REVIEWED AND APPROVED BY AN INDEPENDENT LOCAL ATTORNEY HIRED BY FRANCHISEE.]



CONFIDENTIALITY AND RESTRICTIVE COVENANT AGREEMENT

[Sample ONLY]

This Agreement (the "Agreement") is entered into by the undersigned ("you") in favor of:

[On the Line Below, Insert Name of Franchisee that Owns and Operates the RobotLAB Franchised Business]

_____ (hereinafter referred to as "us", "our" or "we")

Recitals and Representations

WHEREAS, we are the owners of a licensed RobotLAB Business (hereinafter referred to as the "RobotLAB Business") that we independently own and operate as a franchisee;

WHEREAS, you are or are about to be an employee, independent contractor, officer and/or director of a RobotLAB Business that is independently owned and operated by us;

WHEREAS, in the course of your employment, independent contractor relationship and/or association with us, you may gain access to Confidential Information (defined below in this Agreement) and you understand that it is necessary to protect the Confidential Information and for the Confidential Information to remain confidential;

WHEREAS, our franchisor, RobotLAB Franchising, LLC is not a party to this agreement and does not own or manage the RobotLAB Business but is an intended third-party beneficiary of this Agreement; and

WHEREAS, this Agreement is not an employment agreement and is only a confidentiality agreement in connection with information, materials and access that may be provided to you in connection with the RobotLAB Business.

NOW THEREFORE, you acknowledge and agree as follows:

1. Recitals and Representations. You agree that the foregoing Recitals and Representations are true and accurate and shall constitute a part of this Agreement and are hereby incorporated into the main body of this Agreement.

2. Definitions. For purposes of this Agreement, the following terms have the meanings given to them below:

"Business Management System" refers to and means the software and/or internet or cloud-based system and/or systems, point of sale system or systems and customer relationship management system or systems as used in connection with the operations of the RobotLAB Business.

"Business Management System Data" refers to and means the forms, data, tools, customer information, inventory and sales information, and other information that is entered into and/or maintained on the Business Management System of the RobotLAB Business.

"Confidential Information" refers to and means: (a) non-public methods, specifications, standards, policies, procedures, information, concepts, programs and systems relating to the development, establishment, marketing, promotion and operation of the RobotLAB Business; (b) information concerning customers, RobotLAB Corp

customer lists, email lists, database lists, product sales, operating results, financial performance and other financial data of the RobotLAB Business; (c) customer lists and information related to the RobotLAB Business; (d) Business Management System Data; I current and future information contained in the RobotLAB Operations Manual made available to the RobotLAB Business by RobotLAB Franchising, LLC; and (e) production and service procedures that are not disclosed to the public but used by the RobotLAB Business.

“*Digital Media*” refers to and means any interactive or static electronic document, application or media including, but not limited to, www.RobotLab.com, social media platforms and applications such as Facebook, LinkedIn, Twitter, Pinterest, Instagram, Snapchat, YouTube, and world wide web and internet based directories and local directories that refers, references, identifies, reviews, promotes and/or relates, in any way, to the RobotLAB Business or other RobotLAB Businesses.

“*Licensed Marks*” refers to and means the word marks, trademarks, service marks, and logos now or hereafter utilized in the operation of a RobotLAB Business, including, but not limited to, the “RobotLAB” word mark, associated logos, and any other trademarks, service marks or trade names that we designate for use in a RobotLAB Business.

“*Operations Manual*” refers to and means the confidential operations manual made available to the RobotLAB Business by our franchisor or as otherwise designated by us. The Operations Manual may consist of one or more volumes, handbooks, manuals, written materials, video, electronic media files, cloud/internet-based list-service, intra-net, internet based and accessed databases, computer media, webinars and other materials as may be modified, added to, replaced, or supplemented.

“*Trade Dress*” refers to and means the RobotLAB designs, images, marketing materials, packaging, branding and/or branding images used in connection with the operation of the RobotLAB Business.

3. Your Access to Confidential Information. In addition to the representations and acknowledgments contained in the Recitals and Representations, above, you acknowledge and represent that in your capacity as an employee, independent contractor, officer and/or director of the RobotLAB Business that you will be gaining access to, among other things, the Confidential Information. You acknowledge that the terms of this Agreement are fair and reasonable.

4. Protection of the Confidential Information. You agree that: (i) you will not use the Confidential Information in any business or capacity other than the RobotLAB Business; (ii) you will maintain the confidentiality of the Confidential Information at all times; (iii) you will not make unauthorized copies of documents containing the Confidential Information; (iv) you will take such reasonable steps as the we may ask of you from time to time to prevent unauthorized use or disclosure of the Confidential Information; and (v) you will stop using the Confidential Information immediately at our request or demand. You will not use the Confidential Information for any purpose other than for the performance of your duties on behalf of us and in accordance with the scope of your work with us.

5. Reasonableness of Covenants and Restrictions. You agree that: (i) the terms of this Agreement are reasonable and fair and that you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **You hereby waive any right to challenge the terms of this Agreement as being overly broad, unreasonable, or otherwise unenforceable.**

6. Breach. You agree that failure to comply with the terms of this Agreement will cause irreparable harm to us and to our franchisor, RobotLAB Franchising, LLC, and other RobotLAB franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of these covenants will entitle us or our franchisor, RobotLAB Franchising, LLC, to injunctive relief. You agree that we and/or our franchisor, RobotLAB Franchising, LLC, may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted,

upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, you agree that the amount of the bond shall not exceed one thousand dollars (\$1,000.00). None of the remedies available to us under this Article are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages.

7. Miscellaneous.

(a) If we hire an attorney or files suit against you because you have breached this Agreement and if we prevail in such lawsuit, you agree to pay the reasonable attorney fees and costs that we incur.

(b) Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection, or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection, or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration, and geographic area.

YOU ACKNOWLEDGE THAT THIS IS NOT AN EMPLOYMENT AGREEMENT.

YOU ACKNOWLEDGE AND AGREE THAT OUR FRANCHISOR, ROBOTLAB FRANCHISING, LLC, IS NOT A PARTY TO THIS AGREEMENT BUT IS AN INTENDED THIRD-PARTY BENEFICIARY OF THIS AGREEMENT.

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement as of the date or dates set forth below.

RESTRICTED PARTY

Signature:

Name:

Date:

EXHIBIT I

STATE SPECIFIC ADDENDA

The following modifications are made to the disclosure document and the franchise agreement given to you and may supersede, to the extent then-required by valid applicable state law, certain portions of the Franchise Agreement between you and us dated as of the Effective Date set forth in your Franchise Agreement. When the term “Franchisor’s Choice of Law State” is used, it means the laws of the state of Texas, subject to any modifications as set forth in the addenda below.

Certain states have laws governing the franchise relationship and franchise documents. Certain states require modifications to the FDD, Franchise Agreement and other documents related to the sale of a franchise. These State Specific Addenda (“Addenda”) modify the agreements to comply with the state’s laws. The terms of these Addenda will only apply if you meet the requirements of the applicable state, independent of your signing the appropriate Addenda. The terms of the Addenda will override any inconsistent provision in the FDD, Franchise Agreement, or any supplemental documents. These Addenda are only applicable to the following states: California, Hawaii, Illinois, Iowa, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Ohio, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

If your state requires these modifications, you will sign the signature page to the Addenda along with the Franchise Agreement and any supplemental agreements.

CALIFORNIA

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document and the Franchise Agreement, the following provisions shall supersede and apply to all franchises offered and sold in the State of California:

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION AT dfpi.ca.gov.

The California Department of Financial Protection and Innovation has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business.

ITEM 3 – LITIGATION

Neither the Franchisor, nor any person identified in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 79a et seq., suspending or expelling such persons from membership in such association or exchange

ITEM 17 – RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

1. California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. The Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
2. The Franchise Agreement provides for termination upon bankruptcy, this provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq).
3. The Franchise Agreement and contains provisions requiring application of the laws of Texas. This provision may not be enforceable under California law.
4. The Franchise Agreement requires venue to be limited to Texas. This provision may not be enforceable under California law.
5. The Franchise Agreement contains a covenant not to compete which extends beyond the termination or non-renewal of the franchise. This provision may not be enforceable under California law.
6. THE FRANCHISE AGREEMENT MAY REQUIRE THE FRANCHISEE TO EXECUTE A GENERAL RELEASE OF CLAIMS UPON EXECUTION OF THE FRANCHISE AGREEMENT. CALIFORNIA CORPORATIONS CODE SECTION 31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CORPORATIONS CODE SECTIONS 31000 THROUGH 31516). BUSINESS AND PROFESSIONS CODE SECTION 20010 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE SECTIONS 20000 THROUGH 20043).
7. California Corporations Code, Section 31125 requires us to give you a disclosure document, approved by the Department of Corporations before we ask you to consider a material modification of your Franchise Agreement.

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

9. The Franchise Agreement requires binding arbitration. The arbitration will occur in Texas. If we are the substantially prevailing party, we will be entitled to recover reasonable attorneys' fees and litigations costs and expenses in connection with the arbitration. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5 Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

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

HAWAII

Based upon the franchisor's financial condition, the Hawaii Department of Commerce and Consumer Affairs has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. There is a risk associated with having negative equity.

The following paragraphs are added in the state cover pages:

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

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

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

The name and address of the Franchisor's agent in this state authorized to receive service of process is: Commissioner of Securities, Department of Commerce and Consumer Affairs, Business Registration Division, Securities Compliance Branch, 335 Merchant Street, Room 203, Honolulu, Hawaii 96813.

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E, et seq., the Franchise Disclosure Document for RobotLAB Franchising, LLC in connection with the offer and sale of franchises for use in the State of Hawaii shall be amended to include the following:

This proposed registration is effective/exempt from registration or will shortly be on file in California, Hawaii, Illinois, Indiana, Kentucky, Maryland, Michigan, Minnesota, Nebraska, New York, North Dakota, Rhode Island, South Dakota, Texas, Utah, Virginia, Washington, and Wisconsin. No states have refused, by order or otherwise, to register these franchises. No states have revoked or suspended the right to offer these franchises. The proposed registration of these franchises has not been involuntarily withdrawn in any state.

Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E, et seq., are met independently without reference to this Addendum to the disclosure document.

ILLINOIS

Illinois law governs the Disclosure Document and Franchise Agreement(s).

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

Based upon the franchisor's financial condition, the Illinois Attorney General's Office has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor has satisfied its pre-opening obligations to the franchisee and the franchisee has commenced business operations. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

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

INDIANA

Notwithstanding anything to the contrary set forth in the Franchise Agreement, the following provisions shall supersede and apply to all franchises offered and sold in the State of Indiana:

1. The Franchise Agreement will be governed by Indiana law. Venue for litigation will not be limited to a venue outside of the State of Indiana, as specified in the Franchise Agreement.
2. The prohibition by Indiana Code 23-2-2.7-1 (7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as a material breach of the Franchise Agreement, shall supersede any conflicting provisions of the Franchise Agreement in the State of Indiana to the extent they may be inconsistent with such prohibition.
3. No release language set forth in the Franchise Agreement will relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana.
4. The post-termination non-competition covenants set forth in the Franchise Agreement shall be limited in time to a maximum of three (3) years and in geographic scope to the designated territory granted by the Agreement.
5. Nothing in the Franchise Agreement will relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana, and the laws of the State of Indiana supersede any conflicting choice of law provisions set forth herein if such provision is in conflict with Indiana law.
6. You will not be required to indemnify us and the other Indemnities for any liability caused by your proper reliance on or use of procedures or materials provided by us or caused by our negligence.
7. If we receive any payments related to purchases from you that we do not pass on in full to the supplier, we will promptly account for the amount of the payment that we retained and we will transmit the retained amount to you.

IOWA

Any provision in the Franchise Agreement or Compliance Questionnaire which would require you to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability imposed by the Iowa Business Opportunity Promotions Law (Iowa Code Ch. 551A) is void to the extent that such provision violates such law.

The following language will be added to the Franchise Agreement:

NOTICE OF CANCELLATION

_____ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within three business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence or business address, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do not agree to return the goods to the seller or if the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to RobotLAB Franchising, LLC – 950 East State Highway 114, Ste. 160, Southlake, TX 76092, not later than midnight of the third business day after the Effective Date.

I hereby cancel this transaction.

FRANCHISEE

Signed:

Name:

Date:

**MARYLAND ADDENDUM
TO THE FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT**

The following provisions will supersede anything to the contrary in the Franchise Disclosure Document and Franchise Agreement and will apply to all franchises offered and sold under the laws of the State of Maryland:

Item 5 – INITIAL FEES

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

Item 17 - RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

1. A franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Laws must be brought within three years after the grant of the franchise.

2. The provision in the Franchise Agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

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

Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

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

Date: _____

FRANCHISOR:
ROBOTLAB FRANCHISING, LLC

FRANCHISEE:
[FRANCHISEE]

By:

By:

Name:

Name:

Title:

Title:

**ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT PURSUANT TO
THE MICHIGAN FRANCHISE INVESTMENT LAW**

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) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provisions of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value, at the time of expiration, of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchised business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years; and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, marketing, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.¹
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) the failure of the proposed franchisee to meet the franchisor's then-current reasonable qualifications or standards;
 - (ii) the fact that the proposed transferee is a competitor of the franchisor or subfranchisor;
 - (iii) the unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations; and

¹NOTE: Notwithstanding paragraph (f) above, we intend to fully enforce the provisions of the arbitration section of our agreements. We believe that paragraph (f) is preempted by the Federal Arbitration Act and that paragraph (f) is therefore unconstitutional.

- (iv) the failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

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

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

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

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

The name and address of the franchisor's agent in this state authorized to receive service of process is: Michigan Department of Commerce, Corporation and Securities Bureau, 6546 Mercantile Way, P.O. Box 30222, Lansing, MI 48910.

Any questions regarding this notice should be directed to:

Department of the Attorney General's Office
Corporate Oversight Division
Attn: Franchise
670 G. Mennen Williams Building
Lansing, MI 48913

MINNESOTA

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document and Franchise Agreement, the following provisions will supersede and apply:

1. The Minnesota Department of Commerce has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Securities Regulation Division has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from Minnesota franchisees until we have completed all of our pre-opening obligations and you are open for business.
2. We will protect your right to use the trademarks, service marks, trade names, logotypes, or other commercial symbols and/or indemnify you from any loss, costs or expenses arising out of any claim, suit, or demand regarding the use of the same.
3. Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit the Franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the disclosure document or agreement(s) can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.
4. No release language set forth in the Franchise Agreement will relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Minnesota.
5. Minnesota law provides franchisees with certain termination and non-renewal rights. Minnesota Statutes, Section 80C.14, subdivisions 3, 4, and 5 require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.
6. Under the terms of the Franchise Agreement, as modified by the Minnesota Addendum to the Franchise Agreement, you agree that if you engage in any non-compliance with the terms of the Franchise Agreement or unauthorized or improper use of the System Marks, or Proprietary Materials during or after the period of the Agreements, we will be entitled to seek both temporary and permanent injunctive relief against you from any court of competent jurisdiction, in addition to all other remedies which we may have at law, and you consent to the seeking of these temporary and permanent injunctions.
7. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NEW YORK

NOTICE TO PROSPECTIVE FRANCHISEES IN THE STATE OF NEW YORK

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

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

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

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

- a. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.
- b. No such party has pending actions, other than routine litigation. incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.
- c. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.
- d. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust; trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Section 687(4) and 687(5) be satisfied.

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

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

5. The following is added to the end of the "Summary" section of Item 17(v), titled "**Choice of forum**", and Item 17(w), titled "**Choice of Law**":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

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

7. Receipts. Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

NORTH DAKOTA

In North Dakota, the Disclosure Document is amended as follows to conform to North Dakota law:

Item 5 “Initial Fees,” is supplemented by the addition of the following:

Refund and cancellation provisions will be inapplicable to franchises operating under North Dakota Law, North Dakota Century Code Annotated Chapter 51-19, Sections 51-19-01 through 51-19-17. If franchisor elects to cancel this Franchise Agreement, franchisor will be entitled to a reasonable fee for its evaluation of you and related preparatory work performed and expenses actually incurred.

Item 6 “Other Fees,” is supplemented by the addition of the following:

No consent to termination or liquidated damages shall be required from franchisees in the State of North Dakota.

Item 17 “Renewal, Termination, Transfer and Dispute Resolution,” is supplemented by the addition of the following:

Any provision requiring a franchisee to sign a general release upon renewal of the franchise agreement has been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

Any provision requiring a franchisee to consent to termination or liquidation damages has been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

Covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statute, are unfair, unjust, and inequitable. Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.

Any provision in the Franchise Agreement requiring a franchisee to agree to the arbitration or mediation of disputes at a location that is remote from the site of the franchisee’s business has been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The site of arbitration or mediation must be agreeable to all parties and may not be remote from the franchisee’s place of business.

Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota.

Apart from civil liability as set forth in Section 51-19-12 of the N.D.C.C., which is limited to violations of the North Dakota Franchise Investment Law (registration and fraud), the liability of the franchisor to a franchisee is based largely on contract law. Despite the fact that those provisions are not contained in the franchise investment law, those provisions contain substantive rights intended to be afforded to North Dakota residents and it is unfair to franchise investors to require them to waive their rights under North Dakota Law.

Any provision in the Franchise Agreement requiring that the Franchise Agreement be construed according to the laws of a state other than North Dakota are unfair, unjust, or

inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

Any provision in the Franchise Agreement which specifies that they are to be governed by the laws of a state other than North Dakota, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

Any provision in the Franchise Agreement which requires a franchisee to waive his or her right to a jury trial has been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

Any provision in the Franchise Agreement which requires the franchisee to consent to a waiver of exemplary and punitive damages has been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

Any provision in the Franchise Agreement which requires the franchisee to consent to a limitation of claims within one year has been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The statute of limitations under North Dakota Law will apply.

Any provision in the Franchise Agreement which stipulates that the franchisee shall pay all costs and expenses incurred by the franchisor in enforcing the agreement has been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

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

Based upon the franchisor's financial condition, the North Dakota Securities Department has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until all initial obligations owed to franchisee under the franchise agreement or other documents have been fulfilled by the franchisor and the franchisee has commenced doing business pursuant to the franchise agreement.

OHIO

The following language will be added to the front page of the Franchise Agreement:

You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right.

Initials: _____ Date: _____

NOTICE OF CANCELLATION

_____ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to RobotLAB Franchising, LLC – 950 East State Highway 114, Ste. 160, Southlake, TX 76092, not later than midnight of the fifth business day after the Effective Date.

I hereby cancel this transaction.

FRANCHISEE

Signed:

Name:

Date:

RHODE ISLAND

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document, the following provisions shall supersede and apply to all franchises offered and sold in the State of Rhode Island.

ITEM 17 - RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

§19-28.1-14 of the Rhode Island Franchise Investment Act provides that “A provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

Any general release as a condition of renewal, termination or transfer will be void with respect to claims under the Rhode Island Franchise Investment Act.

SOUTH DAKOTA

Franchisor will defer its initial franchise fees pursuant to SDCL 37-5B-5. Franchisor will defer collection of all initial franchise fees described in Item 5 until the Franchisor has fulfilled its initial pre-opening obligations to the Franchisee and until the Franchisee has opened their Franchised Business.

VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for ROBOTLAB FRANCHISING, LLC, for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure: The following statements are added to Item 17:

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 do not constitute “reasonable cause” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Estimated Initial Investment. The franchisee will be required to make an estimated initial investment ranging from \$156,755 to \$470,765. This amount exceeds the franchisor's stockholders equity as of December 31, 2023, which is (\$539,629).

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

WASHINGTON

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all initial training that it is entitled to under the franchise agreement or offering circular, and (b) is open for business.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The franchisee shall not indemnify the franchisor under Section 11 of the franchise agreement in connection with the franchisor's negligence, willful misconduct, strict liability, or fraud.

The limitations on damages in Section 19 of the Franchise Agreement do not apply in Washington. *See* RCW 19.100.190; RCW 19.100.220.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any

applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement if such provision is in conflict with that law. The Franchise Disclosure Document, the Franchise Agreement and any supplemental agreements are amended accordingly.

SIGNATURE PAGE FOR APPLICABLE ADDENDA

If any one of the preceding Addenda for specific states is checked as an “Applicable Addenda” below, then that Addenda shall be incorporated into the Franchise Disclosure Document and Franchise Agreement entered into by us and the undersigned Franchisee. To the extent any terms of an Applicable Addenda conflict with the terms of the Franchise Disclosure Document or Franchise Agreement, the terms of the Applicable Addenda shall supersede the terms of the Franchise Agreement.

- California
- Hawaii
- Illinois
- Iowa
- Indiana
- Maryland

- Michigan
- Minnesota
- New York
- North Dakota
- Ohio

- Rhode Island
- South Dakota
- Virginia
- Washington
- Wisconsin

Date: _____

FRANCHISOR:
ROBOTLAB FRANCHISING, LLC

By:

Name:

Title:

FRANCHISEE:
[FRANCHISEE]

By:

Name:

Title:

EXHIBIT J

STATE EFFECTIVE DATES

The following States 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 or registered as of the Effective Date stated below:

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

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

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If RobotLAB Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the Franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

If RobotLAB Franchising, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580, and any applicable state agency.

This franchise is being offered by the following seller(s) at the principal business address and phone number listed below (check all that have been involved in the sales process):

Elad Inbar - 950 East State Highway 114, Ste. 160, Southlake, TX 76092; 415-702-3033

Franchise Brokers, Consultants, or Franchise Development Company Representatives (if any):

Name:

Address:

Phone:

Issuance Date: April 18, 2025

I received a Disclosure Document that included the following Exhibits:

- A. Financial Statements
- B. List of State Administrators and Agents for Service of Process
- C. List of Current and Former Franchisees
- D. Operations Manual Table of Contents
- E. Franchise Agreement with Attachments
- F. RESERVED
- G. Form of General Release
- H. Form of Confidentiality and Noncompete Agreement
- I. State Specific Addenda
- J. State Effective Dates
Receipts

Signature:

Print Name:

Date Received:

PLEASE SIGN AND KEEP THIS COPY FOR YOUR RECORDS.

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.

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- I. State Specific Addenda
- J. State Effective Dates
Receipts

Signature:

Print Name:

Date Received:

RETURN THIS COPY TO US:

RobotLAB Franchising, LLC
c/o Elad Inbar
950 East State Hwy 114, Ste. 160, Southlake, TX 76092
elad@robotlab.com