

FRANCHISE DISCLOSURE DOCUMENT

EOS Worldwide Franchising, LLC
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The Franchisor offers the right to operate an EOS Worldwide franchised business providing entrepreneurial training, leadership and business development products and services to the owners, executives and leadership teams of businesses using our Entrepreneurial Operating System comprised of proven and time-tested tools, products and training and advising materials, methods, techniques, practices, procedures and processes (“EOS”).

The total investment necessary to begin operation of an EOS Worldwide franchise is \$12,870 to \$123,400. This includes the initial franchise fee of \$5,000 that must be paid to us or our affiliate(s).

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Drew McCuiston, our Finance Leader, at our corporate office at 37637 Five Mile Rd., #323, Livonia, MI 48154 or via telephone at (248) 278-8220.

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

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

The Issuance Date of this Disclosure Document is: February 16, 2021

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in <u>Item 20</u> or <u>Exhibits F and G</u> .
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 <u>Exhibit B</u> include 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 EOS business in my area?	Item 12 and the “territory” provisions in the Franchise Agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What’s it like to be an EOS Worldwide franchisee?	Item 20 or <u>Exhibits F and G</u> list 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 clients, 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 C.

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

Special Risks to Consider About *This* Franchise

Certain states require that the following risk be highlighted:

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

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

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Exhibits:

- A – Franchise Agreement
 - Schedule I – Franchisee Information*
 - A – General Release
 - B – Personal Guarantee
 - C – Confidentiality, Non-Use and Non-Competition Agreement
 - D – Credit Card Authorization
 - E – EFT Authorization
 - F-1– Base Camp Implementer Addendum (where applicable)
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- B – Financial Statements
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ITEM 1
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor

The franchisor is EOS Worldwide Franchising, LLC, doing business as “EOS Worldwide,” which will be referred to as “we”, “us”, or “EOSW” in this Disclosure Document. “You” or “Your” means the individual person or corporation, partnership or limited liability company or other business entity that acquires the franchise from us and enters into a franchise agreement.

We are a Delaware limited liability company formed on January 11, 2021. We currently conduct business under our corporate name “EOS Worldwide”. Our principal business address is 37637 Five Mile Rd., #323, Livonia, MI 48154. Our telephone number is (248) 278-8220 and our website is www.eosworldwide.com (collectively, with any future websites we create, the “Website”). Our agents for service of process are disclosed in Exhibit D.

We began offering EOS Worldwide franchises as of the Issue Date of this Disclosure Document. We also operate our online stores, EOS Traction Library, EOS Swag Store and EOS Base Camp Materials Store (collectively, “EOS Online Store”) which offers and sells EOS branded books, educational materials and related products to franchisees and the public. You are required to purchase certain educational and instructive materials used with your Client (as defined below) sessions from us through the EOS Online Store. Any other materials, including EOS branded books may be purchased wherever available.

We do not own or operate any businesses of the type you will be operating. We have not offered franchises in any other line of business. Additionally, we do not engage in any other business activities outside of operating the EOS Worldwide franchise system, the EOS Online Store and related business matters.

Parent, Predecessors and Affiliates

Our parent company is EOS HoldCo, LLC, a Michigan limited liability company formed on November 13, 2008 (“EOS Holdco”). The principal business address of EOS Holdco is the same as ours. Prior to May 2018, EOS Holdco was owned by its founder, Gino Wickman and his business partner and first EOS Implementer trained by Mr. Wickman, Don Tinney. Mr. Wickman and Mr. Tinney each operated an EOS Worldwide business similar to the EOS Franchised Business. EOS Holdco offered monthly membership subscriptions to, and training on, EOS to third parties since December 2009. Mr. Wickman and Mr. Tinney sold a majority of their interest in EOS Holdco in May 2018, but Mr. Wickman and Mr. Tinney both still operate an EOS Worldwide business similar to the EOS Franchised Business.

Our first affiliate is EOS Worldwide, LLC (“EOS Affiliate”), a Michigan limited liability company, formed on June 15, 2018. EOS Affiliate is a wholly-owned subsidiary of EOS Holdco. EOS Affiliate is the current owner of the trademark “Entrepreneurial Operating System” and the Intellectual Property described below. As part of a restructuring, EOS Affiliate acquired the Intellectual Property from its parent, EOS Holdco in May 2018. EOS Affiliate has operated an EOS Worldwide business since its formation. EOS Affiliate also offers monthly membership subscriptions to, and training on, EOS.

Our second affiliate is EOSW International, Inc., a Michigan corporation formed on September 27, 2019. EOSW International, Inc. is a wholly-owned subsidiary of EOS Affiliate and captures revenue from international operations of EOS Affiliate for United States tax purposes.

Our third affiliate is EOS International UK, Ltd., United Kingdom private company formed on May 16, 2019. EOS International UK, Ltd. is a wholly owned subsidiary of EOSW International, Inc. and exists to conduct EOS Affiliate's operations in the United Kingdom.

On February 15, 2021 EOS Affiliate granted us a worldwide non-exclusive rights to use and sublicense certain intellectual property including the Marks (defined below), EOS and the copyrights, patents, know-how and trade secrets owned and developed by EOS Affiliate as well as any intellectual property developed by us (the "Intellectual Property"). We sublicense the Intellectual Property in connection with the sale of EOS Worldwide franchises as part of a comprehensive system for the operation of an EOS Worldwide franchised business offering entrepreneurial training, leadership and business development products and services to clients utilizing the EOS services and products with elements including, without limitation: the know-how; certain distinctive, identifiable trade-dress; specifications, information, policies, methods, controls, and procedures for operations; procedures for management and financial control; business relationships, training and assistance; advertising and promotional programs; a communication strategy that complies with the prescribed standards; and the Marks described below in Item 13; all of which we may register, change, cancel, alter, amend, further improve, discontinue, develop or otherwise modify, from time to time (collectively, the "EOS Franchise System"). The EOS Franchise System is identified by means of certain trademarks, trade names, service marks, logos, emblems and indicia of origin, including but not limited to the mark(s) "EOS" and "Traction" and such other names and marks we now or in the future may designate in writing for use in connection with the EOS Franchise System (collectively, the "Marks").

EOS Holdco and our three affiliates have never offered franchises in this or any line of business and do not currently provide products or services to franchisees except as described above.

Two of our officers, CJ Dubè and Pam Kosanke (further identified below in Item 2), own and operate EOS Worldwide businesses similar to the EOS Worldwide franchised business offered under this Disclosure Document.

Other than those described above, we have no predecessors or other affiliates that are required to be disclosed in this Disclosure Document.

The Franchise

We offer franchises for the establishment and operation of a business (the "Franchised Business") which provides EOS related services (collectively, the "Services") and products (the "Products") to allow entrepreneurs, business owners and other customers and clients (the "Clients") to achieve their business objectives. EOS includes a complete set of simple concepts and practical tools that strengthen the "Six Key Components" of any business which, once implemented by a Client, allows it to achieve ultimate Vision, Traction and Healthy. All Clients begin their introduction to EOS with an initial session called a "90 Minute Meeting." We may

periodically make changes to the EOS Franchise System, including changes to the Services and Products offered (including EOS) and our methods, tools, software, training materials and other requirements. You may have to make additional investments in the Franchised Business periodically during the term of the Franchise Agreement if those kinds of changes are made or for other reasons. To ensure that EOS Worldwide Clients receive the high quality of Services and Products associated with EOS, all Franchised Businesses must be operated to EOS Franchise System specifications and standards.

We offer three different tiers of franchise offerings as described in Item 6. Each tier is licensed the right to operate an EOS Franchised Business and pays the same initial franchise fee described in Item 5. All tiers pay the same initial training fee to receive our proprietary and comprehensive training program described in Item 5. However, beginning January 1, 2022, each tier will have a different set monthly fee (described in Item 6) depending upon: (1) the lists of Products and Services offered by the Franchised Business; (2) the level and amount of training received; (3) the opportunities provided to the franchisee to market and advertise its franchise within the EOS Franchise System; and (4) other benefits and features described in this Disclosure Document and the Operations Manual (as defined in Item 8). We may require that franchisees obtain designated certifications or meet certain qualifications to be eligible for a tier, and change or modify those standards from time to time at our discretion.

We offer franchises to qualified individuals, corporations, limited liability companies, partnerships or other legal entities. You must sign our form of Franchise Agreement (“Franchise Agreement”), in the form attached to this Disclosure Document as Exhibit A. If you wish to operate your franchise as a legal entity, then your entity (the “Operating Entity”) may have multiple owners, equity holders, shareholders, partner or members, but we authorize only one (1) individual owner to attend training, act as a designated EOS Implementer (“Implementer”), and provide EOS Services to Clients. Your Implementer must own a controlling interest of the Operating Entity and have authority to bind the Franchised Business. If an Operating Entity signs the Franchise Agreement, then you must sign a personal guaranty (“Guaranty”), guaranteeing your performance and binding yourself individually to certain provisions of the Franchise Agreement, including the covenants against solicitation and disclosure of confidential information, restrictions on transfer, and dispute resolution procedures. You may also decide whether you need additional operators, managers, employees, personnel or administrative staff to assist you in operating the Franchised Business, but these individuals may not be an Implementer or provide any Clients with Implementation Services reserved for the Implementer as described in the Operations Manual (“Implementer Services”).

Currently, we allow franchisees to operate their Franchised Businesses from a home office or operate from another location. Most franchisees rent, lease or acquire space or shared space containing session or board rooms to meet with Clients. You may decide to do so at your discretion. If you decide to acquire separate office space, then we do not provide site selection assistance or required specifications or standards for the premises and we do not review or approve your lease. However, we may provide you recommendations on the layout, floor plan and design for your session and board rooms, if requested. You may operate your Franchised Business, and offer Services and Products to Clients, anywhere in the world.

Market and Competition

The market for entrepreneurial coaching, consulting or training services is competitive. Your competition will include individual independent contractors, consultants and executive trainers offering business coaching services, leadership coaching and other competitive services and products. Your competition will also include local, regional and national businesses offering similar services to the Services and Products, some of which may be franchise systems. You will also compete with educational enterprises and institutions, peer-to-peer organizations, trade associations and similar organizations in the industries and geographic location where your clients operate that may not offer directly competitive Products or Services, but provide guidance and peer-to-peer networking services and cater to our clientele. Your ability to compete will depend on various factors, including the geographic region where your Franchised Business is located, general economic conditions, and your particular capabilities. Sales are not seasonal, but in our experience, we find Clients request sessions more often between the months of November through February.

Industry Specific Laws and Regulations

There may be industry specific laws and regulations that would affect the operation of your Franchised Business. You must comply with any applicable laws and regulations. You must comply with any state or local licensing or regulatory requirements currently in effect or which may be adopted in the future relating to the operation of your Franchised Business in the state in which you operate, including, without limitation, any special licensing requirements. You must meet all local, state or federal contracting laws that may apply to operating the Franchised Business. You must comply with the Payment Card Industry Data Security Standard (“PCI DSS”) established by major credit card brands to ensure that merchants like your Franchised Business securely store, process, and transmit customer credit information. Certain states or governmental authorities may have restrictions on the use of offering warranties or guarantees or requirements regarding oral or written contracts with Clients. It is your responsibility to understand and comply with any laws or regulations regarding the use of warranties or guarantees in the area in which you operate and where your Clients are located.

You should seek counsel or contact your state and local agencies for detailed information about applicable laws and regulations.

There are other federal, state and local laws and regulations of general applicability to businesses that will impact your operation, for example the Americans with Disabilities Act and the federal Occupational Safety and Health Act of 1970 known as “OSHA.” There may be other laws of general applicability that could impact your operation. You must learn about and comply with all federal, local and state laws, regulations and requirements applicable to the Franchised Business. We will not provide you with any assistance in complying with any licensing requirements currently in effect or which may be adopted in the future or any federal, local or state law, regulation or requirement applicable to your Franchised Business.

ITEM 2
BUSINESS EXPERIENCE

Kelly Knight. Kelly Knight is our President/Integrator and has held this position since our formation. Ms. Knight is also currently the President/Integrator of the EOS Affiliate and has held this position since August 2016. She also serves as President of EOSW International, Inc. and Director of EOS Worldwide UK, Ltd. She fulfills both roles from Clarkston, Michigan. From January 2013 to August 2016, Ms. Knight served as the Chief Operating Officer of Concorde Investment Services in Livonia, Michigan.

Mark O'Donnell. Mark O'Donnell is our CEO/Visionary and has held this position since our formation. Mr. O'Donnell is also currently the CEO/Visionary of the EOS Affiliate and has held this position since September 2020. He fulfills both roles from Sinking Springs, Pennsylvania. From August 2014 to September 2020, Mr. O'Donnell was a Certified EOS Implementer.

Drew McCuiston. Drew McCuiston is our Finance Leader and has held this position since our formation. Mr. McCuiston is also currently the Finance Leader of the EOS Affiliate and has held this position since May 2020. He fulfills both roles from Carmel, Indiana. From August 2017 to May 2020, Mr. McCuiston was a Partner at The Firefly Group in Indianapolis, Indiana. From January 2016 to August 2017, Mr. McCuiston was a Senior Associate and Vice President at MS Private Equity, LLC in Carmel, Indiana

Robert Tyler Smith. Robert Tyler Smith is our Technology Leader and has held this position since our formation. Mr. Smith is also the Technology Leader of the EOS Affiliate and has held this position since January 1, 2020. From January 2012 to December 2019, Mr. Smith served as President of NILSI, Inc. in Birmingham, Michigan.

Amber Baird. Amber Baird is our Customer Experience Leader and has held this position since our formation. Ms. Baird is also the Customer Experience Leader of the EOS Affiliate and has held this position since September of 2019. She fulfills both roles from Vicksburg, Michigan. From January 2008 to September 2019, Ms. Baird served as the director of Implementer Support for the EOS Affiliate.

CJ Dubè. CJ Dubè is our Global Community Leader and has held that position since our formation. CJ has also been the Global Community Leader of the EOS Affiliate since February 2019, and has held this and other positions with EOS Affiliate since Aug 2016. He fulfills both roles from Peoria, Arizona. CJ has been a Certified EOS Implementer since 2010.

Pam Kosanke. Pam Kosanke is our Marketing Leader and has held this position since our formation. Ms. Kosanke is also the Marketing Leader of the EOS Affiliate and has held this position since January 2020. She fulfills both roles from Minnetonka, Minnesota. From January 2018 to December 2019, Ms. Kosanke was Owner/Operator of 24K Brands and a Professional EOS Implementer. From September 2013 to December 2017, Ms. Kosanke served as Chief Marketing Officer of Renters Warehouse in Minneapolis, Minnesota.

ITEM 3
LITIGATION

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

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Initial Franchise Fee

You must pay us an initial franchise fee of \$5,000 (the “Initial Fee”).

You will pay the Initial Fee in full at the time you sign your Franchise Agreement. The Initial Fee is uniform as to all franchisees except as described below, is deemed fully earned upon payment and, in consideration of administrative and other expenses we incur in granting this franchise, is nonrefundable under any circumstances.

We may waive the Initial Fee for current EOS subscribers of the EOS Affiliate who (1) were designated by the EOS Affiliate as “Professional”, “Certified”, or “Trained” tier Implementers and (2) sign franchise agreements with us.

Initial Training

We refer to the Initial Training as our “Boot Camp.” The cost to attend Boot Camp is \$21,900 (“Boot Camp Fee”). The Boot Camp Fee must be paid at least thirty (30) days in advance of attending Boot Camp. You must complete Boot Camp within six (6) months of signing the Franchise Agreement. Unless you were qualified as Base Camp Implementer of the EOS Affiliate prior to signing a franchise agreement with us, you may not begin offering sessions to Clients until you have successfully completed Boot Camp.

We may waive or discount the Boot Camp Fee and/or waive the requirement to successfully complete Boot Camp training to current EOS Implementers of the EOS Affiliate who sign franchise agreements with us and who are designated by the EOS Affiliate as “Professional” or “Certified” tier Implementers.

We may allow additional time (up to twelve (12) months) to successfully complete Boot Camp training to EOS Implementers of the EOS Affiliate where the EOS Implementer (1) was not designated “Professional” or “Certified” tier by the EOS Affiliate and (2) sign franchise agreements with us. The ability to waive such fees or permit additional time for the successful completion of Boot Camp is dependent upon whether the EOS Implementer meets these requirements and requirements of our new franchisees.

The Boot Camp Fee is not refundable under any circumstances.

Opening Inventory

You must purchase certain training binders and materials to use at Client sessions and when providing the Services (including manuals and educational materials) prior to commencing sessions with your Clients from us or the EOS Affiliate, as directed. The cost of this initial inventory is \$1,500-\$3,000 depending upon anticipated Client demand and is not refundable under any circumstances.

Monthly Membership Fee

Because you will have access to our online materials commencing upon the month you sign the Franchise Agreement, you are required to begin payment of the Monthly Membership Fee (“Membership Fee”) starting in the month you sign your Franchise Agreement. The Membership Fee ranges \$895-\$1,295 per month as described in Item 6 below. We reserve the right to decrease this fee to \$495 per month for current EOS Implementers of the EOS Affiliate who (i) have not attended Boot Camp and (ii) sign franchise agreements with us, for the time period following the signing of the Franchise Agreement until the completion of Boot Camp.

ITEM 6 **OTHER FEES**

Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Monthly Membership Fee ⁽²⁾	<p>For 2021, all tiers will pay \$895 per month.</p> <p>Beginning in 2022, the following monthly fees will apply:</p> <p>\$995 monthly fee for all franchisees designated as “Professional” tier.</p> <p>\$1,095 monthly fee for all franchisees designated as “Certified” tier.</p> <p>\$1,295 monthly fee for all franchisees designated as “Expert” tier.</p> <p>We may increase the Membership Fee, but we will not increase the fee more than once annually and any incremental fee increase will not exceed \$200 per month (\$2,400 annually) in any year.</p>	Monthly via credit card payment or electronic funds transfer commencing in the month you have signed your Franchise Agreement	All franchisees are designated “Professional” tier and pay the “Professional” tier level monthly fee. Upon request by a franchisee, we may evaluate and qualify the Franchised Business as “Certified” or “Expert” tier (each a “ <u>Tier</u> ”) if you meet our qualification for “Certified” or “Expert” Tier. See Note 2 below.

Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Brand Fund Contribution ⁽³⁾	<p>Currently, none.</p> <p>We may increase the Brand Fund Contribution, but we will not increase the fee more than once annually and any incremental fee increase will not exceed \$100 per month (\$1,200 annually) in any year.</p>	Payable in the same manner as the monthly Membership Fee.	If established, the Brand Fund Contribution is payable to us or directly to the Brand Fund (“ <u>Brand Fund</u> ”).
Warm Leads Fee ⁽⁴⁾	<p>50% of the Focus Day (or the first session) fee, with a minimum \$1,500 for all Leads anticipated to request multiple sessions.</p> <p>10% of any single session fee.</p>	Payable via check or ACH transfer within seven (7) days after the session.	<p>You may request to participate in our warm leads program where we may refer you potential or prospective Clients (“<u>Leads</u>”). If a Lead ultimately becomes a Client of your Franchised Business, then you must pay us 50% of the gross revenue generated from the Client’s Focus Day (or first session) fee, with a minimum of \$1,500.</p> <p>If a Client requests a single session rather than the first of what is anticipated to be multiple sessions, you must pay us 10% of the single session fee.</p>
Speaking Referral Fee ⁽⁵⁾	25% of gross revenue	Payable via check or ACH transfer within seven (7) days after the session.	If a conference or other third-party requests a single session on EOS, then you must pay us 25% of the gross revenue generated from this referral
Technology Fee	<p>Currently, none.</p> <p>We may increase the Technology Fee, but we will not increase the fee more than once annually and any incremental fee increase will not exceed \$100 per month (\$1,200 annually) in any year.</p>	Payable in the same manner as the monthly Membership Fee and Brand Fund Contribution.	<p>If established, the technology fee will cover the cost of website development and maintenance, support of our email system and other technology developments, support or services. We reserve the right to establish this fee and increase this fee upon thirty (30) days’ notice to you.</p> <p>We may offer additional, optional technology services for an additional fee in our sole discretion.</p>

Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Additional Training Fee	Our then current fees, currently ranging from \$900 to \$7,300, but we reserve the right to increase this pricing.	Prior to attending Additional Training.	Additional Training is optional training requested by you, like facilitation or business development training, in addition to Initial Training or On-Going Training or training we require upon renewal or transfer of your Franchise Agreement. The fee for this training is paid to us.
Mandatory Remedial Training Fee	\$995-\$7,300, but we reserve the right to increase this fee.	Prior to attending Mandatory Remedial Training.	Remedial Training, is additional training we determine is necessary or appropriate for you to complete upon your breach of the franchise agreement, violation of the Operations Manual or to protect the quality, integrity and reputation of the EOS Franchise System, Proprietary Marks and Intellectual Property. We may also require completion of Remedial Training for former, non-active Professional and Certified Implementers who sign a franchise agreement.
Quarterly Collaborative Exchanges (“QCEs”) Fee ⁽⁶⁾	If you attend any beyond those included in your monthly fees, then the current registration fee. You must also pay all of your associated expenses, including all travel, food and lodging expenses, and late fees, if necessary.	Upon registration and as incurred.	Your monthly membership fee includes your registration fee for your attendance at one QCE per quarter. Should you wish to attend additional QCEs in any quarter, we may charge you a registration fee. If you fail to register within two weeks, we may charge you a late fee, currently \$250. See Note 6 detailing your requirements to attend the QCEs.

Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Annual EOS Conference Fee	Depending on the number of your Clients that attend, you may be required to pay the current registration fee, half of the registration fee, or you may not be required to pay any registration fee. If you attend in person, you will also be responsible for all of your associated expenses, including all travel, food and lodging expenses. ⁽⁷⁾	Upon registration and as incurred.	We hold an annual conference of all the end-users of EOS (the “EOS Conference”). See Note 7 for requirements regarding qualification for franchisees to attend the EOS Conference.
Renewal Fee	None.	Not applicable.	We do not charge a fee for renewing your franchise agreement, but there are other conditions for renewal, including but not limited to being in good standing, signing our then current Franchise Agreement, and executing a release.
Transfer Fee ⁽⁸⁾	\$5,000	Payable upon transfer.	Payable to us if you transfer your Franchise or your interest in your Franchise. See Note 8 for circumstances where we waive the Transfer Fee.
Accounting/Audit Fee	Cost and expenses of audit plus interest on any underpayments at the lower of 1.5% per month or the highest rate available by law.	When incurred.	We may audit your Franchised Business to confirm you are consistently submitting quarterly reports. If we determine that you understated revenue or made other misrepresentations and owe us additional amounts, then you will pay the Accounting/Audit Fee.
Interest on Overdue Amounts	The lower of 1.5% interest per month or the highest rate available by law on the past due amount.	First day of late period.	Interest is due on all overdue payments and begins to accrue thirty (30) days’ after the original due date until payment is received in full.

Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Management Fee	Our costs and expenses (including wages and personnel costs) incurred in managing your Franchised Business.	Payable on demand out of Franchised Business proceeds.	<p>The Management Fee is paid to us. In addition to our right to terminate the Franchise Agreement, we (or our designee) may step-in to provide Services or Products to your Clients if you fail to cure a default within the applicable cure period (if applicable). We also have the right to step in and operate your Franchised Business in certain circumstances, including your death, disability or prolonged absence where you are unable to provide oversight of the Franchise to prevent harmful interruption of your Franchised Business.</p> <p>The reimbursable expenses include our and our representatives' wages, travel, lodging and meals. During any management period, you will still be required to pay to us all recurring fees.</p>
Insurance ⁽⁹⁾	The premium, plus 20% of the premium.	When incurred.	If you fail to maintain the required insurance, we have the right, but not the obligation, to procure insurance on your behalf and you must reimburse us the premium payment plus a fee of 20% of the premium to cover our costs.
Indemnification	Amount will vary under the circumstances.	Date incurred.	You must reimburse us and/or our affiliate if we incur liability as a result of the operation of your Franchised Business.
Costs of Enforcement and Defense	Amount will vary under the circumstances.	Date incurred.	You must pay our costs and attorneys' fees if we must take action to enforce your obligations to us

Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Cancelled Payment/Credit Card Declined Fee/ Insufficient Funds Fee	\$50 per violation.	On demand.	If credit card payment is declined for any reason or if there are not sufficient funds in your account to permit us to debit the account for the payments you owe us, we may charge a fee of \$50 per incident. As set forth in the termination provisions below, pervasive late payments may be grounds for termination
Reimbursement of Taxes	Will vary.	As incurred.	If sales and use or similar taxes are imposed or levied, then we reserve the right to pass along such costs to you. This does not include any responsibility to reimburse us for any of our income taxes.

Notes:

1. **Non-Refundable.** Except as otherwise stated below, all of the fees listed in this Item 6 are uniformly imposed by, payable to, and collected by us, and are non-refundable. We may waive or discount fees for certain equity holders, officers and directors of us or our affiliates as well as certain legacy Implementers who provide services to us in other capacities and who sign franchise agreements with us. We reserve the right to end any discounted fees to any equity holders, officers and directors of us or our affiliates, or any legacy Implementers who provide services to us in other capacities and who sign franchise agreements with us with proper notice. The Item 6 table describes other recurring or isolated fees or payments that you must pay to us or our affiliates, or which we or our affiliates may impose or collect on behalf of a third party, in whole or in part.

2. **Monthly Membership Fee.** You must pay us a fixed Membership Fee depending upon your Tier designation. The Membership Fee is paid via reoccurring monthly credit card charge. You must sign the Credit Card Authorization in the form attached as Exhibit D to the Franchise Agreement granting us the right to charge the Membership Fee. The Membership Fee can, and will, increase over time. The Membership Fee commences the month you sign your Franchise Agreement except for current EOS Implementers of the EOS Affiliate under certain circumstances (See Item 5). We have established certain criteria a Professional Tier Franchised Business must meet to qualify as “Certified” tier or “Expert” tier. Our evaluation criteria is outlined in our Operations Manual and may change from time to time at our discretion. If you meet the criteria outlined in the Operations Manual and elect to upgrade your Tier, then you will pay the Membership Fee for that Tier commencing the month you upgrade. Upgrading your Tier is optional. “Certified” and “Expert” Tiers are granted the right to offer and sell additional Services and Products and may receive benefits as described in more detail in the Operations Manual. After you upgrade your Tier, we may place continuing on-going qualifications, requirements or other necessary credentials you must satisfy to preserve your upgraded Tier status.

3. **Brand Development Fund.** We may establish a Brand Development Fund (“Brand Development Fund”). If we establish a Brand Development Fund, then you will begin paying the brand fund fee (“Brand Fund Fee”) in the same manner as the Membership Fee due under the Franchise Agreement. We will provide you at least sixty (60) days’ notice before implementing a Brand Fund Fee. See Item 11 for more information on the Brand Development Fund.
4. **Warm Lead Program.** We have a Warm Lead Referral Program (“Warm Lead Program”) where we may refer potential or prospective clients (“Warm Leads”) to franchisees. Participation in the Warm Lead Program is completely optional. Participation in the Warm Leads Program does not guarantee that you will receive any minimum number of warm leads or any warm leads at all. We may eliminate the Warm Lead Program at any time. If a Warm Lead ultimately becomes a Client of your Franchised Business, then you must pay us fifty percent (50%) of the gross revenue generated from the Client’s “Focus Day” (or the first session) fee, with a minimum of \$1,500 (“Warm Leads Fee”). If a Warm Lead only requests a single session rather than the first of what is anticipated to be multiple sessions, then you must pay us ten percent (10%) of the gross revenue generated from that single session. We may require that you pay the Warm Lead Fee via check or ACH transfer.
5. **Speaking Referral Fee.** We may also refer to you certain requests for speaking engagements. If a conference or other third-party requests a single session on EOS, then you must pay us twenty-five percent (25%) of the gross revenue generated from this speaking referral.
6. **Quarterly Collaborative Exchanges Fee.** We hold numerous QCEs per year. Your monthly membership fee includes your registration for one (1) QCE per quarter. We typically only host one (1) QCE during the first quarter of each calendar year. If you request to attend more than one (1) QCE per quarter, you will be required to pay the then current registration fee. If you register for a QCE less than two (2) weeks before the QCE, we may charge a late fee, which is currently set at \$250. If you are part of the Professional Tier, you must attend at least two (2) QCEs within the previous four quarters; if you are part of the Certified/Expert Tier, you must attend at least three (3) QCEs within the previous four quarters. QCEs may be held in person or virtually. We may require that you attend any of the QCEs in person. If you attend in person, you are responsible for your own airfare, lodging, meals and other travel costs.
7. **Annual EOS Conference Fee.** We hold an annual EOS Conference inviting all end-users of EOS. Franchisees are permitted, but not required, to attend the EOS Conference only if three or more Clients of the franchisee attend. The registration fee for each franchisee varies and is determined based on the number of franchisee’s Clients registered for the EOS Conference. If three to five of your Clients attend, you may attend the EOS Conference and will be required to pay the full registration fee. If six to nine of your Clients attend, you may attend the EOS Conference and will be required to pay half of the registration fee. If ten or more of your Clients attend the EOS Conference, you may attend the EOS Conference and will not be charged a registration fee. We reserve the right to revise the Client attendance thresholds. If you qualify to attend the EOS Conference and attend in person, you will be responsible for your own airfare, lodging, meals, and other travel costs. We reserve the right to hold the EOS Conference virtually.
8. **Transfer Fee.** We may waive a portion of the Transfer Fee upon a transfer resulting from your death or disability or a transfer to an immediate family member (spouse, child, parent or

sibling). We will also waive this fee if you execute the Franchise Agreement as an individual and transfer it to an entity wholly-owned by you. You may only transfer your Franchised Business to an Implementer who has completed Boot Camp Training.

9. **Insurance.** If you fail to comply with our minimum insurance requirements, we have the right to obtain and maintain the requisite insurance coverage on your behalf and at your sole expense. You must pay us the premium cost of any insurance we obtain on your behalf plus an administrative fee equal to twenty percent (20%) of the premium cost for obtaining insurance on your behalf. We have the right to increase, or otherwise modify the minimum insurance requirements upon thirty (30) days' prior written notice to you and you must comply with any modification within the time specified in the notice.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure ⁽¹⁾	Amount		Method of Payment	When Due	To whom payment is to be made
	Low	High			
Initial Fee ⁽²⁾	\$0	\$5,000	ACH, Wire, PayPal, Credit Card	At signing of franchise agreement	Us
Required Boot Camp Training ⁽³⁾	\$0	\$21,900	ACH, Wire, PayPal, Credit Card	At least 30 days prior to Boot Camp Training	Us
Travel Costs to attend Boot Camp Training and other training ⁽⁴⁾	\$0	\$10,000	As Arranged	As Arranged	Vendors
Opening Inventory ⁽⁵⁾	\$1,500	\$3,000	Credit Card	Prior to Opening	Us or the EOS Affiliate
Computer Technology Hardware ⁽⁶⁾	\$2,000	\$10,000	As Arranged	As Arranged	Vendors
Initial Marketing ⁽⁷⁾	\$0	\$2,500	As Arranged	As Arranged	Vendors
Insurance ⁽⁸⁾	\$1,500	\$3,000	As Arranged	As Arranged	Insurance Carriers
Miscellaneous 1st Year Expenses ⁽⁹⁾	\$1,500	\$5,000	As Arranged	As Arranged	Vendors

Type of Expenditure ⁽¹⁾	Amount		Method of Payment	When Due	To whom payment is to be made
	Low	High			
Accounting and Professional Fees ⁽¹⁰⁾	\$1,000	\$3,000	As Arranged	As Arranged	Attorneys, Accountants and Advisors
Additional Funds for First 6 Months of Operation ⁽¹¹⁾	\$5,370	\$60,000	As Needed	As Needed	Various
TOTAL ⁽¹²⁾	\$12,870	\$123,400			

Notes:

1. **Type of Expenditure.** Unless otherwise indicated, none of the expenses listed in the above chart are refundable, except certain security deposits may be refundable. You must check with suppliers as to the ability to obtain a refund of any amounts you pay.
2. **Initial Fee.** The Initial Fee for all new franchisees who were not Implementers is \$5,000. See Item 5. You will pay the Initial Fee in one lump sum at signing of the Franchise Agreement.
3. **Required Training.** This includes the fee to attend our Boot Camp Training. See Item 5. You will pay the training fee in one lump sum at least thirty (30) days prior to attending Boot Camp Training. We reserve the right, in our sole discretion, to waive the training fees for certain Implementers who were previously trained on EOS.
4. **Travel Costs for you to attend Boot Camp Training and other Training.** This includes travel, lodging, and meals estimate for you to attend initial Boot Camp training, up to four (4) QCEs in the first year, and, possibly, the EOS Conference. This cost will depend on the distance you must travel to attend these events and your travel vendors and accommodations. If you do not attend any of these events in person (provided we permit virtual attendance), then your travel costs may be zero.
5. **Opening Inventory.** This includes the cost of the training binders and materials, including twenty (20) Leadership Team Manuals, seventy-five (75) Proven Processes, and one hundred (100) V/TOs.
6. **Computer Technology and Hardware.** This includes the cost to acquire a device (desktop, laptop or tablet) capable of accessing the Internet with a current version of Google Chrome, Microsoft Edge, Apple Safari or Firefox Internet browser to view training, report sessions and attend virtual meetings. Our computer system estimate includes the cost of purchasing a new computer and licensing required software. If you already own a device less than three (3) years old which meets our specifications, your cost may be less. Additional information about the required computer system is included in Item 11.

7. **Initial Marketing.** This includes the cost to purchase 200 *Traction* books at a current price of \$10.00 per book, plus estimated shipping. We recommend, but do not require, that you conduct initial marketing of your Franchised Business using these books.
8. **Insurance.** You must purchase general commercial liability insurance, workers compensation insurance, commercial automobile liability insurance, and errors and omission liability and other insurance we specify in the Operations Manual. Our estimates assume the annual premium for your insurance policies will be paid in full upon the purchase of these insurance policies.
9. **Miscellaneous First Year Expenses.** This includes business cards, client meals, and estimated room rental fees for the first year of operations.
10. **Accounting and Professional Fees.** We strongly advise you to consult with your own financial and legal advisors, and we anticipate that you will incur professional fees related to your evaluation of this Disclosure Document, including the Franchise Agreement and evaluating compliance obligations with any applicable laws or regulations as described in Item 1. In addition, you may form an entity for your Franchised Business, which will incur legal fees and expenses.
11. **Additional Funds for First 6 Months of Operation.** This item estimates your initial startup expenses (other than the items identified separately in the table) for the initial period of operation of your Franchised Business, which we anticipate will be six (6) months. This includes six (6) months of monthly Membership Fees at a Professional Tier. You will need additional capital to support ongoing expenses to the extent these costs are not covered by sales revenue. The low end of this estimate assumes that some of your sales revenue will cover your operating expenses. These expenses might include payroll costs if your start up plan includes hiring support staff and/or paying yourself a salary. These estimates assume you will not rent or purchase space outside your home to operate your Franchised Business.

These figures are estimates and there is no assurance that additional working capital will not be necessary during this initial six (6) month phase or at any time after the initial six (6) months. Your costs depend on: (i) how much you follow our methods and procedures; (ii) your management skill, experience, and business acumen; (iii) local economic conditions; (iv) the local market for the Products and Services; (v) competition; (vi) the sales level reached during the initial period; (viii) and your personal expenses.

12. **Total.** We relied on our founders and affiliates experience in developing and operating an EOS Worldwide business similar to the one offered under this Disclosure Document to compile these estimates. Therefore, these estimates are based on our founders and our affiliates experience in addition to our general business experience and knowledge of the industry. The costs outlined in this Item 7 are not intended to be a forecast of the actual cost to you or to any particular franchisee. You should review these figures carefully with a business advisor before deciding to purchase the Franchised Business. We do not offer financing directly or indirectly for any part of the initial investment. Your ability to obtain third-party financing or the franchise purchase and business start-up depend on many factors, including the availability of financing generally, your creditworthiness and collateral and lending policies of financial institutions from which you request a loan.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We and our owners and affiliates have spent considerable time, effort and money to develop EOS and the EOS Franchise System. You must conform to our high standards of service. We anticipate that our standards will change over time. You are expected to adhere to these changes. To ensure that you maintain the highest degree of consistency, quality and service, you must operate and develop your Franchised Business in strict conformance with our methods, standards and specifications and obtain certain supplies, inventory, and advertising materials in strict compliance with our specifications and only from us, our affiliate or the authorized manufacturers, distributors, suppliers, vendors, merchants or providers designated or approved by us. Our methods, standards and specifications (the “Franchise System Standards”) are prescribed in the Franchise Agreement and our confidential operations manual, which we loan to you in the form of one (1) or more manuals, internet catalogues, technical bulletins or other written materials in hard copy, electronic or otherwise (“Operations Manual”). All Services, inventory, supplies, computer software and hardware, insurance, marketing components and techniques, customer service standards, and other supplies used in your Franchised Business must comply with Franchise System Standards.

We formulate and modify our Franchise System Standards based upon the collective experience of our franchisees, affiliates and our principals. We will disclose to you, in the Operations Manual or otherwise in writing, any specifications on Services and Products by designating approved brands, types, compositions, performance standards, qualities or suppliers. You must sell and offer for sale all Services required by us in the manner and method we require. You must not deviate from our Franchise System Standards without obtaining our prior written consent. You must discontinue selling and offering for sale any items and Services that we may disapprove in writing at any time. We may periodically change Franchise System Standards at our sole discretion and we reserve the unlimited right to formulate, modify and supplement our Franchise System Standards for operating the Franchised Business. We will provide you with written notice of any changes as they occur, which may include through mail, email, posting on our Website or other means. You must implement all changes as soon as practical at your sole expense. You may incur increased costs to comply with our changes. We may also require you to occasionally participate in the test marketing of potential products and services.

Approved Products, Services, and Suppliers

Currently, you must purchase Leadership Team Manuals, certain designated EOS branded items, other written and bound materials used with Clients and prospects during your sessions, and related products we designate from the EOS Online Store, which is currently owned and operated by us. You are prohibited from reproducing, copying or replicating any Leadership Team Manuals or other written and bound materials used with Clients during your sessions.

Other than the items described above, you may purchase all other products, services, signs, supplies, fixtures, inventory, tools, books (including *Traction* books sold in our EOS Online Store) and other items purchased for use in the operation of your Franchised Business from vendors or suppliers of your choice as long as the items meet or exceed Franchise System Standards.

We reserve the right, in the future and at any time, to require you to purchase certain additional items exclusively from us, affiliates or unaffiliated vendors, merchants, or suppliers who sell and provide quality and reliable products and services and who we have identified in the Operations Manual or otherwise in writing (“Approved Suppliers”). Other than as described above, neither we nor our affiliates are an Approved Supplier for any other items.

Purchase According to Our Specifications

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

Advertising: All advertising and promotional materials, business cards, signs, stationery and other items we designate must bear the Marks in the form, color, location and manner we prescribe. In addition, all your advertising and promotion in any medium must be conducted in a dignified manner and must conform to our Franchise System Standards, the requirements listed in the Operations Manual or otherwise communicated by us, including the requirement that your advertising contain our website address and that the business is an independently owned and operated franchise. We and our affiliates reserve the right to be the exclusive suppliers of the advertising materials used in the EOS Franchise System. There are currently no advertising cooperatives in our System. We reserve the right to create the Brand Development Fund and require you to contribute to the Brand Development Fund in our sole discretion.

Insurance Coverage: You also must obtain, before beginning any operations under the Franchise Agreement, and must maintain in full force and effect at all times during the term of the Franchise Agreement, at your own expense, the following insurance policies described in the Franchise Agreement and in our Operations Manual protecting you, us, our affiliate, and our respective officers, directors, managers, partners, members, affiliates, subsidiaries and employees:

Type of Insurance	Minimum Limits
Commercial General Liability Each Occurrence General Aggregate	\$1,000,000 \$1,000,000
Professional Liability	\$1,000,000
Commercial Automobile Liability	\$1,000,000
Workers Compensation	per state requirements

Commercial Liability. You must maintain a general commercial liability policy providing protection against any demand or claim relating to personal and bodily injury, death, or property damage, or any liability arising from your operation of the Franchised Business. You must have third party crime coverage insuring against customer claims of theft by you or your personnel.

Professional Liability. You must maintain a professional liability (errors and omissions) policy insuring against claims by Clients or other third parties related to your providing of the Services, including claims of negligence, omission or non-performance.

Commercial Automobile Liability. You must maintain a commercial automobile liability policy covering losses resulting from accidents, theft, vandalism and legal bills, medical

expenses, property damage, and third party claims when traveling to and from Sessions and Clients.

Workers' Compensation. You must maintain workers' compensation insurance as required by law for your employees' medical costs and a portion of their lost wages should they become injured or ill on the job.

All policies must be written by a responsible carrier or carriers whom we determine to be acceptable, must name us as an additional insured under an endorsement we approve, must name us and our affiliates, and our respective officers, directors, managers, partners, members, affiliates, subsidiaries and employees as additional insureds, and must provide at least the types and minimum amounts of coverage specified in the Franchise Agreement and the Operations Manual. Each policy must provide us with thirty (30) days' prior notice of any changes to or cancellation of the policies. The types and limits of insurance required may be changed from time to time in the Operations Manual and you must comply with any new insurance requirements. Additionally, we may designate one (1) or more insurance companies as the insurance carrier(s) for all of the EOS Worldwide Franchised Businesses. If we do so, we may require that you obtain your insurance through the designated carrier(s). We may also designate an insurance agency or broker as an Approved Supplier where you must procure your insurance from the designated agency/broker.

The cost will vary from state to state and we anticipate that you will be required to pay your insurance carrier or agent your premiums on an annual basis, however, this varies by carrier. These policies must be written by responsible insurance carriers rated "A" or better by the A.M. Best Company, Inc. and that are acceptable to us. We may periodically change the amounts of coverage required under the insurance policies and require different or additional kinds of insurance at any time, including excess liability and/or umbrella insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances, if the changes apply to your Franchised Business. Each certificate of insurance must include a statement by the insurer that the policy will not be canceled, subject to nonrenewal or materially altered without at least thirty (30) days' written notice to us. All insurance policies, with the exception of workers' compensation insurance, must name us as additional insureds and you must provide us with certificates of insurance, endorsements and declaration pages to each policy evidencing that we are named as an additional insured under any policy we require you to name us an additional insured. On our request, you must promptly provide us with copies of all insurance policies together with proof of payment for insurance. You must send to us current certificates of insurance and copies of all insurance policies and endorsements for the Franchised Business on an annual basis. The insurance policies must provide for a waiver of subrogation.

POS and Computer Systems: See Item 11 for specifications on computer systems.

Client Satisfaction Program: It is critical for the goodwill and reputation of EOS that all Clients agree the Services received provide value to their businesses. Therefore, we require all of our franchisees adhere to our Client satisfaction program ("Client Satisfaction Program"). The Client Satisfaction Program requires that franchisees not charge any fee for any session if the Client concludes the session did not provide sufficient business value and sets additional

parameters for providing the Services to Clients. The Client Satisfaction Program (including the additional components and terms) is more fully described in the Operations Manual. We further require that you send an annual survey to your Clients to evaluate your performance. We may modify, change, eliminate or amend the terms of the Client Satisfaction Program on thirty (30) days' notice to you. We reserve the right to contact your Clients directly for the purposes of determining their satisfaction with EOS.

Change of Suppliers, Products or Services

We may require that you obtain our prior written approval if you wish to purchase any items we have not previously approved, or you wish to purchase from a supplier that we have not previously approved. We may require that certain items be sourced exclusively from us or our Approved Suppliers or other designated sources, including a single supplier or a limited number of suppliers for certain products, to achieve uniformity or better pricing, simplify inventory and purchasing, or for other legitimate business reasons. We do not promise to evaluate or approve alternate products or suppliers on your request and we may decline to do so.

If we elect to evaluate a product or supplier at your request, you must provide us with adequate information and samples to evaluate the proposed product or supplier. We do not charge an evaluation or testing fee. If we agree to evaluate a proposed product or supplier, we will provide you with written notification of the approval or disapproval of the product or supplier within sixty (60) days from the date we receive notice and all information and samples necessary to process your request. We may revoke approval of any supplier upon written notice to you for any reason in our sole discretion. We are not required to provide to you or any supplier the evaluation criteria we use.

Rebates, Material Benefits, Cooperatives, Revenues from Restricted Purchases

We may periodically negotiate purchase arrangements with suppliers for the benefit of franchisees, but we do not do so at this time. We cannot guarantee, promise, represent, state or warrant that any Approved Supplier will offer or continue any particular pricing, warranty or other terms of sale. Other than as we expressly authorize, you may not in any manner reship, transship, or re-distribute any of the EOS Worldwide Services or Products or other items purchased from us or any Approved Supplier to any third party, including but not limited to other current or former EOS Worldwide franchisees, without our prior written consent.

We do not provide you with any material benefits based on your use of Approved Suppliers or other designated or approved sources, such as the grant of a renewal or an additional franchise, but you must purchase those goods and services we require from Approved Suppliers or other designated sources to be in compliance with your Franchise Agreement. There are no purchasing or distribution cooperatives in which you must participate, though we reserve the right to require that in the future.

We may derive revenue from your required purchases. We may also sell or lease certain other supplies, products and services ourselves, and, if we do, we may derive revenue from those sales. Due to the fact that we began offering the right to open Franchised Businesses as of the Issue

Date of this Disclosure Document, we did not derive any revenue from franchisee required purchases during our last fiscal year.

We estimate that the costs of your purchases from designated or approved sources, or according to our standards and specifications, may range from 3% to 10% of the total cost of establishing your Franchised Business and approximately 3% to 15% of the total cost of operating your Franchised Business after that time.

Each of the officers as outlined in Item 2 above may have certain equity in us, our affiliates, or our Approved Suppliers.

ITEM 9 **FRANCHISEE'S OBLIGATIONS**

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

Obligation	Section in Franchise Agreement	Disclosure Document Item
(a) Site selection and acquisition/lease	N/A	Item 1
(b) Pre-opening purchases/leases	Section 10.8	N/A
(c) Site development and other pre-opening requirements	N/A	Item 11
(d) Initial and ongoing training	Sections 4.7, 5 and 7.2	Items 5, 6, 7 and 11
(e) Opening	Section 10.6	Item 11
(f) Fees	Section 4	Items 5, 6 and 7
(g) Compliance with standards and policies/Operations Manual	Sections 7 and 10	Items 8, 11 and 14
(h) Trademarks and proprietary information	Sections 7, 9 and 16	Items 13 and 14
(i) Restrictions on products/services offered	Sections 3 and 16.2	Items 8, 11 and 16
(j) Warranty and customer service requirements	Section 10.10	Item 8
(k) Territorial development and sales quotes	Sections 3 and 10.16	Item 12
(l) On-going product/service purchases	Sections 7.2 and 7.3	Items 7, 8 and 11
(m) Maintenance, appearance and remodeling requirements	Section 8.1	Item 11
(n) Insurance	Section 10.4	Items 6, 7 and 8

Obligation	Section in Franchise Agreement	Disclosure Document Item
(o) Advertising	Section 11	Items 6, 7, 8 and 11
(p) Indemnification	Sections 6.3 and 13	Item 6
(q) Owner's participation/management/staffing	Sections 6 and 10.3	Items 11 and 15
(r) Records and reports	Section 14	Item 6
(s) Inspections and audits	Section 14	Item 6
(t) Transfer	Section 15	Item 6 & 17
(u) Renewal	Sections 2.3 and 2.5	Item 6 & 17
(v) Post-termination obligations	Sections 16.6 and 17.6	Item 17
(w) Non-competition covenants	Sections 16.5 and 16.6	Item 17
(x) Dispute resolution	Section 20	Item 17

ITEM 10
FINANCING

We do not offer financing at this time.

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

Except as listed below, EOS Worldwide Franchising, LLC is not required to provide you with any assistance.

Pre-Opening Obligations

Before you open your Franchised Business we or our designee will:

1. Provide our Boot Camp Training Program to you. (Section 5 Franchise Agreement).
2. Provide you, when applicable, with information regarding sources for supplies, signs, and other products and services for your Franchised Business, including a list of Approved Suppliers, if applicable. You must obtain the *Traction* books, inventory, session materials, supplies, signs, equipment, tools and other products and services for your Franchised Business in accordance with our specifications and, where directed, directly from our EOS Online Store, Approved Suppliers and other designated vendors. (Section 7.3 Franchise Agreement).

3. Approve or disapprove any other initial advertising or marketing materials, business forms, stationery, business cards, or other forms you intend to utilize. (Section 7.3 Franchise Agreement).
4. Loan you one (1) copy of the Operations Manual, covering the operating techniques of the Franchised Business and all updates and revisions. (Section 7 Franchise Agreement).
5. Provide you with one email address for you and one email address for an administrative employee, if applicable, associated with the EOS Franchise System that you must use in connection with the operation of the Franchised Business. (Section 7.2(e) Franchise Agreement).
6. Provide you access to our Base Camp training platform and Slack workspace for franchisees. (Section 7.2(g) Franchise Agreement).
7. List your Franchise in our online directory of EOS Worldwide businesses as your EOS microsite. (Section 7.2(f) Franchise Agreement).
8. Upon request and subject to availability, provide you access to our Warm Lead Program. (Section 4.5 Franchise Agreement).

We do not provide any assistance with respect to hiring your employees. Unless requested by you, we do not provide training to your employees and we reserve the right to not train your employees upon request.

Ongoing Assistance

During your operation of the Franchised Business, we will:

1. Provide you with on-going updates of information and programs regarding your Franchised Business, EOS and the EOS Franchise System, including, without limitation, information about improvements or modifications to EOS, special or new services or products which may be developed and made available to franchisees. (Section 7.2(a) Franchise Agreement).
2. At your reasonable request and subject to our availability, consult with you by telephone, email, skype, virtual meeting, webinar, or otherwise regarding the continued operation and management of your Franchised Business and advise you regarding Services, sales techniques, utilizing our tools and EOS, client relations and similar topics. (Section 7.2(c) Franchise Agreement).
3. Periodically and in our sole discretion, make our employees or designated agents available to you for advice and assistance with the on-going operation of the Franchised Business. (Section 7.2(d) Franchise Agreement).
4. If and when formed, administer the Brand Development Fund. (Sections 4.3 and 7.2(h) Franchise Agreement).

5. Administer our referral fee program where, for any new franchisee that you refer to us that signs a franchise agreement and successfully completes Initial Boot Camp Training, you will receive one thousand, five hundred and 00/100 dollars (\$1,500) within thirty (30) days of the referred franchisee's successful completion of Initial Boot Camp Training. (Section 7.4 Franchise Agreement).

6. We may, in our discretion, hold the EOS Conference or meeting at a location to be selected by us and organize and administer QCEs, as we determine appropriate in our discretion. (Section 5.5 Franchise Agreement).

7. We may, at our sole discretion, provide you with administrative, bookkeeping, or accounting services. If such services are offered, they would be offered to you at an additional cost. (Section 7.2(l) Franchise Agreement).

8. We may, at our sole discretion, provide you with additional software or other technology services. If such products or services are offered, they would be offered to you at an additional cost and will not be mandatory to purchase. This is separate and apart services or products provided in exchange for any Technology Fee. (Section 7.2(m) Franchise Agreement).

Time to Open

You must attend, and complete to our satisfaction, the Boot Camp Training within six (6) months of signing the Franchise Agreement. (Section 5.1 Franchise Agreement). We estimate that the time from the signing of the Franchise Agreement to the opening of the Franchised Business will be approximately 30 to 180 days. This time may be shorter or longer due to (1) how soon the next Boot Camp Training is offered after you sign the Franchise Agreement, (2) availability and delivery of initial inventory and marketing materials, (3) your ability to complete your official online profile and provide required website content, including professional, high quality headshot(s), lifestyle photo(s) and video(s), and updating of social media accounts per EOS brand guidelines, and (4) the time needed to obtain permits, licenses and certifications necessary for the operation of the Franchised Business, as well as other factors. Prior to the opening of your Franchised Business, you must pay to us all amounts that are due and owing.

You must begin operating your Franchised Business six (6) months after signing the Franchise Agreement. (Section 10.6 Franchise Agreement). You may not open your Franchised Business until (1) all amounts owed to us have been paid, (2) you have provided to us proof of insurance coverage, (3) all supplies have been purchased according to our specifications, (4) you complete Initial Boot Camp Training, (5) your website content is uploaded; and (6) you satisfy any other requirements of new franchisees under the Franchise Agreement. We will reasonably extend the time to commence the operation of your Franchised Business for a period of up to sixty (60) days' if you are unable to (i) obtain any licenses required to operate your Franchised Business or (ii) attend Initial Training, despite your best efforts and for reasons beyond your control.

If you do not begin operating your Franchised Business within the timeframe specified in this paragraph, we may terminate the Franchise Agreement. (Section 17.2(j) Franchise Agreement).

Marketing Approval Process

You must participate in all marketing and sales promotion programs that we may authorize or develop for Franchised Businesses. All advertising, marketing and promotional plans and/or materials you use, including any advertising and/or marketing plan or material used for advertising and marketing on the internet and/or a worldwide web page, must be conducted in a dignified manner and must conform to the standards and requirements that we state in the Operations Manual or otherwise. You must promptly discontinue use of any advertising, marketing or promotional plans or materials on notice from us. We may require you to contribute to advertising in select paid media or other advertising as a flat fee or minimum percentage of revenue.

All use of any of the Marks must meet all Franchise System Standards as defined at Branding.eosworldwide.com and as may be otherwise described in the Operations Manual. Section 9.1 of the Franchise Agreement. We have the right to require you to include certain language in your local advertising materials, such as “Interested in becoming a Professional EOS Implementer” and the address of our Website and phone number.

Grand Opening Promotion

There is no requirement that you engage in a specific grand opening promotion outside of regular marketing efforts, such as through social media, email marketing, and local networking and business resources. You are not required to spend any amount on grand opening promotions, but we recommend you purchase *Traction* books (which are available for purchase at the EOS Online Store or from third parties) as described in Item 7 as these books should be used in your marketing and promotional efforts.

Local Marketing Requirement

There is no minimum requirement or spending for location marketing, however, you are permitted to conduct local marketing and advertising activities and create marketing co-ops with fellow franchisees, including sponsoring local peer groups. EOS will make certain marketing assets, including but not limited to customizable marketing collateral, available for utilization in these programs.

Social Media and Internet Advertising

You may wish to use Social Media Platforms (defined as web-based platforms such as Facebook, Twitter, LinkedIn or Instagram and other networking and sharing sites) or use Social Media Materials (defined as any material on any Social Media Platform that makes use of our Intellectual Property, Marks, name, brand, products or your Franchised Business whether created by us, you or a third-party). You are required to comply with our Social Media Policy as set forth in the Operations Manual, and you must comply with the restrictions and requirements described below in this Item 11 under “Websites” and any other standards described in the Franchise Agreement or otherwise in writing. You must abide by all official EOS Worldwide brand guidelines and best practices, including the designation of your status as a franchisee. You must comply with the quality considerations and requirements for your official online profile as outlined in Section 8.2 of the Franchise Agreement.

Brand Development Fund

We may form a Brand Development Fund to promote EOS, the EOS Franchise System and its Services and Products. The Brand Development Fund would be used for national and regional advertising, publicity and promotion relating to EOS and the EOS Franchise System. We determine the manner in which the contributions to the Brand Development Fund are spent. We may use any form of media we determine is appropriate to conduct the advertising and may utilize an in-house advertising department or outside agencies. Some portion of the Brand Development Fund may be used for creative concept production, website development, marketing surveys, test marketing and related purposes. We have the right to direct all advertising activities with sole discretion over creative concepts, materials and media used, as well as their placement and allocation. We also have the right to determine, in our sole discretion, the composition of all geographic and market areas for the implementation of these advertising and promotional activities. (Section 11.4 Franchise Agreement).

The Brand Development Fund is intended to maximize general public recognition in all media of the Marks and patronage of EOS Worldwide businesses. We have no obligation to ensure that expenditures of the Brand Development Fund in or affecting any geographic area are proportionate or equivalent to payments of the Brand Fund Fee by franchisees operating in that geographic area or that any Franchised Business will benefit directly or in proportion to the Brand Fund Fees paid for the development of advertising and marketing materials or the placement of advertising. No amount of the Brand Development Fund will be spent for advertising that is principally a solicitation for the sale of franchises. Although we do have the right to include “Franchises Available” or “Interested in becoming a Professional EOS Implementer” or similar language along with our contact information on all Brand Development Fund advertising. (Section 11.5 Franchise Agreement).

We have the right to reimburse ourselves out of the Brand Development Fund for the total costs (including indirect costs) of developing, producing and distributing any advertising materials and administering the Brand Fund Fee (including without limitation, attorneys’, auditors’ and accountants’ fees, salaries of in-house advertising personnel and outside advertising agencies and other expenses incurred in connection with collecting any Brand Fund Fee). (Section 11.5 Franchise Agreement).

Funds from the Brand Fund Fees paid will be kept separate and distinct and will be accounted for separately from our other funds. These funds will not be used to defray any of our general operating expenses, except as described in the paragraph above. Any sums paid to the Brand Development Fund that are not spent in the year they are collected will carry over to the following year. Within one hundred twenty (120) days of the fiscal year-end, we will prepare, and furnish to you upon written request, an annual, unaudited statement of funds collected and costs incurred. (Section 11.6 Franchise Agreement).

Although the Brand Development Fund is intended to be perpetual, we may terminate the Brand Development Fund at any time. The Brand Development Fund will not be terminated until all monies in the Brand Development Fund have been spent for advertising or promotional purposes or returned to contributors on a pro-rata basis. If we terminate the Brand Development

Fund, we have the right to reinstate it at any time and you must again contribute to the Brand Development Fund. (Section 4.3 Franchise Agreement).

Advisory Council

We reserve the right to form an advisory council to assist us with various components of our System, including Services offered by Franchised Businesses, marketing and promotion, training, and other aspects of the EOS Franchise System. If we create an advisory council, it will act in an advisory capacity only and will not have decision-making authority. We will have the right to form, change, merge and dissolve any advisory council at any time. (Section 11.8 Franchise Agreement).

Members of an advisory council will include our representatives and franchisee representatives. The franchisee representatives may be chosen by us or may be elected by other franchisees in the EOS Franchise System. If you are chosen and agree to participate in an advisory council, you will pay all costs and expenses you incur related to your participation and attendance at council meetings, including travel, lodging and meals. (Section 11.8 Franchise Agreement).

Other Advertising Information

There is no obligation for us to maintain any advertising program or spend any amount on advertising or marketing.

Computer System

You must purchase or lease a computer system, including hardware and software we specify, for your Franchised Business. We require you to have a computer (desktop or laptop) able to run the most current version of Google Chrome, Microsoft Edge, Apple Safari, or Firefox Internet browser (the “Computer System”) in order to view training, report sessions, facilitate virtual sessions as needed, and attend virtual meetings. Currently, the software necessary to operate the Franchised Business will function correctly only on a computer less than three (3) years old and has the most current version of its operating system, such as OSX or Windows. Although the necessary programs will function on Firefox, Safari, Google Chrome, and Microsoft Edge, we will only assist you in troubleshooting potential issues related to the software when operating on Google Chrome. Your Computer System must have the capacity to submit to us reports through our internal system containing information about the number of sessions held by your Franchised Business, revenue generated and average ratings, all in the form prescribed in the Operations Manual which we may change from time to time upon notice. You may purchase your Computer System from any supplier, unless we designate a specific Approved Supplier. (Section 8.1 Franchise Agreement).

We anticipate that the initial cost of your Computer System will be between \$2,000 and \$10,000. If you already own computer and communications equipment which meets our specifications, your cost may be less. We do not require you to have a maintenance contract for your computer system, but we strongly suggest that you do so. You will keep your Computer System in good maintenance and repair and, at your expense, promptly make any and all additions, changes, modifications, substitutions, and/or replacements to your Computer System as we direct. Whether or not you choose to have a maintenance contract for your Computer System, you must

pay to us a Technology Fee, if and when we choose to implement one (see Item 6). We reserve the right to increase the Technology Fee as described in Item 6. (Section 4.4 Franchise Agreement). You will pay any and all, annual, monthly or otherwise, software fees, or other fees, as required by us or our Approved Suppliers in order to maintain your Computer System. You further acknowledge and agree that we reserve the right to change our approved suppliers, including any software suppliers, at any time and in our sole discretion.

If you are in default of any obligations under this Franchise Agreement, we may, in addition to any other remedy we may have under this Franchise Agreement, temporarily inhibit your access to all or part of the EOS related data contained within the Computer System, until you have cured such default completely.

Computer systems are vulnerable in varying degrees to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, data related problems and attacks by hackers and other unauthorized intruders (“E-Problems”). We do not guarantee that information or communication systems we or others supply will not be vulnerable to E-Problems. It is your responsibility to protect yourself from E-Problems. You should also take reasonable steps to verify your suppliers, lenders, landlords, clients, and governmental agencies on which you rely, have reasonable protection from E-Problems. This may include trying to secure your Computer Systems (including firewalls, password protection, and anti-virus systems), and to provide backup systems.

You must upgrade the computer system, and/or obtain service and support, as we require or as is necessary because of technological developments or events. There are no contractual limitations on the frequency and cost of your obligation to obtain maintenance, updates or upgrades. We have no obligation to reimburse you for any of these costs. Neither we nor any of our affiliates will provide you with any maintenance repairs, updates or upgrades for your computer system. (Section 8.1 Franchise Agreement). We estimate that you will spend between \$0 and \$1,000 on an annual basis on the optional or required maintenance, support, upgrading and updating your computer system, excluding the payment of the Technology Fee.

Confidential Operations Manual

Attached to this Disclosure Document, as Exhibit F, is the Table of Contents for our Operations Manual. Our Operations Manual includes approximately 422 pages. The Operations Manual is highly confidential, contains our trade secrets and you must use your best efforts to maintain its absolute confidentiality. The Operations Manual remains our property, must be returned upon request and must be stored in a safe place. We reserve the right to revise or modify the Operations Manual to reflect new Franchise System Standards. You must accept and comply with such revisions, modifications and additions, which we may communicate to you through written notification by mail, email, posting on our Website or otherwise. You must maintain a current copy of the Operations Manual at all times. You are prohibited from copying or distributing the Operations Manual in any manner whatsoever. You must only use the information contained in the Operations Manual to manage your Franchised Business and may not use such information for any other purpose. (Section 7.1 Franchise Agreement)

Training Program

We will provide you with approximately three (3) days of initial pre-opening training in our methods and techniques called our Boot Camp Training (“Initial Training”). Prior to attendance at Initial Training, we will provide you access to “Base Camp”, our comprehensive online training containing tools, supplies, teaching materials, video guides, printable guidelines, and support needed to implement EOS and prepare you for our Boot Camp Initial Training program. Once you are provided access to Base Camp, then you can utilize the materials and resources at your own pace. Currently, access to Base Camp provides franchisees with the following, which we may modify, update, amend or change at our discretion:

1. The EOS Toolbox containing downloadable tools
2. Downloadable worksheets
3. Training videos and printable guides
4. Option to purchase Leadership Team Manuals (LTMs) and other materials
5. Additional resources to assist you in learning and executing the EOS 4-2-1 Business Development system

Currently, Initial Training may be held at locations in Detroit, Michigan; Denver, Colorado; Tampa, Florida; or Dallas, Texas, however other locations may be added at our discretion. Additionally, at our discretion, we may make virtual training available to franchisees. Initial Training is mandatory for you. We reserve the right to modify any aspect of our Initial Training to accommodate the needs or experience of any individual trainee. The cost of the Initial Training is currently \$21,900, and you are responsible for all costs and expenses associated with your attendance at Initial Training, including the cost of travel, lodging, meals, and wages. In addition, you must complete the Base Camp online training courses. We reserve the right to waive attendance at Initial Training or the fee for this training for Implementers who have successfully completed EOS training.

You must complete Initial Training to our satisfaction within six (6) months of signing the Franchise Agreement. Your failure to complete Initial Training to our satisfaction will give us the right to terminate your Franchise Agreement. (Section 17.2(e) Franchise Agreement).

The materials we use in our Initial Training include the Boot Camp Training Manual, Operation Manual, printed materials, printed workbooks, and a ramp-up supply kit that we believe will be beneficial to our franchisees. Initial Training is intended to be interactive. The topics of the Initial Training Program are as follows:

Subject of Training	Hours of Classroom Training	On the Job Training Hour	Location
<ul style="list-style-type: none"> • The history of EOS • Generating your own Warm Leads to build your Client list • Following our One-Page Business Development Process to grow Franchised Business; 	27.0	0	Instructor led training in Detroit, MI; Denver, CO; Dallas, TX; Tampa, FL; London, England; Sydney, Australia; or virtually

Subject of Training	Hours of Classroom Training	On the Job Training Hour	Location
<ul style="list-style-type: none"> • How to create the context with a potential client by delivering a powerful 90 Minute Meeting • How to use all of the EOS Worldwide resources to grow and support your Franchised Business • How to clarify your personal business plan and achieve the future you want with your Franchised Business 			
TOTAL HOURS	27		

We reserve the right to amend, modify, supplement, vary and/or delete any portion of the contents of the Initial Training.

Currently, we schedule one Initial Training session per location per calendar quarter. However, we may change this schedule based on demand. We reserve the right to hold our Initial Training on an “as-needed” basis based on new franchisees in the EOS Franchise System and the number of Franchised Business openings, staffing and other factors. Initial Training is conducted under the direction of CJ DuBè, who has served as a Certified EOS Implementer for at least ten (10) years. CJ DuBè may delegate certain training to instructors who will have a minimum of six (6) months experience in the topic.

On-Going Base Camp Access

After your Initial Training, we will provide you continuing access to Base Camp (“On-Going Base Camp Access”). As this On-Going Base Camp Access is included as part of your Membership Fee, we do not charge an additional fee for this On-Going Base Camp Access.

In addition, we may employ consultants that may assist you with the ongoing operation of the Franchised Business as we deem appropriate. At or after Initial Training, we will assign a Certified or Expert EOS Implementer to act as your coach and mentor.

Additional Training

At your request, and subject to our availability, we may provide additional training for specific areas of interest such as: coaching, ongoing breakouts, and other support packages as we make available from time to time at our discretion (“Additional Training”). We may charge you our then current fee for any Additional Training. You are also responsible for your own costs and expenses incurred in attending Additional Training, including travel, lodging and miscellaneous costs, where applicable. Additional training or refresher courses are not required, except in the event of a renewal or transfer of the Franchised Business.

At your request, and subject to the availability of our personnel, we may provide you with additional on-site training or assistance at your Franchised Business. You should be responsible

for paying our then hourly or daily rate per trainer plus the cost of our on-site trainers travel and related expenses.

Remedial Training

If you are in default under the Franchise Agreement or if we determine in our sole discretion that you are in violation of Franchise System Standards (including any violations of our Core Values or failure to meet the requirements to maintain your Professional Implementer status), then we may require you attend mandatory remedial training or assistance and you must pay our then-current fees and expenses as outlined in Item 6. (Section 5.3 Franchise Agreement).

We may also require completion of Remedial Training for former, non-active Professional and Certified Implementers who sign a franchise agreement.

QCEs

Currently, we organize and offer numerous Quarterly Collaborative Exchanges (QCE) annually. QCEs are an opportunity to gain practical, useful insight for implementing EOS, operating your franchised business, working with entrepreneurial leadership teams, and managing and servicing your Clients. QCEs allow a comprehensive exchange of ideas, recommendations, suggestions, best practices, tips and advice based on the combined experiences of Implementers in the Franchise Model.

If you are part of the Professional Tier, you must attend at least two (2) QCEs within rolling periods of four quarters; if you are part of the Certified/Expert Tier, you must attend at least three (3) QCEs within the rolling periods of four quarters. QCEs may be held in person or virtually. We may require that you attend any of the QCEs in person. Your monthly membership fee includes registration at one (1) QCE per quarter. Should you choose to attend more than one (1) QCE per quarter, we will charge you the current registration fee. Additionally, should you register for any QCE less than two (2) weeks in advance, we will charge you a late fee. If you choose or are required to attend in person, you are responsible for your own airfare, lodging, meals and other travel costs.

In addition to our QCEs we may also conduct other seminars or hold annual meetings or conferences from time-to-time for the benefit of all franchisees whose attendance may or may not be mandatory. We will charge our then-current registration fee and you must pay for the expense of salaries, travel, meals, lodging, and miscellaneous expenses of you attending such seminars or conferences.

Websites

You will not have any right to update, upgrade, amend or host the Website. You may, however, revise certain designated sections on your microsite, but the framework will be set by us. You may suggest changes to the webpage designated for your Franchised Business with items of news and events and related content, which we may include on your microsite. The Website will contain information on the Services provided by the EOS Franchise System. The Website may also contain information on the awards and achievements of us and our affiliates. The Website and its content are updated based upon our judgment of what is appropriate and all

changes, deletions and additions are at our sole discretion. We may restrict, limit, control or designate your use of websites, the Internet, intranets, worldwide web home pages or e-mail, and require you to participate in a centralized website. Neither you, nor any of your employees, are permitted to use an e-mail address that is not associated with our Website in connection with the operation of your Franchised Business. (Section 8.2 Franchise Agreement). You may not establish any separate website, blog, other World Wide Web or Internet-based presence which uses or displays any of our Intellectual Property without our prior consent. (Section 8.2(a) Franchise Agreement). Any other blog, account on a Social Media Platform, email distribution list, or other World Wide Web or Internet-based presence which uses or displays any of our Intellectual Property must be conducted in accordance with our Social Media Policy, Brand Guidelines, and other standards set forth in the Operations Manual.

ITEM 12 **TERRITORY**

You will not be granted any exclusive territory. You may face competition from other franchisees, from EOS businesses that we or our affiliates own, or from other channels of distribution or competitive brands that we control.

Reservation of Rights

We and our affiliates retain the right, at our sole discretion, to engage in any other activities not expressly prohibited in the Franchise Agreement including the right to own and operate EOS Worldwide businesses under the Marks or using the Intellectual Property, or to license others the right to own and operate an EOS Worldwide business under the Marks and System or using the Intellectual Property anywhere in the world. Additionally, we may acquire or merge with any existing business, including without limitation, a competitive business or another franchisor offering competitive businesses, located anywhere and operate that business using the Intellectual Property, Marks and EOS Franchise System. We and our affiliates reserve the right to enter into any marketing partnerships that could be national or international in scope and provide the same Products and Services your Franchised Business will offer and sell.

Alternative Distribution Channels

We and our affiliates retain the right, in our sole discretion, to sell the Services or Products under the Marks in the same manner as offered by the EOS Worldwide franchises or in any other manner we determine in our sole discretion. Our rights include the ability to sell the Products and Services through channels of distribution such as the Internet (including our Website), mobile application, retail or wholesale stores, catalog sales, telemarketing or other direct marketing sales (together, “Alternative Channels of Distribution”) and retain all the profits from such activities. We reserve the right to develop a software or other similar program, and we may permit you to engage in revenue sharing for such products in which we share the revenue collected with you. Unless we provide prior permission, you may not use Alternative Channels of Distribution to make sales and you will not receive any compensation for our sales through Alternative Channels of Distribution.


Your franchise rights do depend on your achieving certain productivity standards, as judged by the number of sessions conducted and your ratings for these sessions. Should you fail to perform the minimum number of sessions, we reserve the right to require you attend additional training. If you fail to meet the minimum productivity standards following completion of additional training, we reserve the right to terminate your Franchise Agreement. If you fail to meet the minimum ratings following completion of additional training, we reserve the right to terminate your Franchise Agreement. There is no provision in the Franchise Agreement for modification of your territorial rights for any reason. We do not have restrictions on the relocation of your Franchised Business whether you operated out of your home and move your principal residence or if you lease or own separate premises and decide to re-locate your office.

We reserve all rights not expressly granted in the Franchise Agreement. Unless specifically agreed with you in writing, our grant of the Franchised Business does not include any option or promise to allow you to purchase any additional franchises whether by option, right of first-refusal or similar right.

ITEM 13 **TRADEMARKS**

Our Marks contain marks registered with the United States Patent & Trademark Office (“USPTO”) (the “Registered Marks”) and marks with current applications for registration pending with the USPTO (the “Pending Marks”). Each of the Marks is described below. We grant you the right to operate your Franchised Business under the name “EOS” and to use the Marks identified below in the operation of your Franchised Business. We have the right to the use, license and sublicense the Marks listed below.

The following is a description of the Registered Marks. EOS Affiliate has registered the below listed Trademarks on the USPTO Principal Register:

Mark	Registration No.	Registration Date	Register
EOS	3432932	05/20/2008	Principal
ENTREPRENEURIAL OPERATING SYSTEM	3565934	01/20/2009	Principal
TRACTION	4513247	04/15/2014	Principal
	4466082	01/14/2014	Principal
EOS IMPLEMENTER	5761861	05/28/2019	Principal
CERTIFIED EOS IMPLEMENTER	5761867	05/28/2019	Principal
PROFESSIONAL EOS IMPLEMENTER	5761868	05/28/2019	Principal

Mark	Registration No.	Registration Date	Register
THE EOS LIFE	5762869	05/28/2019	Principal
ORGANIZATIONAL CHECKUP	5792316	07/02/2019	Principal
EOS PROCESS	5761870	05/28/2019	Principal
EOS MODEL	5761878	05/28/2019	Principal
90-DAY WORLD	6234310	12/29/2020	Principal

We or our affiliates have filed all required affidavits for the Trademarks. We will sub-license to you the right to use the Marks to operate your Franchised Business upon the terms of your Franchise Agreement.

There are no agreements currently in effect which significantly limit our rights to use or sub-license the use of the Marks in a manner material to your Franchised Business. There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, nor are there any pending infringement, cancellation or opposition proceedings or material litigation, involving the Registered Marks. All required affidavits have been filed.

We or our affiliates filed trademark applications with the USPTO for the following Pending Marks. Following registration and at the appropriate times, we intend to renew the registration and to file all appropriate affidavits.

Mark	Serial Number	Application Date
TRACCIÓN	88135780	09/28/2018
EOS UNIVERSITY	90227989	09/30/2020
TRACTION UNIVERSITY	90228032	09/30/2020
EOS COMPATIBLE	90228018	09/30/2020
IDS	90228058	09/30/2020
THE EOS LIFE	90228076	09/30/2020
PROFESSIONAL EOS IMPLEMENTER COMMUNITY	90376520	12/11/2020
RUNNING ON EOS	90376598	12/11/2020
EOS INTEGRATOR	90376598	12/11/2020
REAL SIMPLE RESULTS	90453753	01/07/2021

Mark	Serial Number	Application Date
HELPING ENTREPRENEURS GET EVERYTHING THEY WANT FROM THEIR BUSINESS	90453765	01/07/2021
GET A GRIP ON YOUR BUSINESS	90453771	01/07/2021
EOS TOOLBOX	90477207	1/20/2021
LEVEL 10 MEETING	90477140	1/20/2021
FRACTIONAL INTEGRATOR	90527615	2/12/2021
INTEGRATOR ACADEMY	90528414	2/13/2021
INTEGRATOR COMMUNITY	90527643	2/12/2021
INTEGRATOR MASTERY FORUM	90527675	2/12/2021
ROCKET FUEL	90527697	2/12/2021
ROCKET FUEL UNIVERSITY	90528234	2/13/2021
SAME PAGE MEETING	90528243	2/13/2021
V/I DUO	90528247	2/13/2021
VISIONARY/INTEGRATOR	90528249	2/13/2021
THE EOS LIFE MODEL	90479778	1/21/2021
VISION/TRACTION ORGANIZER	90528857	2/15/2021
V/TO	90528858	2/15/2021

We maintain a list of the Marks at the website <https://branding.eosworldwide.com/trademarked-terms/>.

We occasionally add additional marks to that list, and those additions will be considered part of the Marks, will be licensed to you, and will be subject to the restrictions discussed below.

Use of the Marks

You must follow our rules when you use the Marks. You may not use the Marks as part of your corporate or other legal name. We must approve your corporate name and all fictitious names under which you propose to do business in writing before use. You must use your corporate or limited liability company name either alone or followed by the initials “D/B/A” and the business name “EOS Worldwide” or “EOS Worldwide [Certified/Professional/Expert] Implementer” as allowed under applicable law. You must promptly register at the office as provided for by the laws of the state in which your Franchised Business is located and/or if required at the office of the county in which your Franchised Business is located, as doing business under such assumed business name as allowed under applicable law. You cannot use any Mark in connection with the

performance or sale of any unauthorized services or products or in any other manner we have not expressly authorized in writing.

We or our affiliates are the lawful and sole owner of the domain name www.eosworldwide.com. You cannot register any of the Marks now or in the future owned by us or any abbreviation, acronym or variation of the Marks, or any other name that could be deemed confusingly similar, as Internet domain names. We retain the sole right to advertise the EOS Franchise System on the Internet and to create, operate, maintain and modify, or discontinue use of a website using the Marks. Except as we may authorize in writing in advance, you cannot: (i) link or frame our Website, (ii) conduct any business or offer to sell or advertise any Services on the worldwide web, or (iii) create or register any Internet domain name in connection with your Franchised Business.

You may use only the Marks which we designate, and may use them only in the manner we authorize and permit. Any goodwill associated with the Marks, including any goodwill which might be deemed to have arisen through your operation of the Franchised Business, inures directly and exclusively to our benefit. You may use the Marks only for the operation of the Franchised Business or in advertising for the Franchised Business. You must use all Marks without prefix or suffix and in conjunction with the symbols “SM,” “®,” “S,” or “TM” as instructed by us.

We are not aware of any superior prior rights or infringing uses that could materially affect your use of our principal Marks in any state; however, a federal trademark registration does not necessarily protect the use of the concerned mark against a prior user. Therefore, before entering into the Franchise Agreement, you should make every effort to confirm that there are no existing uses of the Marks or confusingly similar marks being used where you wish to do business. You should immediately notify us of any confusingly similar marks you discover.

Infringements

You must notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any claim by any person of any rights in any Mark or Intellectual Property, and you may not communicate with any person other than us, our attorneys and your attorneys in connection with any infringement, challenge or claim. We or our affiliates, in our sole judgment, may take any action that we deem appropriate and we have the right to control exclusively any litigation, USPTO proceeding or any other administrative proceeding arising from any infringement, challenge or claim or otherwise relating to any Mark or Intellectual Property. You must sign any instruments and documents, provide assistance and take any action that, in the opinion of our attorneys, may be necessary or advisable to protect and maintain our interests in any litigation or USPTO or other proceeding or otherwise to protect and maintain our interests in the Marks or Intellectual Property. The Franchise Agreement requires us to participate in your defense and/or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a Mark or Intellectual Property licensed to you by us or if the proceeding is resolved unfavorably to you provided that you have used such Mark or Intellectual Property in compliance with the Franchise Agreement.

Changes to the Mark

If we determine that it becomes advisable for us and/or you to modify or discontinue the use of any Mark and/or use one (1) or more additional or substitute trade or service marks, you must comply with our directions within a reasonable time after receiving notice. You will pay the expense of changing any materials used in the operation of your Franchised Business. Further, we will not be obligated to reimburse you for any loss of revenue attributable to any modified or discontinued Mark or for any expenditure you make to promote a modified or substitute trademark or service mark.

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

Patents

We do not own any issued patents which are material to the Franchised Business.

Copyrights

We or our affiliates claim copyrights in the Operations Manual, the Website, Product and Service materials, training materials, advertising materials and related items used in operating the Franchised Business (the “Copyrighted Materials”). We may further register, develop, change, cancel, enhance or modify Copyrighted Materials at any time. We have registered some, but not all, of the Copyrighted Materials with the United States Registrar of Copyrights.

There currently are no effective determinations by, pending proceedings with, the Copyright Office (Library of Congress) or any court regarding any of the Copyrighted Materials. Nor are there any agreements currently in effect which significantly limit our right to use or authorize franchisees to use the Copyrighted Materials. Furthermore, there are no infringing uses actually known to us which could materially affect a franchisee’s use of the Copyrighted Materials in any state. We are not required by any agreement to protect or defend Copyrighted Materials or confidential information, although we intend to do so when this action is in the best interests of the EOS Franchise System.

Confidential Information

Our Confidential Information includes EOS Operations Manual; Boot Camp Manual; Implementer Guides; Base Camp content; EOS Online Store materials; Franchise System Standards; Services and Products; methods for operating, managing, developing, performing, or coordinating any aspect of the Franchised Business; recruitment, training, marketing or compensation methods; Client lists; referral sources; billing and collection methods; pricing strategies; financial information; business plans and other information about us, our affiliates and information about our approved suppliers; strategic partners, vendors, employees, and independent contractors and any other information we deem confidential (collectively, the “Confidential Information”). You may not use our Confidential Information in an unauthorized manner and must take reasonable steps to prevent its disclosure to others.

You may never – during the initial term, any renewal term, or after the Franchise Agreement expires or is terminated – reveal any of our Confidential Information or any other materials, goods and information created or used by us and designated for confidential use within the EOS Franchise System to another person or use it for any purpose other than to operate your Franchised Business. You may not copy any of our Confidential Information or give it to a third party except as we authorize. You must limit access of your employees and any independent contractors to Confidential Information used in connection with the EOS Franchise System on a need to know basis. We may, periodically and in our sole discretion, amend the contents of the Operations Manual and your confidentiality obligations will extend to these amendments. We require that you and anyone who completes our training program or who has access to our Operations Manual sign the Confidentiality, Non-Use and Non-Competition Agreement, attached as Exhibit C to the Franchise Agreement, indicating your acknowledgment and compliance with the above confidentiality requirements. All persons and employees affiliated with the Franchised Business must sign a confidentiality agreement. This includes anyone who you grant access to Confidential Information.

All ideas, concepts, techniques and other newly developed information or materials relating to the EOS Franchised Business (hereinafter “Information”), whether or not constituting protectable intellectual property, and whether created by or on behalf of you, must be promptly disclosed to us, will be considered our property and part of our System and will be considered to be works made-for-hire for us. You agree to and do hereby assign the Information to us, and you must sign whatever documents we request to evidence our ownership or to assist us in securing intellectual property rights in these ideas, concepts, techniques or materials. We may, in our sole discretion determine whether you will receive any form of compensation or consideration in exchange for ideas, concepts, and techniques and other newly developed information or materials relating to the Franchised Business which you develop. We make no guarantees that you will be entitled to any form of compensation for such Information.

We do not own or use the rights to any patent or copyright that is material to the Franchised Business, except for the Copyrighted Materials, which are subject to common law and registered copyrights.

During the term of your Franchise Agreement, you are granted the right to use our registered and non-registered copyrights, if necessary, for local marketing and advertising.

Our or our affiliates’ right to use any copyrighted item is not materially limited by any agreement or known infringing use.

Client Data

All information, mailing lists, Client information and databases of Client Data (as defined in the Franchise Agreement) from whatever source derived, will, at our request, and in any event when provided by you to us, be our property. You must enter all Client Data and information accurately into our systems as outlined in the Operations Manual and failure to do so could result in termination of your Franchise Agreement. You agree not to use such information, except in connection with your Franchised Business in accordance with the Franchise Agreement. You agree not to use, process, copy, display, publish, store or transfer the Client Data without our

approval. You agree to comply with all applicable laws with respect to Client Data; in addition, you agree to comply with all data privacy and security requirements we may establish from time to time and to exert commercially reasonable efforts to prevent the unauthorized use, dissemination, or publication of Client Data, subject in all instances to applicable laws. You will promptly notify us if you become aware of or suspect any unauthorized access to the Client Data, or if you become the subject of any governmental, regulatory or other enforcement or private proceeding relating to your data handling practices of Client Data. You agree to indemnify us for all third party claims related to your use of Client Data.

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

You or the Operating Entity for which you are the sole Implementer and majority owner must sign the Franchise Agreement. You must maintain a majority ownership in the entity listed as the “Franchisee” under the Franchise Agreement. This interest may not be pledged, mortgaged, hypothecated, or be subjected to any lien, charge, or encumbrance, voting agreement, proxy, security interest or purchase right or option, without our consent. You may have other owners, operators, or managers, but such individuals may not be an Implementer or provide Implementer Services to Clients.

You as the Implementer must be approved by us. You further must disclose to us any passive owners, operators, or managers. You must devote your best efforts to the Franchised Business operations under the Franchise Agreement.

You must notify us promptly if you cannot continue to serve as the Implementer of your Franchise. You will have thirty (30) days from the date of the notice (or from any date that we independently determine you no longer meets our standards) to take corrective action. During that thirty (30) day period, you must provide for interim management of your operations in compliance with the Franchise Agreement.

You must sign a personal Guaranty described in Item 1 guaranteeing your performance and binding yourself individually to certain provisions of the Franchise Agreement, including the covenants against competition and disclosure of Confidential Information, restrictions on transfer and dispute resolution procedures.

At our request, your personnel and any other owners, operators, or managers must sign covenants not to solicit and to maintain the confidentiality of Confidential Information they have access to through their relationship with you. These covenants will be in substantially the form attached to the Franchise Agreement as Exhibit C. Any other personnel or passive owners, operators, or managers who will have access to our Confidential Information must sign covenants to maintain the confidentiality of Confidential Information they have access to through their relationship with you. We have the right, in our sole discretion, to decrease the period of time or geographic scope of the non-solicitation covenants or eliminate the non-solicitation covenant altogether for any person who must sign an agreement described in this paragraph.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale and sell through the Franchised Business only those Services that we have approved for the EOS Franchise System. You may only offer Services, and any other products and services that we designate, to Clients during the term of your Franchise Agreement. You are only permitted to cross-sell or refer Clients to other providers in the manner described in the Operating Manual, if at all. We require all of our franchisees to participate in our Client Satisfaction Program described in Item 8.

We have the right to change the types of authorized Products and Services, and there are no limits on our right to do so, although we will provide you with notice when changes become effective. You may not offer for sale any products or perform any services that we have not approved, nor can you engage in any other business enterprise through the entity that you use to operate the Franchised Business without our prior written consent.

Other than as we expressly authorize, you may not in any manner reship, transship, or re-distribute any of the EOS Worldwide materials or other items purchased from us to any third party, including but not limited to other current or former EOS Worldwide franchisees, without our prior written consent. In addition, except as otherwise designated in the Operations Manual, you cannot purchase any EOS products and Services from, or sell any EOS Worldwide materials and Services to, any current or former franchisee of ours without our prior consent.

We place no other restrictions on where or to whom you may provide EOS Services and Products.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions of the Franchise Agreement. You should read these provisions in the Franchise Agreement attached to this Franchise Disclosure Document.

THE FRANCHISE RELATIONSHIP

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	2.2	Five (5) year term.
b. Renewal or extension of the term	2.3	The franchise may be continually renewed for three (3) year terms if you are in good standing and we are still in the business of offering and selling new EOS Worldwide franchises.
c. Requirements for franchisee to renew or extend	2.3	Requirements include: (i) you provide us the prior notice required in the Franchise Agreement; (ii) you complete, to our satisfaction all refurbishment, maintenance and upgrading necessary we require; (iii) you are in good standing; (iv); you satisfy all monetary obligations you owe us, our affiliates, and our

Provision	Section in Franchise Agreement	Summary
		Approved Suppliers; (v) you execute our then-current form of Franchise Agreement; (vi) you satisfy our then-current training requirements; (vii) you sign a general release; and (viii) we are still in the business of offering and selling new EOS franchises. The then-current standard Franchise Agreement may contain materially different terms and conditions than your original Franchise Agreement.
d. Termination by franchisee	17.1	You may terminate at any time with 60 days' of prior notice and upon execution of a full release. You must pay your monthly fees until your termination date. You are not entitled to any refunds of any monthly fees.
e. Termination by franchisor without cause	Not Applicable	We may not terminate without cause, which include, but not limited to, violations of the franchise agreement or our Core Values as set forth in the Operations Manual.
f. Termination by franchisor with cause	17.2-17.3	Each of your obligations under the Franchise Agreement is a material and essential obligation, the breach of which may result in termination.
g. "Cause" defined – curable defaults	17.3	Curable defaults include any of the following which are not cured within the time period specified in the Franchise Agreement: (i) you failed to timely remit the required monthly payments; (ii) you fail to remit any other payments when due to us or the Brand Development Fund; (iii) you fail to remit any payments immediately when due to a supplier, vendor, broker, landlord, or other third party owed by the Franchised Business; (iv) you make any unauthorized use of the Marks or violate the Intellectual Property provisions of the Franchise Agreement; (v) you fail to apply for any required licenses or certifications in the time required under the Franchise Agreement; (vi) you fail to maintain proper insurance; or (vii) you breach any other obligation, covenant or representation under the Franchise Agreement.

Provision	Section in Franchise Agreement	Summary
h. "Cause" defined – non-curable defaults	17.2	Non-curable defaults include: (i) you are convicted of a crime of moral turpitude or theft; (ii) you engage in any misconduct which hurts the goodwill of EOS or the EOS Franchise System; (iii) you make any unauthorized transfer of the Franchised Business or Franchise Agreement; (iv) your bankruptcy or insolvency; (v) you fail to successfully complete the required training; (vi) you fail to meet the required minimum number of sessions and ratings following completion of additional training; (vii) you breach your in-term restrictive covenants; (viii) you knowingly fail to accurately report other payments due to us; (ix) you default, on three (3) or more separate occasions within any term of your franchise, on any of your material obligations to us or an affiliate, whether or not cured (including failure to adhere to any of our Core Values); (x) you fail to commence business within the time prescribed in the Franchise Agreement; (xi) you fail to pay any taxes when due; or (xiii) you make any misrepresentation on your franchise application or supporting documentation.
i. Franchisee's obligations on termination/non-renewal	17.6	You must: (i) immediately cease to use any of the Confidential Information, the Intellectual Property and the Marks; (ii) immediately return to us (or destroy upon our request) all of your copies of any materials containing any of the Confidential Information or any materials bearing the Intellectual Property or the Marks and all copies and records of any Client or other similar lists; (iii) upon our request, cooperate in assigning to us or to a person or entity designated by us any and all vendor agreements or sales or service contracts for the Services with Clients of your Franchised Business, which will be automatic at our option as a result of the termination or expiration; (iv) immediately cease all use of our Marks and Intellectual Property including any of our marketing materials and brochures and stop holding yourself out to the public as associated with us in any way including remove all trade dress and removing any stickers of our trade dress; (v) immediately terminate your access to the e-commerce activities we designate; (vi) immediately and upon our request remove any proprietary software from your computer(s); (vii) immediately pay us all unpaid fees and pay us, our affiliates, and our approved and designated suppliers and vendors, all other monies owed; (viii) comply with the post-termination covenants; and (ix) cease any and all contact with EOS Clients, suppliers, vendors, employees or our agents without our prior written consent.
j. Assignment of contract by franchisor		We may assign our interest in the Franchise Agreement, directly or indirectly, by merger, assignment, pledge, or other means. We will give you at least three (3) days' written notice of any such assignment or transfer.

Provision	Section in Franchise Agreement	Summary
k. "Transfer" by franchisee – defined	15.3	Your voluntary, involuntary, direct or indirect assignment, sale, gift, pledge, mortgage, disposal or other disposition of any legal or beneficial interest in: (i) the Franchise Agreement, (ii) any material asset of the Franchised Business; (iii) your ownership interest in the Franchise entity, whether in the form of equity or voting interest; (iv) the merger or consolidation of your Franchised Business entity; and (v) the issuance of additional securities or other ownership interests of the Franchised Business entity. It includes transfers resulting from proceedings under the U.S. Bankruptcy Code or any similar law, and transfers resulting from divorce.
l. Franchisor approval of transfer by franchisee	15.5	You must obtain our prior written consent before transferring any interest in the assets of the Franchised Business.
m. Conditions for franchisor approval of transfer	15.5	Conditions include: (i) the transferee meeting or exceeding the approval criteria including passing a background check and holding all required certifications necessary to operate all divisions of Services all at our sole discretion; (ii) you pay all amounts owed to us or to third-party creditors and have submitted all required reports and statements; (iii) transferee enters into our then-current form of Franchise Agreement and any required related agreements; (iv) the transferee agrees to upgrade the Franchised Business to conform to our then-current Franchise System Standards and attends Initial Training; (v) the transfer fee is paid; (vi) you have signed a general release; (vii) we approve the material terms and conditions of such transfer; (viii) if you finance any part of the sale price of the transferred interest, you subordinate transferee's obligation to pay to our right to monthly fees, Brand Fund Fees, if established, and other amounts due to us and otherwise to comply with the Franchise Agreement; and (ix) upon our request, you have agreed that you will provide guidance and support for a period of no less than thirty (30) days from the day the transferee satisfactorily completes all training.
n. Franchisor's right of first refusal to acquire franchisee's business	N/A	Within thirty (30) days after notice, we have the option to purchase the transferred interest on the same terms and conditions offered by a third party provided that we may substitute cash in place of any finance terms.
o. Franchisor's option to purchase franchisee's business	17.7	If the Franchise Agreement is terminated by either party or you cease to do business for any reason then we have the right to purchase your assets at book value (cost less depreciation).

Provision	Section in Franchise Agreement	Summary
p. Death or disability of franchisee	15.6-15.7	Your Franchised Business must be assigned to an approved buyer in the time we designate and must be run by a trained operator during the period before the assignment. Assignment is subject to our right of first refusal. We have the right to manage the Franchised Business and charge a management fee if we feel, in our sole discretion, that the Franchised Business is not being operated properly.
q. Non-competition covenants during the term of the franchise	16.5	You are prohibited from operating or having an interest in a similar or competitive business to the Franchised Business. You are also prohibited from teaching or providing information concerning any other competitive business to your Clients.
r. Non-competition covenants after the franchise is terminated or expires	16.6	You are prohibited from soliciting any of your clients to a competitive business or the clients of any other Implementer for a period of one (1) year. You may, however, continue to provide services not related to EOS or that do not make use of our Marks, Copyrights, or other Intellectual Property or information for any Clients for whom you provided services prior to the execution of your franchise agreement. You are also prohibited from soliciting then-current EOS franchisees to leave the EOS Franchise System for a period of one (1) year.
s. Modification of the agreement	21.3	You must comply with the Operations Manual as periodically amended. The Franchise Agreement may only be modified or amended in writing signed by all parties.
t. Integration/merger clause	21.3	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document may not be enforceable.
u. Dispute resolution by arbitration or mediation	20.4-20.5	Except for action brought by us, all disputes must be submitted to mediation and then arbitration in Michigan.
v. Choice of forum	20.2	Delaware (subject to state law)
w. Choice of law	20.1	Delaware (subject to 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 any 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 only be given if (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any financial performance representations. 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 Drew McCuiston at 37637 Five Mile Rd., #323, Livonia, MI 48154 or via telephone at 1 (248) 278-8220, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

**System wide Outlet Summary
For years 2018 through 2020**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2018	0	0	0
	2019	0	0	0
	2020	0	0	0
Company-Owned	2018	0	0	0
	2019	0	0	0
	2020	0	0	0
Total Outlets	2018	0	0	0
	2019	0	0	0
	2020	0	0	0

Table No. 2

**Transfers of Outlets from Franchisees to New Owners
(Other than the Franchisor) for years 2018 through 2020**

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

Table No. 3

**Status of Franchised Outlets
For Years 2018 through 2020**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Re-acquired by Franchisor	Ceased Operations Other Reasons	Outlets at the End of the Year
Total Outlets	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0

Table No. 4

**Status of Company-Owned Outlets
For Years 2018 through 2020**

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
Delaware	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0
Total Outlets	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0

Table No. 5

**Projected Openings
As of Issue Date**

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
Alabama	0	6	0
Alaska	0	0	0
Arizona	0	18	0
Arkansas	0	2	0
California	0	29	0
Colorado	0	17	0
Connecticut	0	2	0
Delaware	0	0	0
Florida	0	14	0
Georgia	0	9	0
Hawaii	0	1	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
Idaho	0	5	0
Illinois	0	21	0
Indiana	0	8	0
Iowa	0	8	0
Kansas	0	1	0
Kentucky	0	3	0
Louisiana	0	6	0
Maine	0	2	0
Maryland	0	7	0
Massachusetts	0	13	0
Michigan	0	39	0
Minnesota	0	32	0
Mississippi	0	1	0
Missouri	0	13	0
Montana	0	1	0
Nebraska	0	1	0
Nevada	0	2	0
New Hampshire	0	0	0
New Jersey	0	7	0
New Mexico	0	0	0
New York	0	15	0
North Carolina	0	21	0
North Dakota	0	2	0
Ohio	0	25	0
Oklahoma	0	3	0
Oregon	0	6	0
Pennsylvania	0	18	0
Puerto Rico	0	1	0
Rhode Island	0	0	0
South Carolina	0	3	0
South Dakota	0	1	0
Tennessee	0	2	0
Texas	0	46	0
Utah	0	6	0
Vermont	0	1	0
Virginia	0	3	0
Washington	0	10	0
West Virginia	0	0	0
Wisconsin	0	5	0
Wyoming	0	0	0
Total	0	436	0

All of our franchisees' email addresses are listed in Exhibit G. A list of franchisees who had a Franchise Agreement terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the last fiscal year, or

who have not communicated with us within ten (10) weeks of the Issue Date of this Disclosure Document is attached as Exhibit H. No franchisees have signed confidentiality clauses in the past three (3) fiscal years. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

At this time, there are no trademark-specific franchisee organizations associated with our System that have been created, sponsored or endorsed by us or that have asked to be included in our Disclosure Document.

ITEM 21 **FINANCIAL STATEMENTS**

Attached to this Disclosure Document as Exhibit B is our opening date audited balance sheet dated February 1, 2021. We have not been open for three (3) years so we are unable to provide you with three (3) full years of audited financial statements. Our fiscal year end is December 31 of each year.

ITEM 22 **CONTRACTS**

The following agreements are attached to this Disclosure Document:

- A - Franchise Agreement
 - A – General Release
 - B – Personal Guarantee
 - C – Confidentiality, Non-Use and Non-Solicitation Agreement
 - D – Credit Card Authorization
 - E – EFT Authorization
 - F-1– Base Camp Implementer Addendum (where applicable)
 - F-2- Professional Implementer Addendum (where applicable)
- B – Financial Statements
- C – State Administrators
- D – Agents for Service of Process
- E – State Addenda to FDD and Franchise Agreement
- F – Confidential Operations Manual Table of Contents
- G – List of Franchisees
- H – Franchisees Who Have Left the EOS Franchise System
- I – Franchise Disclosure Acknowledgment Statement
- J – State Effective Date Page
- K – Receipt Pages

ITEM 23

RECEIPTS

Exhibit K of this Disclosure Document contains a detachable document, in duplicate, acknowledging receipt of this Disclosure Document by a prospective franchisee. You should sign both copies of the Receipt. You should retain one (1) signed copy for your records and return the other signed copy to: EOS Worldwide Franchising, LLC, 37637 Five Mile Rd., #323, Livonia, MI 48154.

EXHIBIT A
FRANCHISE AGREEMENT



FRANCHISE AGREEMENT

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Schedule I – Franchise Information

A – General Release

B – Personal Guarantee

C – Confidentiality, Non-Use and Non-Competition Agreement

D – Credit card Authorization

E – EFT Authorization

F-1– Base Camp Implementer Addendum (where applicable)

F-2- Professional Implementer Addendum (where applicable)

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this “Agreement”) is effective as of the date set forth on Schedule I (the “Effective Date”), between EOS Worldwide Franchising, LLC, a Delaware limited liability company (“we,” “us” or “our”), and the business entity (the “Operating Entity”) or individual set forth on Schedule I (“you” or “your”) (collectively, you and we are referred to as the “parties” and individually sometimes referred to as a “party”).

1. **PREAMBLE.**

1.1 **The Entrepreneurial Operating System.** As a result of the expenditure of time, effort, and money, we and our affiliates have developed a unique system licensing to franchisees a business model (the “Franchise”) for establishing and operating a business which offers entrepreneurial training, leadership and business development services (the “Services”) and related products in connection with providing the Services (the “Products”) to allow entrepreneurs, business owners and other customers and clients (the “Clients”) achieve their business objectives using our Entrepreneurial Operating System (“EOS”) comprised of proven and time-tested tools, concepts, training and advising materials, methods, techniques, practices, procedures and processes, which include the signature initial introductory 90 Minute Meeting with the Client, first “Focus Day” session (“Focus Day Session”), Vision Building Day sessions, Quarterly Pulsing sessions as well as Annual Planning sessions and special or requested sessions (collectively referred to herein as “Sessions” and each a “Session”).

1.2 **The EOS Franchise System.** We sublicense the right to use EOS and related Intellectual Property (as defined below) in connection with the sale of EOS Worldwide franchises as part of a comprehensive system for the operation of an EOS Worldwide franchised business offering the Products and Services to Clients with elements including, without limitation: the know-how; certain distinctive, identifiable trade-dress; specifications, information, policies, methods, controls, and procedures for operations; procedures for management and financial control; business relationships, training and assistance; advertising and promotional programs; a communication strategy that complies with the prescribed standards; and the Marks described below; all of which we may register, change, cancel, alter, amend, further improve, discontinue, develop or otherwise modify, from time to time (collectively, the “EOS Franchise System”).

1.3 **The Intellectual Property.** The distinguishing characteristics of the EOS Franchise System include, but are not limited to, mark(s) “EOS” and “*Entrepreneurial Operating System*” and such other names and marks we now or in the future may designate in writing for use in connection with the EOS Franchise System (collectively, the “Marks”) and all other intellectual property, including without limitation all patents, copyrights, titles, symbols, logotypes, trade dresses, emblems, slogans, insignias, terms, know-how, methods, specifications, designations, designs, diagrams, anecdotes, artworks, worksheets, techniques, rules, ideas, Client Session and meeting scripts and components, the “Six Key Components”, plans and course materials, advertising and promotional materials, and other audio, video and written materials developed and designated for use in connection with the EOS Franchise System, or as we may hereafter acquire, develop or designate for use in connection with the EOS Franchise System (together with the Marks, the “Intellectual Property”).

1.4 **The License.** We license the Marks and Intellectual Property to qualified franchisees to own and operate a Franchise providing the Services and Products. We grant to persons who meet our qualifications and are willing to undertake the investment and effort, the right to own and operate an EOS Franchise using the Services, the Intellectual Property and the Marks.

1.5 **The Franchise.** You desire to acquire the right to operate an EOS Franchise (the “Franchised Business”), using the EOS Franchise System, the Intellectual Property and the Marks, to market, sell, provide, render and perform the Services and Products to Clients.

1.6 **Franchisee’s Application.** You submitted an application to us representing and warranting that all information, including financial information, provided to us is true, complete, correct and not misleading in any material respects (“Franchise Application”). We approved the application in reliance upon your representations and warranties set forth in the Franchise Application.

1.7 **Acknowledgments.** You understand that the terms of this Agreement are reasonably necessary to maintain our high standards of quality and service and the uniformity of those standards among all EOS Franchises (“Franchise System Standards”), and to protect and preserve the goodwill of the Marks, the Intellectual Property and the System.

2. GRANT, TERM AND LOCATION.

2.1 **Grant and Acceptance.** Subject to the terms and conditions of this Agreement, we hereby grant you the right to operate a Franchise to offer, sell, provide, perform and render Services and sell Products to Clients together with the right and license to use the Intellectual Property and Marks in connection with the establishment and operation of the Franchise anywhere in the world. You accept this Agreement and the license granted herein, and undertake the obligation to operate the Franchise in accordance with Franchise System Standards, using the Marks and other Intellectual Property, in strict compliance with the terms and conditions of this Agreement for the entire Term (as defined below), together with any renewal or extension.

2.2 **Term.** Your grant to own and operate a Franchise begins on the Effective Date and ends on the fifth (5th) anniversary of the Effective Date (the “Initial Term”), unless sooner terminated pursuant to this Agreement. The word “Term” means this Initial Term and any Renewal Term (as defined below) or extension of that time period. This Agreement will not be enforceable until it has been countersigned by us and delivered to you.

2.3 **Renewal.** You have the right to renew this Agreement for consecutive terms of three (3) years each (each a “Renewal Term” and together the “Renewal Terms”), provided the following conditions are met:

(a) You have notified us of your intention to renew this Agreement in writing at least ninety (90) days prior to the expiration of the Initial Term or any Renewal Term;

(b) You have completed, to our satisfaction, prior to the expiration of the Initial Term or any Renewal Term, all refurbishment, maintenance and upgrading necessary to bring your Franchise into full compliance with our then-current Franchise System Standards;

(c) You are not in breach of any provision of this Agreement, or any other agreement with us, our affiliates, or our approved/designated suppliers and vendors, and you have substantially complied with all such agreements during their respective terms;

(d) You have satisfied all monetary obligations you owe us, our affiliates, the Brand Fund (as defined in Section 11.4), and our approved/designated suppliers and vendors;

(e) You execute our then-current form of Franchise Agreement and all other ancillary agreements, instruments, and documents then customarily used by us in granting Franchises, the

terms of which may vary substantially from the terms of this Agreement and may include, without limitation, increased monthly membership fees and advertising obligations;

(f) You satisfy our then-current training requirements for renewing franchisees at your sole expense, if any;

(g) You and any owners sign a general release in the form set forth on Exhibit A (or any other form required by us or as allowed under applicable law) in favor of us and our affiliates, members, officers, directors, employees, agents, successors and assigns, for all claims arising out of or related to this Agreement or any related agreements with us or our affiliates; and

(h) We are still offering and selling new EOS Franchises at the time of the Renewal Term.

2.4 **Extension of Term.** If you do not renew pursuant to the terms of Section 2.3 upon the expiration of the Initial Term or any Renewal Term and continue to accept the benefits of this Agreement, then, at our option, this Agreement may be treated as (i) expired as of the last day of the Initial Term expiration or then Renewal Term, as applicable, which will result in your operating the Franchise without a license in violation of our rights; or (ii) continued on a month-to-month basis until we provide you with notice of our intent to terminate the month-to-month term. In the latter case, all of your obligations shall remain in full force and effect as if this Agreement had not expired, and all obligations and restrictions imposed upon you upon the expiration of this Agreement shall be deemed to take effect upon the termination of the month-to-month term.

2.5 **Renewal by Law.** If we decline to renew your Franchise but are otherwise required to renew it under a law, rule, regulation, statute, ordinance, or legal order, then the Renewal Term will be subject to the conditions of the franchise agreement we are using for new franchisees at the time the Renewal Term begins. If we are not then offering new franchises, your Renewal Term will be subject to the terms of our most recent franchise agreement. If for any reason that is not allowed, the Renewal Term will be governed by the terms of this Agreement.

2.6 **Refusal to Renew Franchise Agreement.** We may refuse to renew your Franchise if you no longer meet our standards for new franchisees and under other circumstances, including, but not limited to, your failure to substantially comply with the terms of this Agreement, your failure to pay amounts owed to us, our affiliates, or our Approved Suppliers (as defined in Section 7.4) when due, or your failure to cure of any defaults incurred during the Initial Term of this Agreement, if applicable.

2.7 **Your Election Not to Renew.** For the purposes hereof, you shall be deemed to have irrevocably elected not to renew the Franchise hereunder (and the option to do so shall thereupon terminate) if you fail to execute and return to us any of the renewal franchise documents required by us for a renewal Franchise, or if you provide written notice to us within the final ninety (90) days of the Initial Term or then-current Renewal Term, as the case may be, indicating that you do not wish to renew this Agreement.

2.8 **Implementer.** We authorize only one (1) individual person to attend training, act as a designated EOS Implementer ("Implementer"), and provide EOS Services to your Franchised Business Clients. The Operating Entity may have other owners, shareholders, partners, operators, directors, or managers, but such individuals will not be permitted to attend training and become an Implementer or provide any Clients with Implementation Services reserved for the Implementer as described in the Operations Manual ("Implementer Services"). The Implementer must own at least fifty one percent (51%) of the equity interests of the Operating Entity. The Implementer will (i) be responsible for the

Franchised Business and all decisions; (ii) be granted the authority by the Franchise to bind it in any dealings with us and our affiliates; and (iii) direct any action necessary to ensure compliance with this Agreement and any other agreements relating to the Franchised Business. The name and address of the Implementer is set forth on Schedule I. You may also hire additional employees, personnel or administrative staff to assist you in operating the Franchised Business, but these individuals may not be an Implementer or provide any EOS Implementation Services to Clients. You agree to perform your obligations under this Agreement faithfully and honestly, to continuously exert your best efforts to promote and enhance your Franchised Business and the EOS Franchise System, and not to engage in any other business or activity that conflicts with your obligations to operate the Franchise, for the full Term of this Agreement and any subsequent renewal Franchise Agreement.

2.9 **Personal Guaranty.** If the party signing this Agreement is an Operating Entity, then simultaneously with the execution hereof, the Implementer shall execute and deliver to us a guaranty, substantially in the form designated on Exhibit B attached hereto (the “Personal Guaranty”), which Guaranty shall be a condition precedent to the grant of the Franchise hereunder and pursuant to which, you shall be personally obligated to us under this Agreement.

3. TERRITORIAL RIGHTS AND RESTRICTIONS

3.1 **Grant.** Subject to all of the terms and conditions of this Agreement and so long as you are in compliance with this Agreement, we grant you the non-exclusive right, and you undertake the obligation, to operate an EOS Franchised Business to market, offer and sell EOS Services and Products directly to Client end-users anywhere in the world. You will not receive an exclusive, protected or designated geographic market, service area or territory. This Agreement does not grant you the right and you are expressly prohibited from:

(a) Selling the Products (i) at wholesale, or (ii) to any distributor, vendor, supplier, or retailer or reseller, or (iii) in any manner except through the Franchised Business in connection with providing Services to Clients; or

(b) Reproducing, copying or replicating any training, instructional, education materials, worksheets, guides, modules, Leadership Team Manuals, videos, books, documents, or other materials used in your Client Sessions or otherwise (“Materials”).

You may not grant a sub-franchise or otherwise sublicense any of your rights under this Agreement.

3.2 **Tiers.** Currently, all new franchisees are designated: (1) Professional Tier, (2) Certified Tier or (3) Expert Tier (each herein referred to as a “Tier”). We reserve the right to create additional Tier designations in our sole discretion. Unless otherwise indicated on Schedule I to this Agreement, your Franchised Business is a Professional Tier and you will pay the Membership Fee as described in Section 4.2 associated with a Professional Tier. Your Franchised Business may only offer and sell the Products and Services, and engage in the business activities, permitted in the Operations Manual for your Tier. Your Franchised Business and Implementer may only market, advertise and promote itself as its designated Tier. The rights, duties and obligations of each Tier are set forth in the Operations Manual.

You may modify your Tier designation only upon formal written request to us in the form and manner set forth in the Operations Manual. We may condition your Tier qualification on meeting certain standards, terms and requirements. Participation in a Tier may require (1) additional purchase of inventory or supplies; (2) additional Implementer training; (3) additional marketing requirements; (4) additional payment obligations; and (5) other conditions, all of which you must meet at your own expense. We may modify, eliminate, discontinue, merger or otherwise alter our Tier designations at any

time in our sole discretion and disclaim any liability to you related to change. If you do not continue to satisfy the conditions and requirements of a Tier designation, then we modify your Tier designation upon written notice. This Section does not constitute a right of first refusal for any additional franchise programs, which we may now or in the future create.

3.3 **Rights We Reserve.** We and our affiliates retain the right, at our sole discretion, to engage in any other activities not expressly prohibited in the Franchise Agreement including the right to own and operate EOS Worldwide businesses under the Marks or using the Intellectual Property, or to license others the right to own and operate an EOS Worldwide business under the Marks and System or using the Intellectual Property anywhere in the world. Additionally, we may acquire or merge with any existing business, including without limitation, a competitive business or another franchisor offering competitive businesses, located anywhere and operate that business using the Intellectual Property, Marks and EOS Franchise System. We and our affiliates reserve the right to enter into any marketing partnerships that could be national or international in scope and provide the same Products and Services your Franchised Business will offer and sell.

3.4 **Alternative Channels of Distribution.** You understand and acknowledge that we and our affiliates retain the right, in our sole discretion, to sell the Services or Products under the Marks in the same manner as offered by the EOS Worldwide franchises or in any other manner we determine in our sole discretion. Our rights include the ability to sell the Materials, Products and Services through channels of distribution such as our Website and online stores (including, without limitation, the EOS Traction Library, EOS Swag Store and EOS Base Camp Materials Store, collectively referred to herein as “EOS Online Stores”), mobile application, retail or wholesale stores, catalog sales, telemarketing or other direct marketing sales (together, “Alternative Channels of Distribution”) and retain all the profits from such activities. We reserve the right to develop a software or other similar program, and we may permit you to engage in revenue sharing for such products in which we share the revenue collected with you. Unless we provide prior permission, you may not use Alternative Channels of Distribution to make sales and you will not receive any compensation for our sales through Alternative Channels of Distribution.

4. FEES AND PAYMENT

4.1 **Initial Franchise Fee.** In consideration of the Franchise granted to you by us, you must pay us the initial franchise fee set forth on Schedule I (the “Initial Franchise Fee”). The Initial Franchise Fee is payable in cash, credit card payment, certified check or wire transfer upon the execution of this Agreement. The Initial Franchise Fee is deemed fully earned upon payment and is non-refundable under any circumstances.

4.2 **Monthly Membership Fees.** In addition to the Initial Franchise Fee, you will, for the entire term of this Agreement commencing the month you execute this Agreement, remit to us the monthly membership fee as set forth on Schedule I in consideration of use of the Marks, Intellectual Property and System (the “Membership Fee”). The Membership Fee remitted to us will not be refundable under any circumstances. We reserve the right at any time to increase the Membership Fee set forth on Schedule I on thirty (30) days’ written notice to you, provided that we will not increase the Membership Fee more than once annually, and any incremental fee increase will not exceed \$200 per month (\$2,400 annually) in any calendar year. If you request, and we approve, your Franchised Business qualification as a different Tier, then you will commence paying the then current Membership Fee for your new Tier designation in the first full month after we approve your changed Tier designation.

4.3 **Brand Fund Contribution.** If, and when, we establish a Brand Development Fund (“Brand Fund”), you must pay to us a monthly fee in the same manner as the Membership Fee is paid in Section 4.2 above (the “Brand Contribution”). We may increase any Brand Contribution, but, once

established, we will not increase the fee more than once annually and any incremental fee increase will not exceed \$100 per month (\$1,200 annually) in any calendar year. Brand Fund Contributions remitted to us will not be refundable except in the limited circumstances as set forth in Section 11 hereof. If we establish, but then terminate, the Brand Fund, we have the right to reinstate it at any time and you will again be required to provide a Brand Contribution.

4.4 **Technology Fee.** You are required to utilize the website, technology services, and software, computer programs and electronic email we have or may create, develop, upgrade, improve and maintain for use by our franchisees and other software and technology we may require (the “Required Technology”). You must pay us our then-current monthly fee for the use of the Required Technology (“Technology Fee”), which amount you must remit with the Membership Fee and Brand Fund Contribution (if any) each month. We do not currently charge a Technology Fee, but reserve the right to impose one upon written notice to you to cover the cost of: website development and maintenance; support of our email system; development of software, programs, mobile applications; and other technology developments, support or services. We may increase the Technology Fee, but we will not increase the fee more than once annually and any incremental fee increase will not exceed \$100 per month (\$1,200 annually) in any calendar year. We reserve the right to establish this fee and increase this fee upon thirty (30) days’ notice to you. We also reserve the right to offer, additional technology services and products that are not part of the Required Technology. If we offer technology products and services that do not constitute Required Technology, then they can be purchased at your option for any additional fee.

4.5 **Warm Leads Fee.** We currently maintain a Warm Lead Referral Program (“Warm Lead Program”). Participation in the Warm Lead Program is optional. Under the Warm Lead Program, we may refer potential or prospective clients (“Warm Leads”) to franchisees. Participation in the Warm Leads Program does not guarantee that you will receive any minimum number of Warm Leads or any Warm Leads at all. We reserve the right in our sole discretion to pair a Warm Lead with the franchisee we conclude is most likely to service the needs of the particular Warm Leads most effectively. We may eliminate the Warm Lead Program at any time.

If your Franchised Business receive any revenue or income from a Warm Lead, then you must pay us the greater of (i) fifty percent (50%) of the Gross Revenue (defined below) generated from the Focus Day fee, or (ii) \$1,500 (“Warm Lead Fee”). We will not charge any additional fees or share in any other revenue generated from the Warm Lead after you pay the Warm Lead Fee, including any other revenue or income derived from any additional Client Sessions. We agree to reduce the Warm Lead Fee request to ten percent (10%) of the Gross Revenue generated from any Warm Lead purchasing only a single Session (“Single Session Warm Lead Fee”). If the Warm Lead ultimately purchases additional Sessions, then you must pay us the difference between the reduced Single Session Warm Lead Fee and the amount you would have owed as a standard Warm Lead Fee. You must ensure we receive the Warm Lead Fee or Single Session Warm Lead Fee within fourteen (14) days of the Session.

4.6 **Speaking Referral Fee.** At our discretion, we may also refer to you certain requests for speaking engagements. If a conference or other third-party referral results in an engagement of your Franchised Business (“Speaking Engagement”), then you must pay us twenty-five percent (25%) of the Gross Revenue generated from the referral (“Speaking Engagement Referral Fee”). You must ensure we receive the Speaking Engagement Referral Fee within fourteen (14) days of the Session.

4.7 **Initial Training Fee.** You must pay us an initial training fee of Twenty-One Thousand, Nine Hundred Dollars (\$21,900) (“Initial Training Fee”) at least thirty days’ prior to attending our initial pre-opening training in our methods and techniques called our Boot Camp Training (“Initial Training”). These fees are fully earned and non-refundable when paid.

4.8 **Definition of Gross Revenue.** For purposes of Section 4.5 and Section 4.6 of this Agreement, the term “Gross Revenue” shall mean all revenues and all income of any type or nature and from the Client or third party in connection with the Warm Lead or Speaking Engagement, as applicable, in whatever form and from whatever source, including but not limited to cash, services in-kind from barter and/or exchange, on credit or otherwise all without deduction for expenses, taxes or any other liability. Each charge or sale upon credit shall be treated as a sale for the full price in the month during which such charge or sale shall be made, irrespective of the time when you shall receive payment (whether full or partial).

4.9 **Manner of Payment.** The Initial Fee Franchise Fee may be paid via ACH, wire, credit card, or PayPal. Any training or non-reoccurring fees may be paid via ACH, wire, PayPal, or credit card. All re-occurring fees, including the Membership Fee, Brand Fund Contribution and Technology Fee, may be paid via automatic credit card payment or electronic funds transfer and will be charged or deducted, as applicable, on the monthly anniversary of the Effective Date of this Agreement or another day that we may designate for monthly payments. You will designate a credit card for use to make payments prior to commencing operations of the Franchised Business (the “Credit Card”). Contemporaneous with the execution of this Agreement, you shall sign and provide to us all documents, including the Credit Card Authorization Form attached as Exhibit D to this Agreement, necessary to effectuate our right to charge the Credit Card.

Upon your option, you may request we withdraw the agreed-upon fees from your bank account by electronic funds transfer (“EFT”), using the ACH form attached as Exhibit E to this Agreement. In order to facilitate this request, you will need to provide us with your bank’s name, address and account number, a voided check from such bank account, and sign and give to us and your bank, all documents, including Exhibit E to this Agreement, which will permit us to withdraw funds from such bank account via ACH electronic funds transfer. You must immediately notify us if there is a change in your credit card. If you have granted us permission to withdraw funds from your bank account, you also must notify us of any changes to the information contained within Exhibit E.

4.10 **Insufficient Funds Fees.** If there are not sufficient funds in your account to permit us to debit the account for the payments you owe us, you will pay to us an insufficient funds fee equal to Fifty Dollars (\$50) per violation. This fee is in addition to interest on any overdue amount, as described in Section 4.11 below, and any fees charged by your bank or credit card company.

4.11 **Interest on Late Payments.** If any fee or other payment due to us or our affiliates under this Agreement is not paid on or before its due date, you agree to pay us, in addition to the overdue amount, interest on any overdue payment of one and a half percent (1.5%) per month. Interest on any overdue amount shall begin to accrue thirty (30) days after the original due date until payment in full is received. Interest as enumerated in this Section 4.11 shall also apply to any understated amounts as revealed by an audit of your financial records. You acknowledge that this Section 4.11 is not our agreement to accept any payments after they are due or our commitment to extend credit to, or otherwise finance your operation of, your Franchise. You further acknowledge that your failure to pay all amounts that you owe us when due constitutes grounds for our terminating this Agreement under Section 17, notwithstanding this Section.

4.12 **No Right to Set-Off.** You agree that you shall not, on grounds of the alleged nonperformance or default by us of any of our obligations under this Agreement, withhold payment of any fee or other amount payable to us under this Agreement or otherwise.

5. **TRAINING.**

5.1 **Initial Training and Continuing Training.**

(a) Prior to providing any Implementer Services to any Clients and within six (6) months of signing this Agreement, you (or if you are an Operating Entity, your Implementer) must attend and satisfactorily complete Initial Training. (“Initial Training”). In addition to paying the Initial Training Fee you must pay all expenses incurred in connection with attending Initial Training, including travel, lodging, meals, local transportation expenses and wages. Actual dates of Initial Training are subject to change at any time, and we assume no responsibility for any costs incurred by you as a result of such changes. If you fail the Initial Training and are required to repeat such Initial Training, you will be charged our then current cost for repeating Initial Training.

(b) Prior to attendance at Initial Training, we will provide you access to our comprehensive online training containing tools, supplies, teaching materials, video guides, printable guidelines, and support needed to implement EOS (“Base Camp”). It is the responsibility of the Implementer to utilize Base Camp to prepare sufficiently for Initial Training.

(c) In advance of Initial Training, we will assign to you a Certified or Expert EOS Implementer to act as your coach and mentor.

5.2 **On-Going Base Camp Access.** After your Initial Training, we will provide on-going and continuing access to Base Camp (“On-Going Base Camp Access”). All other additional, supplemental, refresher, remedial or other training beyond On-Going Base Camp Access constitutes training under Section 5.3 below which may incur additional fees.

5.3 **Mandatory Remedial Training or Additional Training.**

(a) We may require, in our sole discretion, that you attend additional training courses on site, at locations we designate from time to time or by teleconference call, webinar, online training or videoconference if we determine it is appropriate (i) as a result of your violations of Franchise System Standards (including if we determine you are not performing satisfactorily pursuant to our Client Satisfaction Program or adhering to the Core Values set forth in our Operations Manual), (ii) as a result of your breach of this Agreement or violation of the Operations Manual, (iii) to protect the quality, reputation or integrity of the EOS Franchise System, Marks, or our Intellectual Property, or (iv) you fail to meet the requirements to maintain your Professional Implementer status as set forth in our Operations Manual (“Remedial Training”). The current cost for the Remedial Training ranges from \$995-\$7,300 and must be paid in full prior to attending. In addition to the Remedial Training fee, you must also pay all of your expenses incurred in connection with attending the Remedial Training, including travel, lodging, and meals. These fees are fully earned and non-refundable when paid. We reserve the right to increase these fees upon written notice to you.

(b) Upon your request and subject to availability, we may provide additional, refresher, continuing, supplemental, specialized, focused or subject-matter specific training beyond your On-Going Base Camp Access to you in addition to the Initial Training and On-Going Base Camp Access, or such additional training may be required upon renewal or transfer of this Agreement (“Additional Training”). Additional Training may be focused on one subject (for example, facilitation or business development) or generalized. The current cost for the Additional Training ranges from \$900 to \$7,300 depending upon the length of Additional Training, trainer experience, materials used in conducting the training and other factors. Additional Training fees must be paid in full prior to attending. In addition to the Additional Training fee, you must pay your expenses incurred in connection with the Additional

Training, such as travel, lodging, and meals. These fees are fully earned and non-refundable when paid. We reserve the right to increase these fees upon written notice to you.

5.4 **Quarterly Collaborative Exchanges.**

(a) You acknowledge and agree that regular attendance at our Quarterly Collaborative Exchanges (“QCE(s)”) are a required and necessary component to the continuing education of all EOS Franchise System franchisees. The success of our franchise community and each QCE is dependent upon the continued passionate participation of our Implementers. Therefore, you agree to attend: at least two (2) QCEs within the previous four quarters (in separate calendar quarters) if you are Professional Tier; and at least three (3) QCEs within the previous four quarters (in separate calendar quarters) if you are Certified Tier or Expert Tier. QCE(s) may be online, virtual or in-person gatherings. We may require that you attend any of the QCEs in person. If you attend in person, you are responsible for your own airfare, lodging, meals and other travel costs.

(b) The Membership Fee includes registration for one (1) QCE per calendar quarter, for an aggregate four (4) QCEs annually. If you register for more than one (1) QCE in any one (1) quarter, then you must pay the then current registration fee for such QCE prior to attendance. In addition, if you register for a QCE less than two (2) weeks prior to the date of the QCE, then we may charge a late fee. The current late fee is \$250.

5.5 **Annual EOS Conference.** Currently, we hold an annual EOS Conference (“EOS Conference”) inviting all end-users of EOS, including all of our Franchisee’s Clients. We may allow franchisees to attend the EOS Conference only if three or more Clients of the franchisee register to attend. The registration fee for franchisees varies and is determined based on the number of Clients registered to attend the EOS Conference as set forth in the Operations Manual. We may change the criteria for our franchisees to attend the EOS Conference, but we will apply the same standards and criteria for all similarly situated franchisees. If you qualify to attend the EOS Conference and attend in person, you will be responsible for your own airfare, lodging, meals, and other travel costs. We reserve the right to hold the EOS Conference virtually or eliminate it completely.

6. **EMPLOYEES**

6.1 **Employees.** You may also decide whether you need additional employees, personnel or administrative staff to assist you in operating the Franchised Business, but these individuals may not be an Implementer or provide any Implementer Services to Clients (“Personnel”). You will decide the compensation to be paid to your Personnel. We will not be responsible for payment of any compensation to you or your Personnel.

6.2 **Confidentiality Agreements.** You must sign a Confidentiality and Non-Solicitation Agreement in the form attached to this Agreement as Exhibit C (“Restrictive Covenant Agreement”), as allowed under applicable law. All Personnel who have access to the Operations Manual or to Client Data (as hereafter defined) must sign a Confidentiality and Non-Solicitation Agreement in a form approved by us (“NDA Agreement”). You must provide us with a copy of each Restrictive Covenant Agreement and NDA Agreement no later than ten (10) days after it is signed.

6.3 **Indemnification.** You will indemnify us, hold us harmless from, and defend us against any and all liabilities, losses, expenses, and obligations that we may incur related to any of your Personnel (or any person assisting in providing the Services or Products or working on behalf of the Franchise) arising out of any claim, cause of action, complaint, proceeding (in litigation, arbitration, mediation, administrative process or otherwise) relating to your obligations to pay them any compensation or

remuneration or otherwise relating to an employment relationship. You understand and acknowledge that we are under no obligation or liability to any of your Personnel for any remuneration, compensation, commission, employment or any other duty, responsibility, liability or obligation. Your indemnification obligations: (i) include reimbursement to us of any and all of our attorneys' fees and costs in defending any such claim from your Personnel, (ii) survive expiration or termination of this Agreement, and (iii) extend to our affiliates, representatives and agents.

7. OPERATIONS MANUALS AND FRANCHISOR GUIDANCE

7.1 **Operations Manual.** During the Term, we will lend you one (1) copy of our Operations Manual or other guidelines in which we designate our Franchise System Standards (such Operations Manual, and any written, audio or visual guidelines, bulletins, worksheets, modules, descriptions, videotapes, audiotapes, magnetic media, computer software or instructions concerning Franchise System Standards, including updates, amendments and supplements, shall collectively be referred to as the "Operations Manual"). The Operations Manual may be modified, supplemented, or updated by us from time to time to reflect changes in the Franchise System Standards and may be communicated by us, our affiliates, or our designees. Our revisions to the Operations Manual will be effective on delivery to you (including via electronic format), unless we specify a later effective date for a particular revision. If the Operations Manual is lost, stolen or damaged, you must obtain a replacement from us and we may charge you for such replacement. If a dispute develops with respect to the contents of the Operations Manual, the master copy we maintain at our principle office (or the electronic version of the Operations Manual we designate) will be controlling. You must keep the Operations Manual in a secure location, which allows access only to those who have signed the NDA Agreement. The Operations Manual is our property and must be returned to us upon our request.

7.2 **Guidance and Assistance.** During the Term of this Agreement, we will from time to time furnish you with guidance and assistance with respect to Franchise System Standards. This guidance and assistance will be furnished in the form of Base Camp, the Operations Manual, other bulletins, written reports and recommendations, written or electronic materials, telephone consultations, electronic mail, training programs, meetings (including QCEs), conferences and/or personal consultations at our offices, your offices or at a mutually convenient place as we determine necessary in our sole discretion. Our guidance and assistance consists of:

(a) Providing on-going updates of information and programs regarding your Franchised Business, EOS and the EOS Franchise System, including, without limitation, information about improvements or modifications to EOS, special or new services or products which may be developed and made available to franchisees;

(b) Upon your request and subject to availability, provide you recommendations on the layout, floor plan and design for your session and board rooms;

(c) At your reasonable request and subject to our availability, consult with you by telephone, email, skype, virtual meeting, webinar, or otherwise regarding the continued operation and management of your Franchised Business and advise you regarding Services, sales techniques, utilizing our tools and EOS, client relations and similar topics;

(d) Periodically and in our sole discretion, making our employees or designated agents available to you for advice and assistance with the on-going operation of the Franchised Business.

(e) Provide you with an email address for the Implementer and an email address for one Personnel, if applicable;

- EOS microsite;
- (f) List your Franchise in our online directory of EOS Worldwide businesses as your EOS microsite;
 - (g) Provide you access to Base Camp and Slack workspace, as available;
 - (h) If and when formed, administering the Brand Fund;
 - (i) Evaluate requests to modify your Tier designation;
 - (j) Issuing, modifying and supplementing Franchise System Standards for the EOS Franchise as we deem necessary;
 - (k) Holding the EOS Conference or meeting at a location to be selected by us and organize and administer QCEs, as we determine appropriate in our discretion;
 - (l) At our sole discretion, making available to you administrative, bookkeeping, or accounting services. If such services are offered, they would be offered to you at an additional cost;
 - (m) At our sole discretion, providing you with software or other technology services. If such services are offered, we may require you utilize such services and pay a Technology Fee or we may offer the technology services as an option and charge you a separate cost for such services; and
 - (n) Modifying the EOS Franchise System as we deem necessary, including, but not limited to, the adoption and use of new or modified techniques, supplies, equipment, products, trade names, trademarks, service marks, copyrighted materials, and information technology tools.

7.3 **Approved Equipment and Supplies.**

(a) Any vendor, supplier, merchant, retailer, wholesaler or seller we require you purchase goods or services from is an “**Approved Supplier(s)**”. You must purchase Leadership Team Manuals, certain designated EOS branded items, other written and bound materials used with Clients during your Sessions, and related products we designate from our EOS Online Store. You are prohibited from reproducing, copying or replicating any Materials (including Leadership Team Manuals) or other written and bound materials used with Clients during your Sessions or otherwise. We reserve the right to designate Approved Suppliers for any other products, services, branded items, signs, supplies, fixtures, inventory, tools and other services, assets, products, or materials utilized by you to operate your Franchise, which we may change, alter, or amend from time to time. We reserve the right to name us or any of our affiliates Approved Suppliers and require you to order through us certain Products, goods, materials or services, as we may specify from time to time. We reserve the right to derive revenue from your required purchases ordered through us or our Approved Suppliers.

(b) Other than the items described above, you may purchase all other products, services, signs, supplies, fixtures, inventory, tools, books (including *Traction* books sold in our EOS Online Store) and other items purchased for use in the operation of your Franchised Business from vendors or suppliers of your choice as long as the items meet or exceed Franchise System Standards.

(c) If you propose to substitute any Approved Suppliers or any Materials, Products or Services, you must notify us in writing and submit sufficient information, samples, and specifications to allow us to determine if the supplier and/or supplies meet our approved criteria. It is in our sole discretion whether to test additional supplies and/or suppliers you propose. If we agree to evaluate a proposed substitute, then we will provide you with written notification of the approval or disapproval

within sixty (60) days' from the date we receive notice and all information and samples. All criteria used by us or our designee in making our determination and any further procedures for obtaining approval of a new supplier or supplies are set forth in the Operations Manual.

7.4 **Referral Fee Program.** We currently administer a referral fee program where, for any new franchisee that you refer to us that signs a franchise agreement and successfully completes Initial Training, you will receive \$1,500 within thirty (30) days' of the referred franchisee's successful completion of Initial Training. We reserve the right to eliminate or modify this program upon written notice to you. All criteria used by us in administering the referral fee program are set forth in the Operations Manual.

8. SYSTEM TECHNOLOGIES

8.1 Computer System.

(a) You must acquire, license and use: a laptop or desktop computer with certain computer services, components, peripherals, equipment and computer hardware; and general business software and any proprietary software (the "Software") designated or approved by us in the future from time to time and as outlined in the Operations Manual (collectively, the "Computer System"). We may require you to obtain as part of the Computer System specified computer and communications hardware, equipment, components or software and may modify our specifications for, and required components of, the Computer System from time to time. You agree to make such modifications and meet such requirements, which may require you to incur additional costs. We may require that the Computer System: (i) must have the capacity to submit to us reports through our internal system containing information about the number of sessions held by your Franchised Business, revenue generated and average ratings and otherwise be capable of connecting with our computer system, (ii) perform the functions we designate including viewing training, reporting sessions, facilitating virtual sessions and attending virtual meetings, (iii) operate the most current version of Google Chrome, Microsoft Edge, Apple Safari, or Firefox Internet browser; (iv) permit us to review the results of your Franchise's operations, and/or (v) be capable of engaging in any e-commerce (as defined below) activities that we designate or approve. You may purchase your Computer System from any supplier, unless we designate a specific Approved Supplier.

(b) You must upgrade the computer system, and/or obtain service and support, as we require or as is necessary because of technological developments, risk assessments, or events. There are no contractual limitations on the frequency and cost of your obligation to obtain maintenance, updates or upgrades. We have no obligation to reimburse you for any of these costs. Neither we nor any of our affiliates will provide you with any maintenance repairs, updates or upgrades for your computer system but we may assist you in troubleshooting potential issues related to the Software if you are operating on Google Chrome.

(c) If you are in default of any obligations under this Franchise Agreement, we may, in addition to any other remedy we may have under this Franchise Agreement, temporarily inhibit your access to all or part of the EOS related data (not including your Pre-Existing Non-EOS Clients, as defined in Section 9.1) contained within the Computer System, until you have cured such default completely.

8.2 Websites; E-Commerce.

(a) We have the right to control all use of www.eosworldwide.com and any future websites we create (the "Website"). You do not have any right to update, upgrade, amend, or host the Website. We have the right to control all use of URLs, domain names, websites, addresses, meta-tags,

links, key words, e-mail addresses and any other means of electronic identification or origin (“e-names”) related to the Franchise. You have the right to revise designated sections on your microsite, but the framework is owned and determined by us. The Website will contain information on the Services provided by the EOS Franchise System. The Website may also contain information on the awards and achievements of us or our affiliates. The Website’s content will be updated based upon our judgment of what is appropriate and all changes, additions, and deletions are at our sole discretion. Further, you shall, at your sole expense, participate in our websites on the internet or other on-line communications, including an intranet system that we may develop in the future unless we provide otherwise. Neither you, nor any of your Personnel, are permitted to use an e-mail address that is not associated with our Website in connection with the operation of your Franchise. You acknowledge that certain information obtained through your participation on our Website may be considered Confidential Information, including access codes and identification codes. Your right to participate in our Website we may develop terminates when this Agreement expires or terminates. You may not establish any separate website, blog or other world wide web or internet-based presence which uses or displays any of the Marks or other Intellectual Property without our prior consent. Any other blog, account on a Social Media Platform, email distribution list, or other World Wide Web or Internet-based presence which uses or displays any of our Intellectual Property must be conducted in accordance with our Social Media Policy, Brand Guidelines, and other standards set forth in the Operations Manual.

(b) You must comply with any social media policy promulgated by us and in our Operating Manual.

(c) We may require you to, at your expense, operate certain aspects of the Franchised Business through E-Commerce methods that we designate from time to time, and in the manner we designate from time to time. You must follow all of our policies and procedures for the use and regulation of E-Commerce. We may restrict your use of E-Commerce, or your Customer’s use of E-Commerce in connection with the Product and the Services purchases, to a centralized website, portal or network or other form of e-commerce designated by us operated by us or our designee. You recognize and agree that between you and us, we own all rights to all interest in and to any data collected via e-commerce related to the EOS Franchise System, the Intellectual Property and the Marks, including any Client Data, click-stream data, cookies, user data, hits and the like. All such information constitutes our Confidential Information (as defined in Section 16). We may require that your Client be provided access to certain E-Commerce activities that we designate from time to time.

For purposes of this Agreement, “E-Commerce” is collectively defined as Internet, intranet system, World Wide Web, wireless technology, digital cable, use of e-names, virtual worlds, social media, portals, search engine optimization, pay-per-click advertising, home pages, bulletin boards, chat rooms, linking, framing, blogs, text messaging, on-line purchasing cooperatives, marketplaces, barter exchanges, and related technologies, methods, techniques, registrations, networking, and any electronic communication, commerce, computations, or any means of interactive electronic documents contained in a network of computers or similar devices linked by communications software.

8.3 **Client Data and Data Security.**

(a) Any information on Clients of your Franchise that identifies or can be used to identify, contact, locate, or be traced back to the specific person to whom such information pertains, or from which identification or contact information of an individual person can be derived, including but not limited to, personally identifiable information (“Client Data”) and all information, mailing lists and databases of Client Data from whatever source derived, industry standards must be used only in accordance with this Agreement. Upon expiration or termination of this Agreement we retain ownership of all Client Data collected or received during the Term.

(b) You agree to comply with all applicable laws, regulations and industry standard best practices with respect to Client Data; in addition, you agree to comply with all data privacy and security requirements we may establish from time to time and to exert your best efforts to prevent the unauthorized use, dissemination or publication of Client Data, subject in all instances to applicable laws. It is your responsibility to determine the data privacy laws applicable to you and your Franchise. We expressly disclaim knowledge of the data privacy laws applicable to you. You shall promptly notify us if you become aware of or suspect any unauthorized access to the Client Data, or if you become the subject of any governmental, regulatory or other enforcement or private proceeding relating to your data handling practices. You shall promptly carry out any request from us with respect to Client Data that is reasonably necessary to allow us to comply with data privacy laws applicable to us regarding processing, storage, handling, collection, use, transfer and transmission of Client Data.

8.4 **PCI Compliance.** If you accept credit card payments, you are required to maintain your credit card processing hardware and software in compliance with the Payment Card Industry (“PCI”) Data Security Standard. It is your responsibility to maintain and report your PCI compliance, which encompasses operational policies and practices as well as networks and computer hardware/software used to process credit card transactions, as well as attesting that you are abiding by (i) the PCI Data Security Standards enacted by the applicable card associations (as they may be modified from time to time or as successor standards are adopted); and (ii) all other security standards and guidelines that may be published from time to time by payment card companies and/or enacted by law, and are applicable to customer credit card and debit card information. If you know or suspect a security breach, you must immediately notify both your credit card transaction acquirer and us. You assume all responsibility for providing notice of breach or compromise, along with duties and costs associated with fraudulent transactions, penalties, and ongoing fees for monitoring customer credit card histories and/or transactions for affected Clients of your Franchise.

9. INTELLECTUAL PROPERTY AND MARKS

9.1 EOS Intellectual Property.

(a) You acknowledge that we or our affiliates are the exclusive owners of the Intellectual Property, Client Data, System Standards, and other elements of the EOS Franchise System. You further acknowledge that any modifications to the EOS Franchise System or any substitutions or additions to the Intellectual Property suggested or developed by you shall be owned exclusively by us and may be incorporated by us or our affiliates into the Intellectual Property without any compensation to you. As such, you hereby assign and transfer to us or our affiliates (as instructed) all of your entire right, title and interest in and to any improvements, modifications, substitutions, or additions to the Intellectual Property suggested or developed by you and in and to any and all works of authorship and processes embodied therein, and in all goodwill signified thereby, and any and all intellectual property rights and any legal equivalent thereof, including the right to apply for, register, or claim priority to, patents, copyrights, trademark, trade secret and other intellectual property protection, and the right to enforce such rights, title and interest by lawsuit or otherwise. Additionally, all processes, ideas, concepts, methods, techniques or materials relating to the Franchise, whether or not constituting protectable intellectual property, and whether created by or on behalf of you or your Implementer in connection with the development or operation of your Franchise, will be promptly disclosed to us. If we adopt any of them as part of the EOS Franchise System, they will be deemed to be our sole and exclusive property and part of the EOS Franchise System and deemed to be works made for hire for us. In addition, you hereby agree and covenant from time to time to execute and deliver such other documents or agreements and to take such other action as may be necessary or reasonable for the implementation of any assignment and the consummation of the transactions contemplated hereby.

(b) You shall use the EOS Franchise System, Client Data, the Marks, and the Intellectual Property strictly in accordance with the terms of this Agreement and all policies set forth from time to time in the Operations Manual. Any unauthorized use of the EOS Franchise System, Client Data, the Marks and/or the Intellectual Property is and shall be deemed to be an infringement of our rights and our affiliates' rights.

(c) Except as expressly provided in this Agreement, you shall acquire no right, title or interest to the EOS Franchise System, Client Data, the Marks or the Intellectual Property; all goodwill associated with the EOS Franchise System, Client Data, the Marks and the Intellectual Property used by you shall inure exclusively to our and our affiliates' benefit; and upon the termination of the Franchise, no monetary amount shall be assigned as attributable to any goodwill associated with your use of the EOS Franchise System, Client Data, the Marks or the Intellectual Property.

(d) You acknowledge that the use of any computer or electronic medium or social networking website, including but not limited to, Facebook, LinkedIn, Twitter, Instagram, Pinterest, TikTok, Snapchat, Yelp, Google, YouTube, Groupon or any blogs or other bulletin boards, or chat rooms, other networking and share sites must comply with any social media policy or other use policy contained in our Operations Manual. We retain ownership of the materials posted on any webpage or site that use our Marks or Intellectual Property. All postings must comply with the social media policies and other policies set forth in the Operations Manuals.

(e) You shall at no time take any action whatsoever to contest the validity, ownership, distinctiveness or enforceability of the Marks or Intellectual Property and the goodwill associated therewith. You agree that your use of all or any part of the EOS Franchise System or the Intellectual Property contrary to any provision of this Agreement, or your use of any confusingly similar method, format, procedure, technique, system, name, trade dress, mark, symbol, emblem, slogan, insignia, term, designation, design, diagram, promotional material or course material, during or after the Term, shall cause irreparable injury to our affiliates and us and shall constitute a material breach of this Agreement, and shall entitle our affiliates and us to obtain temporary, preliminary or permanent injunctive relief from a court or agency of competent jurisdiction, and to recover court costs, reasonable expenses of litigation, reasonable attorneys' fees, and any other appropriate remedies.

(f) We maintain the ownership rights or interest in any Client lists, and lists of potential leads or prospects compiled by you after signing the franchise agreement as part of your operation of the Franchise with the result that the Lists are and remain our property (the "Lists"). Upon expiration or termination of this Agreement, we retain ownership of all Lists.

9.2 **Infringements and Claims.** You must notify us immediately in writing of any apparent infringement of or challenge to your use of any Mark or Intellectual Property, or claim by any person of any rights in any Mark or Intellectual Property or similar copyright, trade name, trademark or service mark of which you become aware. You must not communicate with anyone except us and our attorneys in connection with any such infringement, challenge or claim. We have sole discretion to take whatever action we deem appropriate. We have the sole right to control exclusively any action by or in front of the U.S. Patent and Trademark Office or U.S. Copyright Office, or any other litigation or proceeding arising out of any infringement, challenge or claim relating to any Mark or Intellectual Property. You must sign any documents, give any assistance, and do any acts that our attorneys believe are necessary or advisable in order to protect and maintain our interests in any litigation or proceeding related to the Marks or Intellectual Property or otherwise to protect and maintain our interests in the Marks or Intellectual Property. You may not, at any time, contest the validity or ownership of any of the Marks or Intellectual Property, or assist any other person in contesting the validity or ownership of any of the Marks or Intellectual Property.

9.3 **Discontinuance of Use.** If it becomes advisable at any time in our sole judgment for your Franchise to modify or discontinue the use of any of the Marks or for your Franchise to use one (1) or more additional or substitute trademarks or service marks, you agree, at your sole expense, to comply with our directions to modify or otherwise discontinue the use of such Mark or Intellectual Property, or use one (1) or more additional or substitute trademarks or service marks, within a reasonable time after our notice to you.

9.4 **Franchisee Name.** You may not use any of our EOS or EOS-related trademarked terms in your legal entity's name. You will hold yourself out to the public as an independent contractor operating an EOS Franchise. Whenever practical, you will clearly indicate on your business checks, stationery, business cards, invoices, receipts, advertising, public relations and promotional materials, website, and other written materials that you are a franchisee. If you are operating as a business entity, you will file for a certificate of assumed name (d/b/a) in the manner required by applicable state and/or local law so as to notify the public that you are operating the Franchise as an independent business pursuant to this Agreement. Prior to adoption of an assumed name, you shall obtain the written approval of such name from us.

9.5 **Further Reservation Rights.** Because complete and detailed uniformity under many varying conditions may not be possible or practical, we specifically reserve the right and privilege, in our sole and unrestricted discretion and as we may deem to be in the best interests of all concerned in any specific instance, to vary standards for any franchisee or franchisees based on business potential, business practice or other condition important to the successful operation of such franchise owner's business. We may grant to one (1) or more franchisees variations from standard specifications and practices as we determine in our sole and unrestricted discretion, and we shall have no obligation to grant you like or similar variations. You acknowledge that, over time, we have entered, and will continue to enter, into agreements with other franchisees that may contain provisions, conditions and obligations that differ from those contained in this Agreement. The existence of different forms of agreement does not affect our or your duties to comply with the terms of this Agreement.

10. DUTIES AND RESPONSIBILITIES

10.1 **Methods.** You must follow our Franchise System Standards when marketing and selling the Products and Services (including but not limited to, conducting Sessions and meetings) and must only market the Products and Services we have authorized you to offer and sell. You must not make any misrepresentations to prospective Clients regarding EOS, the Products, Services, or concerning the Franchise or the EOS Franchise System. Moreover, you must not alter, modify, change or misrepresent the Products or the Services or their marketing materials in any manner whatsoever. Accordingly, you will not disseminate any information, or represent to prospective Clients or others, any information that conflicts with any of the materials we provide you to assist in the sale of the Services or we approve for use by you in the marketing and selling of Services and Products.

10.2 **Record Keeping.** You must keep and maintain full and accurate records of (i) your meetings and Sessions held with Clients both solicited on your own and Warm Leads; (ii) all Products sold or provided or Services sold or rendered. The records must include whatever information we consider necessary from time to time (and will include information relating to meetings, follow-up calls, etc.) in such format as we may prescribe from time to time in the Operations Manual. We may require you to complete and transmit to us monthly reports detailing your activities. We may require that you use our proprietary software, if created, to store this information.

10.3 **Delegation.** Although you may delegate some of your administrative duties under this Agreement to your subordinate Personnel, the Implementer remains fully responsible for your and their

performance and only the Implementer is permitted to hold Sessions, meet with Clients and perform the Services. You must use your best efforts to ensure that the Personnel do not cause you to breach this Agreement and meet the EOS standards.

10.4 **Liability Insurance.**

(a) Utilizing an Approved Supplier or insurance carrier acceptable to us, you are required to procure and maintain at all times the following insurance policies at your expense, which must additionally meet the standards and requirements set forth in the Operations Manual: (i) general commercial liability insurance against claims for personal and bodily injury, death, or property damage, or any liability caused by or occurring in conjunction with the operation of the Franchise or your conduct of business pursuant to this Agreement, (ii) Workers' Compensation or other employer's liability insurance as well as such other insurance as may be required by statute or rule in the state(s) in which your Franchise is located or operates, (iii) errors and omission liability; (iv) commercial automobile liability coverage insurance covering losses resulting from accidents, theft, vandalism and legal bills, medical expenses, property damage and third party claims when traveling to and from Sessions, Client meetings; and (v) any other insurance required by Approved Suppliers, your landlord to your Office Space, or your lenders (if applicable).

The cost of the insurance policies will vary depending on the insurance carrier charges, terms of payment, broker commissions, risk profile, deductibles, anticipated or actual sales volume, and your loss history. The standards and specifications for insurance coverage as set forth in the Operations Manual are intended as "minimum" standards and you must review your insurance coverage and policies, and you should consult with your insurance agents, brokers, attorneys or other insurance advisors, to determine if additional coverage is necessary, desired or appropriate for your Franchise in addition to the coverage and limits required by us. If you fail to obtain or maintain the required insurance coverage, we may purchase it for you and require you to pay to us the premium cost and an administrative fee equal to twenty percent (20%) of the insurance policy premium for doing so. We may change these insurance requirements, upon reasonable notice to you, to conform to reasonable business practices. Each insurance policy required under the Operations Manual must contain a provision that the policy cannot be cancelled, amended, renewed or expired without at least thirty (30) days prior written notice to us. The insurance must be primary coverage without the right of contribution from any of our insurance. We do not represent or warrant that any insurance that you are required to purchase, or which we procure on your behalf, will provide adequate coverage for you. The requirements of insurance specified in this Agreement and in the Operations Manual are for our protection. If you believe that you should not be required to carry an identified type of insurance or otherwise comply with our minimum insurance requirements, you must submit a written waiver request and obtain such waiver from us. Until such time as we notify you in writing of our approval, you are obligated to comply with all minimum insurance requirements.

(b) Each insurance policy required under this Agreement and/or the Operations Manual must contain a Grantor of Franchise endorsement approved in writing by us naming us as additional insureds and an additional insured endorsement approved in writing by us naming us, our affiliates and our and their respective officers, directors, managers, partners, members, affiliates, subsidiaries and employees as additional insureds. Additional insured status shall include, without limitation, coverage for ongoing and completed operations. The additional insured endorsement form shall be ISO CG 20-26 or any other form approved in writing by us that provides comparable coverage. Additional insured coverage shall not be limited to vicarious liability and shall extend to (and there shall be no endorsement limiting coverage for) the negligent acts, errors or omissions of us or other additional insureds. You shall maintain such additional insured status for us on your general liability policies continuously during the Term.

(c) Your obligation to obtain and maintain the insurance policies in the amounts specified in the Operations Manual shall not be limited in any way by reason of any insurance that may be maintained by us, nor shall your procurement of required insurance relieve you of liability under the indemnification provisions set forth in this Agreement. Your insurance procurement obligations under this Section 10.4 and as specified in the Operations Manual are separate and independent of your indemnification obligations under this Agreement.

(d) Prior to the time any insurance is required to be carried by you, and thereafter prior to the renewal of any such policy, you must submit to us a copy of the certification of insurance evidencing such coverages that are required by this Section 10.4 and the Operations Manual. Within thirty (30) days' after the policy is issued, you shall provide the declarations page for each of the required coverages, all additional insured endorsements and evidence of premium payment. Certificates of insurance alone are not acceptable. Our review and verification of certain elements of your insurance does not in any way reduce or eliminate your obligations to fully comply with all of the insurance requirements set forth in this Agreement and/or in the Operations Manual. It is your sole obligation to fully comply with these insurance requirements and it is your sole obligation to confirm with your insurance providers that your policies are in compliance.

10.5 Compliance with Laws and Good Business Practices. You will secure and maintain in force all required licenses, permits, approvals and certificates relating to the operation of the Franchise including, but not limited to, all licenses required to perform the different types of Services, including, if applicable, performing Services across state lines (the "Required Licenses") as outlined in the Operations Manual or otherwise. You must apply for all Required Licenses within two (2) weeks of the Effective Date. You must promptly and diligently do all things necessary (including providing prompt, thorough, professional and complete responses to any local, state or federal regulatory or administrative body with oversight responsibilities for any Required Licenses) to facilitate obtaining the Required Licenses prior to the commencement of business and maintain and renew such Required Licenses when needed. You must operate the Franchise in full compliance with all applicable laws, ordinances and regulations, including, without limitation, all government regulations relating to occupational hazards and health, safety, privacy, worker's compensation insurance, unemployment insurance, rubbish hauling, removing and dumping, workplace safety, and withholding and payment of federal and state income taxes, social security taxes and sales taxes. You will, in all dealings with Clients, suppliers, us and the public, adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You agree to refrain from any business or advertising practice which may be injurious to our business and the goodwill associated with the EOS Franchise System, the Marks and other Franchisees.

10.6 Time to Commence Business. You must commence operation of your Franchise six (6) months from the Effective Date. We will reasonably extend the time to commence the operation of your Franchise for a period of up to sixty (60) days' if you are unable to (i) obtain the Required Licenses or (ii) attend Initial Training, despite your best efforts and for reasons beyond your control.

10.7 Authorized Products and Services. You shall offer for sale all Products and Services which we designate for the EOS Franchise System, including any additional Services or Products we may now or in the future specify and any other ancillary products and services which we prescribe. You further agree to only sell those goods and services, which we prescribe or otherwise authorize. You may not offer any other products for sale, rent or lease without having received our prior written authorization. You must comply fully and on a timely basis with any changes that we implement, including the introduction or cessation of any Services or Products.

10.8 **Operations.**

- (a) You must devote your best efforts to the operation of your Franchised Business.
- (b) You must purchase the initial inventory and maintain sufficient inventory of training binders and other Materials as designated in the Operations Manual.
- (c) You must only have one Implementer providing services to Clients.
- (d) You must pay on a timely basis all fees and costs incurred in the operation of the Franchise, whether owing to us or third parties, and you are aware that failure to make prompt payment causes irreparable harm to the reputation and credit of other franchisees and the EOS Franchise System generally.
- (e) You must operate the Franchise in compliance with System Standards so as to preserve, maintain and enhance the reputation and goodwill of the System.
- (f) You agree to provide the highest standard of service in connection with the provision or sale of the Services and Products to ensure complete Client satisfaction and you must also cooperate with us to honor all refund policies that we develop from time to time.
- (g) You must participate in our Client Satisfaction Program as set forth in the Operations Manual and below, and issue refunds to Clients in accordance with the Client Satisfaction Program.
- (h) You must adhere to our Core Values when operating your Franchised Business.

10.9 **Modification of System.** You expressly acknowledge that the EOS Franchise System must continue to evolve in order to reflect changing market conditions and to meet new and changing customer demands. Therefore, variations and additions to the EOS Franchise System may be required from time to time to preserve and enhance the public image of the EOS Franchise System and to improve the continuing operating efficiency of all franchisees. Accordingly, you agree that we may from time to time, upon written notice, add to, subtract from or otherwise change the EOS Franchise System, including, without limitation, adopting new or modified Marks, Products, Services, equipment and techniques and methods relating to the sale, promotion and provision of Services or Products.

10.10 **Client Satisfaction Program.** You acknowledge that Client satisfaction is essential to the Franchised Business's success as well as the reputation, standing and success of the EOS Franchise System and other franchisees and company or affiliate owned outlets. Accordingly, you agree:

- (a) You will participate in the Client Satisfaction Program. The Client Satisfaction Program requires that you will not charge any fee for any session if the Client believes the session did not provide sufficient business value to the Client and sets additional parameters for providing the Services to Clients. The Client Satisfaction Program (including the additional components and terms) is more fully described in the Operations Manual.
- (b) You will send surveys you to your Clients to evaluate your performance with your Clients in such form and at such intervals as we designate in the Operations Manual.
- (c) We reserve the right to contact your Clients directly for the purposes of determining their satisfaction with EOS.

(d) We may modify, change, eliminate or amend the terms of the Client Satisfaction Program on thirty (30) days' notice to you.

10.11 **Payment of Debts.** You are solely responsible for selecting, retaining and paying your Personnel; the payment of all invoices for the purchase of goods for use in the Franchise; and determining whether, and on what terms, to obtain any financing or credit which you deem advisable or necessary for the conduct of the Franchise. You shall pay all current obligations and liabilities to suppliers, lessors and creditors on a timely basis and indemnify us in the event that we elect to pay any of your obligations in order to preserve the relationship between Approved Suppliers and EOS Franchise System franchisees. You shall make prompt payment of all federal, state and local taxes, including individual and corporate taxes, sales and use taxes, franchise taxes, gross receipts taxes, employee withholding taxes, FICA taxes, and personal property and real estate taxes, arising from your operation of the Franchise. You shall indemnify us in the event that we are held responsible for these taxes.

10.12 **Notification of Legal Proceedings and Crisis Management Events.**

(a) You will notify us in writing as soon as possible but in no event more than twenty-four (24) hours of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, of which you become aware and which may adversely affect the operation or financial condition of your Franchised Business.

(b) Upon the occurrence of a Crisis Event (defined below), you will immediately inform us by telephone and email (or other electronic medium authorized by us for this purpose). You will cooperate fully with us with respect to our response to the Crisis Management Event. In the event of the occurrence of a Crisis Management Event, we may also establish emergency procedures which may require you to temporarily close the Franchised Business to the public, in which event we shall not be liable to you for any loss or costs, including consequential damages or loss profits occasioned thereby.

For purposes of this Section, a "Crisis Event" any event or business interruption that runs the risk of (1) causing severe harm to Clients, Personnel or the public or damage to their respective property or the environment; (2) falling under close media or governmental or regulatory scrutiny; or (3) jeopardizing the Franchised Business, the Marks or the System's reputation, image, products, brand, intellectual property, or management and therefore negatively impacting its future.

10.13 **Press Releases.** Any press releases or interviews regarding your Franchised Business must comply with the standards and Core Values set forth and described in the Operations Manual.

10.14 **Contributions and Donations.** Any contributions or donations of items, services, or money to any individual or entity, or provide any type of other benefit to any charitable, religious, political, social, civic, or other type of organization (or to any individual on behalf on any organization) in the name of your Franchised Business or otherwise associate with any Mark must be done in compliance with the policies set forth in the Operations Manual.

10.15 **Best Efforts and Personal Conduct.** You shall refrain from committing any act or pursuing any course of conduct that tends to bring the Marks or EOS Franchise System into disrepute. You shall use best efforts to promote and increase the demand for the Services and Products of the Franchise. All of your advertising and promotion shall be completely factual and shall conform to the highest standards of ethical advertising. You shall refrain from any business or advertising practice which may be injurious to the Franchise or the goodwill associated with the Marks and EOS Franchise System.

10.16 **Minimum Performance Requirements.** Commencing twelve (12) months after you successfully complete Initial Training (as defined in Section 5.1), and for each rolling twelve-month period immediately thereafter (each a “Measurement Period”), you must perform the minimum number of Client Sessions and receive the minimum average rating for these Sessions as set forth in Schedule I (“Minimum Performance Requirements”). Should you fail to meet the Minimum Performance Standards in any Measurement Period, we reserve the right to require you attend Remedial Training at your own expense. If you fail to meet the Minimum Performance Standards during each of the subsequent Measurement Period following completion of Remedial Training, we reserve the right to terminate this Agreement. We reserve the right to modify the ratings descriptions set forth on Schedule I if we discontinue, amend or change our internal programs and systems for ratings so long as the Minimum Performance Requirements are not more burdensome than prior to the modification of Schedule I.

11. **ADVERTISING AND PROMOTION**

11.1 **Generally.** All your advertising must conform to all provisions of this Agreement, the Operations Manual, and any other branding guidelines and policies. All advertising, promotion and marketing must be completely clear and factual and not misleading and conform to the highest standards of ethical marketing and promotion policies that we prescribe from time to time. In no event will your advertising contain any statement or material which may be considered: (a) in bad taste or offensive to any group or person; (b) defamatory on any person or an attack on a competitor; (c) inconsistent with our public image or Core Values; or (d) not in accord with Franchise System Standards. You must promptly discontinue use of any advertising, marketing or promotional plans or materials, whether or not previously approved, on notice from us.

11.2 **Grand Opening Advertising.** There is no requirement that you engage in a specific grand opening promotion outside of regular marketing efforts, such as through social media, email marketing, and local networking and business resources. You are not required to spend any amount on grand opening promotions, but we recommend you purchase *Traction* books (which are available for purchase at the EOS Online Store or from third parties) to use in your marketing and promotional efforts.

11.3 **Local Marketing.** We do not require you spend any minimum amount for local marketing, however, you may wish to conduct local marketing and advertising activities and create marketing co-ops with fellow franchisees, including sponsoring local peer groups to publicize your Franchised Business.

11.4 **Brand Development Fund.** We may form a Brand Fund to promote EOS, the EOS Franchise System and its Services and Products. The Brand Fund would be used for national and regional advertising, publicity and promotion relating to EOS and the EOS Franchise System. We determine the manner in which the contributions to the Brand Fund are spent. We may use any form of media we determine is appropriate to conduct the advertising and may utilize an in-house advertising department or outside agencies. Some portion of the Brand Fund may be used for creative concept production, website development, marketing surveys, test marketing and related purposes. We have the right to direct all advertising activities with sole discretion over creative concepts, materials and media used, as well as their placement and allocation. We also have the right to determine, in our sole discretion, the composition of all geographic and market areas for the implementation of these advertising and promotional activities.

11.5 **Use of the Funds.** The Brand Fund is intended to maximize general public recognition in all media of the Marks and patronage of EOS Worldwide businesses and we have no obligation to ensure that expenditures of the Brand Fund in or affecting any geographic area are proportionate or equivalent to payments of the Brand Fund Fee by franchisees operating in that geographic area, or that

any Franchised Business will benefit directly or in proportion to the Brand Fund Fees paid for the development of advertising and marketing materials or the placement of advertising. No amount of the Brand Fund will be spent for advertising that is principally a solicitation for the sale of franchises. Although we do have the right to include “Franchises Available” or “Interested in becoming a Professional EOS Implementer” or similar language along with our contact information on all Brand Fund advertising. We have the right to reimburse ourselves out of the Brand Fund for the total costs (including indirect costs) of developing, producing and distributing any advertising materials and administering the Brand Fund Fee (including without limitation, attorneys’, auditors’ and accountants’ fees, salaries of in-house advertising personnel and outside advertising agencies and other expenses incurred in connection with collecting any Brand Fund Fee).

11.6 **Accounting for the Fund.** Funds from the Brand Fund Fees paid will be kept separate and distinct and will be accounted for separately from our other funds. These funds will not be used to defray any of our general operating expenses, except as described in the paragraph above. Any sums paid to the Brand Fund that are not spent in the year they are collected will carry over to the following year. Within one hundred twenty (120) days of the fiscal year-end, we will prepare, and furnish to you upon written request, an annual, unaudited statement of funds collected and costs incurred.

11.7 **Brand Fund Limitations.** Except as expressly provided in this Section, we assume no direct or indirect liability or obligation to you with respect to collecting amounts due to the Brand Fund.

11.8 **Advisory Council.** We reserve the right to form an advisory council. Any advisory council created will act in an advisory capacity only and will not have decision making authority. We will have the right to form, change, merge and/or dissolve any advisory council at any time. The membership of any advisory council may be determined in our sole discretion and you have no right to sit on an advisory council. If you are chosen and agree to participate on an advisory council, you will pay all costs and expenses you incur related to your participation, including expenses for travel, lodging and meals incurred during attendance at council meetings.

12. **RELATIONSHIP OF THE PARTIES**

12.1 **Independent Contractors.** We do not have a fiduciary relationship with you. Neither you nor we are general or special agents, representatives, joint venturers, partners or employees of the other for any purpose whatsoever. You are not be entitled to workers’ compensation, unemployment compensation, or any other statutory or regulatory benefit or right predicated on an employer-employee relationship. We have no obligation to carry workers’ compensation coverage or pay unemployment compensation taxes or withhold any amounts from payment to you for federal income taxes or for federal social security taxes, unless otherwise required by applicable laws and regulations. We have no obligation to provide you with any employment and fringe benefits that we may provide to employees, such as health insurance, for example. The foregoing also applies to any relationship we have with your Personnel.

12.2 **Taxes.** We will have no liability for any sales, use, service, occupation, excise, gross receipts, income, payroll, property or other taxes, whether levied upon you or your Implementer, in connection with the business you conduct (except any taxes we are required by law to collect from you with respect to purchases from us). Payment of all such taxes is your responsibility.

13. **INDEMNIFICATION**

13.1 **By You.** You agree to indemnify, defend and hold harmless us, our affiliates and our and our affiliates’ respective members, directors, officers, owners, employees, agents, contractors, advisors,

successors and assignees (the “**Indemnified Parties**”) against and to reimburse any one (1) or more of the Indemnified Parties for all losses, expenses, judgments, settlements, claims, liabilities, reasonable attorneys’ fees, costs (including, without limitation, expert witness fees, court costs, accountants’ fees, travel and living expenses) and damages arising out of any claim directly or indirectly related to the operation of your Franchise or arising out of a breach of this Agreement or any other agreement with us or any affiliate of ours as well as any and all taxes described in this Agreement provided, however, that you shall not be required to hold harmless or indemnify us for any losses relating to any claim to the extent such losses arise out of our gross negligence or willful misconduct. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. Under no circumstances will we or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate our, their or your losses and expenses. You agree that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts we or another Indemnified Party may recover from you.

13.2 **By Us.** We agree to hold harmless and indemnify you against any claim for copyright, service mark or trademark infringement, including reasonable attorney’s fees and court costs in connection with such claims, arising out of your authorized use of our materials or the Intellectual Property in accordance with this Agreement and the Operations Manual, provided you notify us in writing within thirty (30) days, or within such shorter period as is necessary to avoid prejudice, after learning of any claim, and also provided we have the right to control any litigation or proceeding resulting from any such claim.

14. REPORTS, FINANCIAL STATEMENTS, INSPECTIONS AND AUDITS

14.1 **Our Right to Inspect the Franchise.** To determine whether you are complying with this Agreement and all System Standards, we and our designated agents have the right at any time during your regular business hours to:

- (a) observe, photograph and videotape the operations of the Franchise and any Services it provides or Products it sells for such consecutive or intermittent periods as we deem necessary;
- (b) interview Personnel and Clients of the Franchise; and
- (c) inspect and copy any books, records, computer data and documents relating to your operation of the Franchise.

If you are in default of any obligations under this Franchise Agreement, we may, in addition to any other remedy we may have under this Franchise Agreement, temporarily inhibit your access to all or part of the EOS related data contained within the Computer System, until you have cured such default completely. You must immediately correct or repair any unsatisfactory conditions we specify. We assume no liability or responsibility for monitoring, tracking or tracing of your Personnel or Franchise operations. Any temporary access to your Computer System is solely for the purpose of confirming your compliance with the terms of this Agreement, Operations Manual and EOS Franchise System Standards.

14.2 **Our Right to Audit.** We have the right at any time during your business hours, and upon forty-eight (48) hours prior notice to you, to inspect and audit, or cause to be inspected and audited, your business, bookkeeping, accounting and invoicing records, sales and income tax records and returns, online bank accounts, online credit card accounts and any other records related to the Franchised Business. You agree to cooperate fully with our representatives and independent accountants we hire to conduct any such inspection or audit. If our inspection or audit is made necessary by your failure to furnish reports, supporting records or other information we require, or to furnish such items on a timely

basis, you agree to reimburse us for the cost of such inspection or audit, including, without limitation, the charges of attorneys, independent accountants, and employees and their travel expenses, room and board. You also must immediately pay us any shortfall in the amounts you owe us, including late fees and interest as described in Section 4. The foregoing remedies are in addition to our other remedies and rights under this Agreement and applicable law.

14.3 **Distribution of Franchisee Information**. You acknowledge and agree that we have the right to share any information about your Franchise collected by us or our affiliates or agents to any third party, including other franchisees, for any purpose. This information may include, but is not limited to, data regarding your sales, expenses, revenues, costs, taxes, profit margins, warranty claims, or customer service survey results.

15. **TRANSFER**

15.1 **By Us**. This Agreement is fully transferable by us and will inure to the benefit of any transferee or other legal successor to our interests. We may assign our interest in this Agreement, directly or indirectly, by merger, assignment, pledge or other means, without your approval or consent. We will give you at least three (3) days' written notice of any such assignment or transfer.

15.2 **By You**. We have granted the Franchise to you in reliance upon our perceptions of your individual or collective character, skill, aptitude, business ability and financial capacity. Accordingly, you may make no Transfer (as defined below) without our prior written approval. Any purported Transfer without such approval will be a breach of this Agreement and will entitle us to terminate this Agreement.

15.3 **Definition of Transfer**. As used in this Agreement, the term "Transfer" means your voluntary, involuntary, direct or indirect assignment, sale, gift, pledge, mortgage, disposal or other disposition of any legal or beneficial interest in: (i) the Franchise Agreement, (ii) any material asset of the Franchised Business; (iii) your ownership interest in the Franchise entity, whether in the form of equity or voting interest; (iv) the merger or consolidation of your Franchised Business entity; and (v) the issuance of additional securities or other ownership interests of the Franchised Business entity. It includes transfers resulting from proceedings under the U.S. Bankruptcy Code or any similar law, and transfers resulting from divorce.

15.4 **Notice of Transfer**. You agree to notify us of any planned Transfer and provide us with any information we may reasonably request in order to permit us to evaluate the planned Transfer. We must approve all transfers.

15.5 **Conditions for Approval of Transfer**. If you are in full compliance with this Agreement, then subject to the other provisions of this Agreement, we will approve a Transfer that meets all the applicable requirements of this Section:

(a) the transferee meeting or exceeding the approval criteria applied to new franchisees of the System, including, without limitation, passing a background check and having sufficient business experience, aptitude and financial resources to operate the Franchise, all at our sole discretion;

(b) you have paid all amounts owed for purchases from us and all other amounts owed to us or to third-party creditors and have submitted all required reports and statements;

(c) the transferee has entered into our then-current form of Franchise Agreement and any required related agreements, including but not limited to a Personal Guaranty and Restrictive Covenant Agreement and any other related agreements reasonably required by us;

(d) the transferee agrees to upgrade the Franchise to conform to our then-current System Standards and attends Initial Training;

(e) you or the transferee pay us a transfer fee equal to Five Thousand Dollars (\$5,000);

(f) you have signed a general release in the form attached to this Agreement as Exhibit A (or any other form required by us or as allowed under applicable law) of any and all claims against us and our affiliates, and our and our affiliates' respective members, owners, officers, directors, employees, consultants, advisors, and agents;

(g) we have approved the material terms and conditions of such transfer and determined that the price and terms of payment will not adversely affect the transferee's operation of the Franchise;

(h) if you finance any part of the sale price of the transferred interest, you and/or your Owners have agreed that all of the transferee's obligations pursuant to any promissory notes, agreements or security interests that you have reserved in the Franchise are subordinate to the transferee's obligation to pay Membership Fees, Brand Fund Fees, the Technology Fee and other amounts due to us and otherwise to comply with this Agreement; and

(i) upon our request, you have agreed that you will provide guidance and support related to existing Clients, personnel, marketing, and compliance of System Standards at the discretion of the transferee for a period of no less than thirty (30) days from the day the transferee satisfactorily completes all training.

15.6 Transfer Upon Death or Disability. Upon the death or disability of the Implementer, we may require you or such Implementer (or such Implementer's executor, administrator, conservator, guardian or other personal representative) to Transfer such interest to a third party. Such disposition (including, without limitation, transfer by bequest or inheritance) must be completed within one hundred and eighty (180) days from the date of death or disability. Such disposition will be subject to all of the terms and conditions applicable to Transfers contained in this Section. A failure to Transfer the ownership interest of the deceased or disabled Implementer within this period of time constitutes a breach of this Agreement. For purposes of this Agreement, the term "disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent the Implementer from managing and operating the Franchise.

15.7 Operation Upon Death or Disability. Upon the death or disability of the Implementer, such Implementer's executor, administrator, conservator, guardian or other personal representative must within a reasonable time, not to exceed fifteen (15) days from the date of death or disability, appoint a new Implementer with authority to bind the Franchise who must be approved by us. Pending the appointment of an Implementer as provided above or if, in our judgment, the Franchise is not being managed properly any time after the death or disability of the Implementer, we have the right, but not the obligation, to appoint a manager for the Franchise. All expenses of the Franchise, including compensation, other costs and travel and living expenses of our personnel charged with overseeing the Franchise, will be charged to the Franchised Business. Operation of the Franchise during any such period will be on your behalf, provided, that we only have a duty to utilize commercially reasonable efforts and

will not be liable to you for any debts, losses or obligations incurred by the Franchise or to any of your creditors for any products, materials, supplies or services the Franchise purchases during any period it is managed by our appointed manager.

15.8 **Effect of Consent to Transfer.** Our consent to a Transfer of this Agreement and the Franchise or any interest in you does not constitute a representation as to the fairness of the terms of any contract between you and the transferee, a guarantee of the prospects of success of the Franchise or transferee or a waiver of any claims we may have against you or of our right to demand the transferee's exact compliance with any of the terms or conditions of this Agreement.

15.9 **Waiver of Interference Claims.** You acknowledge that we have legitimate reasons to evaluate the qualifications of potential transferees and to analyze and critique the terms of their purchase contracts with you. You also acknowledge that our contact with potential transferees for the purpose of protecting our business interests will not constitute wrongful conduct, including without limitation, unlawful interference with your business or contracts. You expressly authorize us to investigate any potential transferee's qualifications, to analyze and critique the proposed purchase terms with the transferee, and to withhold consent to economically questionable transactions. Without limitation of the foregoing, you waive any claim that any action we take in relation to a proposed transfer to protect our business interests constitutes tortious interference with contractual or business relationships.

16. **RESTRICTIVE COVENANTS**

16.1 **Confidential Information.** During the Term, we will give you, and you will have access to, a variety of information concerning us, our affiliates and our business model including: Operations Manual; System Standards; Services; methods for operating, managing, developing, performing, or coordinating any aspect of the Franchised Business; equipment or supplies, including, without limitation, those used in the provision of the Services; recruitment, training, marketing or compensation methods; customer lists; referral sources; billing and collection methods; financial information; pricing methods, business plans and other information about us, our affiliates and information about our approved suppliers; strategic partners, vendors, employees, and independent contractors and any other information we deem confidential (collectively, the "Confidential Information"). We consider the Confidential Information to be confidential and our trade secrets. You acknowledge that we have expended and continue to expend great amounts of time, money and effort in devising and processing the Confidential Information.

16.2 **Restrictions On Use.** You will use your best efforts and diligence both during and after the Term to protect the Confidential Information and our goodwill. You will not, directly or indirectly, use (for yourself or others) or disclose any of the Confidential Information to any other person or entity except as is necessary for the operation of your Franchise in accordance with our System Standards.

16.3 **Mandatory Requests For Information.** If you or anyone to whom you transmit the Confidential Information becomes legally compelled (by court order, interrogatories, discovery requests for information or documents, subpoenas, civil investigative demands or similar process) to disclose any Confidential Information, you must immediately notify us in writing so that we may seek a protective order or other remedy. You will reasonably cooperate with us in our efforts to seek such protective order or other remedy. In any event, you will furnish only that portion of the Confidential Information which is legally required and exercise your best efforts to obtain reliable assurance that confidential treatment will be accorded to the Confidential Information.

16.4 **Return.** Upon termination, expiration or non-renewal, or any other time at our request, you must promptly deliver to us, or destroy at our request, any and all documents or other materials

(including documents or notes created by you and information embodied in intangible form, e.g., in computer memory) in your possession or control relating, directly or indirectly, to any Confidential Information and all copies of it without retaining any copies, duplicates, extracts or portions of it. Your Implementer shall certify, within five (5) days of our request, as to the return or destruction of all such information.

16.5 **During Term – Competitive Activities.** You acknowledge our legitimate business interest in the Confidential Information and goodwill associated with the EOS Franchise System. You covenant that during the Term, except as otherwise approved in writing by us, you and your Implementer must not, directly or indirectly (whether as owner, partner, associate, agent, consultant, employee, independent contractor, member, stockholder, officer or otherwise of another or on your own account), do any of the following:

(a) Divert or attempt to divert any business or Client to any competitor, by direct or indirect inducement or otherwise, to do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks, Intellectual Property and the EOS Franchise System.

(b) Own, maintain, engage in, be employed by, finance, or have any interest in any other competitive operating system as set forth by us in the Operations Manual (other than a Franchise under an effective Franchise Agreement with us).

16.6 **Post-Term Competitive Activities.** For a period of one (1) year following the expiration or termination of this Agreement for any reason, unless we otherwise permit in writing, you must not, directly or indirectly (whether as owner, partner, associate, agent, consultant, employee, independent contractor, member, stockholder, officer or otherwise of another or on your own account), do any of the following:

(a) Solicit any of your Clients or the Clients of any other EOS Franchisee to a competitive business;

(b) Induce or attempt to induce, or solicit any of our or other EOS franchisee's strategic partners, Clients, referral sources or brokers, to accept an affiliation with you.

(c) Solicit, divert, contact, take away or interfere with any of our business, Clients, referral sources, brokers, insurers, suppliers, trade or patronage with whom we (or our affiliates or franchisees) do business or whom you know we have contacted or solicited for business relationships, or those of any of our affiliates or franchisees, as of the date of termination or expiration of this Agreement.

16.7 **Non-Disparagement.** You agree not to take any action or make any statement the effect of which would be to directly or indirectly impair our goodwill or our rights to our Intellectual Property or the goodwill of the EOS Franchise System, our affiliates, or be materially detrimental to us, our affiliates, or our franchisees or other Franchises, including, but not limited to any action or statement intended, directly or indirectly, to benefit any of our competitors. This provision survives forever.

16.8 **Equitable Relief.** Due to our interest in the Confidential Information and Client goodwill, you agree that damages cannot fully compensate us if you breach this Section 16 of this Agreement. Thus, if you breach Section 16 of this Agreement, we are entitled to an injunction restraining you from any further breach and other equitable relief. We may obtain the injunction without bond and without notice. Your only remedy if such an injunction is issued is its dissolution, if warranted, upon an

appropriate hearing. You waive any claims for damages as a result of the obtaining of any such injunction.

16.9 **Extension of Time Period.** The time period during which you are to refrain from the activities described in this Section, will be extended by any length of time during which you are in breach of the relevant provisions of this Section 16.

16.10 **Modification of Provision.** If any court determines that any of the covenants set forth in this Section 16, or any part thereof, is unenforceable because of the duration or geographic scope of such provision, such court shall have the power to reduce the duration or scope of such provision, as the case may be, and, in its reduced form, such provision shall then be enforceable. Furthermore, if any of the restrictions set forth in Sections 16.5 or 16.6 are deemed entirely unenforceable or invalid under any local, state or federal law, rule, regulation, administrative decision or finding, then you will not be bound by such unenforceable or invalid provision(s), as the case may be, but you shall continue to be bound by all other provisions of these sections which are valid and enforceable.

17. **TERMINATION**

17.1 **By Franchisee.** You may terminate this Agreement with sixty (60) days' prior written notice and execution of a full release in the form attached hereto as Exhibit A. You must continue to pay your Membership Fees until your termination date, and you are not entitled to any refunds of any Membership Fees.

17.2 **By Franchisor - Non-Curable Defaults.** We may, at any time, terminate this Agreement effective immediately upon written notice if you or your Implementer:

(a) are convicted by a trial court of, plead no contest or enter into a consent decree in connection with any violation of the rules or regulations of franchise laws, federal or state securities laws, or any felony or any other crime or offense that is likely to adversely affect your reputation, our reputation or otherwise involving any fraud or breach of trust, or to any crime or offense that may adversely affect the reputation of the goodwill associated with the Marks; or

(b) engage in any misconduct which unfavorably affects your reputation or that of your Implementer or the goodwill associated with the Marks (including, but not limited to, child abuse or other mistreatment, theft of Customer property, health or safety hazards, drug or alcohol problems, sexual harassment, discrimination or allowing unlawful activities or unauthorized or illegal items to be used or distributed in connection with the Franchise); or

(c) make any unauthorized direct or indirect Transfer under Section 15 of this Agreement; or

(d) become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you; are adjudicated bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver of you or other custodian for your Franchise or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against you; if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed); if you are dissolved; if execution is levied against your Franchise or property; if suit to foreclose any lien or mortgage against the premises or

equipment is instituted against you and not dismissed within thirty (30) days; or if the real or personal property of the Franchise shall be sold after levy thereupon by any sheriff, marshal, or constable; or

- (e) fail to successfully complete Initial Training; or
- (f) fail to meet the Minimum Performance Requirements during the Measurement Period following completion of Remedial Training); or
- (g) breach Section 16 of this Agreement; or
- (h) knowingly fail to accurately report payments to us, any affiliate, and/or any supplier/creditor of ours or you commit any act or omission constituting fraud, misrepresentation or similar act or omission, whether with respect to us, any related entities and/or any third party; or
- (i) default, on three (3) or more separate occasions within any term of your franchise, on any of your material obligations to us or an affiliate, whether or not cured (including failure to adhere to any of our Core Values), and/or other third parties, the Operations Manual or otherwise;
- (j) fail to commence operation of the Franchise within the time prescribed in this Agreement; or
- (k) fail to pay any taxes when due; or
- (l) make any misrepresentation on your franchise application or supporting documentation.

17.3 **By Franchisor - Curable Breaches**. The occurrence of any of the following events shall constitute a curable default under this Agreement. You may cure such default by taking appropriate remedial action within the prescribed time set forth below. Unless you cure such default before the end of the indicated remedial period, we may terminate this Agreement or take any other actions as this Agreement permits.

- (a) You fail to timely remit the monthly Membership Fee.
- (b) You fail to remit any payments immediately when due to us and fail to cure such breach within ten (10) days after written notice from us.
- (c) You fail to remit any payments immediately when due to a supplier, vendor, broker, landlord, or other third party owed by the Franchise and fail to cure such breach within thirty (30) days after written notice from us.
- (d) You make any unauthorized use of the Marks or you otherwise violate any of the provisions of Section 9 hereof which is not cured within five (5) business days of written notice from us.
- (e) You fail to apply for the Required Licenses in accordance with the time periods required in Section 10.5 of this Agreement and fail to cure such breach within five (5) business days after written notice from us.
- (f) You breach Section 10.4 and fail to cure such breach within five (5) business days after written notice from us.

(g) You breach Section 10.11 and fail to cure such breach within fifteen (15) days after written notice from us.

(h) You breach any other obligation, covenant or representation under this Agreement (other than the non-curable defaults described in Section 17.2 above) and fail to remedy such breach within thirty (30) days after written notice from us specifying the breach alleged to have occurred and the action to be taken by you curing the same, whether or not such breach is outlined in the Operations Manual, including but not limited to your: (i) failure to operate the Franchise in accordance with the Operations Manual and/or other manuals, (ii) failure to conform to our System Standards, or failure in any other way to maintain our standards of quality in the operation of the Franchise, or (iii) taking for your own personal use any assets or property of the Franchise.

17.4 **Cross Defaults, Non-Exclusive Remedies, Etc.** Any default by you (or any person/company affiliated with you) under this Agreement may be regarded as a default under any other agreement between us (or any affiliate of ours) and you (or any of your affiliates). Any default by you (or any person/company affiliated with you) under any other agreement, between us (or any of our affiliates) and you (or any person/company affiliated with you), and any default by you (or any person/company affiliated with you) under any obligation to us (or any of our affiliates) may be regarded as a default under this Agreement. Any default by you (or any person/company affiliated with you) under any loan agreement, security agreement, lease, supply or service agreement or otherwise, whether with us, any of our affiliates and/or any third party which is not cured by the time period specified in such agreement may be regarded as a default under this Agreement and/or any other agreement between us (or any of our affiliates) and you (or any of your affiliates).

In each of the foregoing cases, we (and any of our affiliates) will have all remedies allowed at law, including termination of your rights (and/or those of any person/company affiliated with you) and our (and/or our affiliates') obligations. No right or remedy which we may have (including termination) is exclusive of any other right or remedy provided under law or equity and we may pursue any rights and/or remedies available.

17.5 **Rights upon Default.** Except in the case of death or disability of your Implementer which is governed by Section 15.7 hereof, if we determine in our sole judgment that the operation of your Franchise is in jeopardy, or if you are in default under this Agreement, then in order to prevent an interruption of the Franchise which would cause harm to the EOS Franchise System and thereby lessen its value, you authorize us to operate your Franchise for as long as we deem necessary and practical, and without waiver of any other rights or remedies which we may have under this Agreement ("Step-In Rights"). In the event of the exercise of the Step-In Rights by us, you agree to hold harmless us and our representatives for all actions occurring during the course of such temporary operation. You agree to pay all of our reasonable fees and costs incurred as a consequence of our exercise of our Step-In Rights including wages and personnel costs which are payable on demand out of Franchised Business proceeds. Nothing contained herein shall prevent us from exercising any other right, which we may have under this Agreement, including, without limitation, termination.

17.6 **Obligations Upon Termination/Expiration.** Upon any expiration or termination of this Agreement for any reason, you must, at your cost and expense:

(a) immediately cease to use any of the Confidential Information, the Intellectual Property and the Marks;

(b) immediately return to us (or destroy upon our request) all of your copies of any materials containing any of the Confidential Information or any materials bearing the Intellectual Property or the Marks and all copies and records of the Lists and Client Data;

(c) upon our request, cooperate in assigning to us or to a person or entity designated by us any and all vendor agreements or sales or service contracts for the Products or the Services with Clients of your Franchise, which will be automatic at our option as a result of the termination or expiration;

(d) immediately cease all use of our Marks and Intellectual Property including any of our marketing materials and brochures and stop holding yourself out to the public as associated with us in any way including the removal of all trade dress;

(e) immediately pay us all unpaid fees and pay us, our affiliates, and our approved and designated suppliers and vendors, all other monies owed thereto; and

(f) comply with the post-termination covenants set forth in Section 16 hereof and elsewhere in this Agreement, all of which will survive the transfer, termination or expiration of this Agreement and cease any and all contact with Clients, suppliers, vendors, employees or our agents without our prior written consent.

Alternatively, we may elect in our sole discretion, to undertake the obligations set forth in subsections (a)-(h) above and charge you for our costs and expenses incurred therewith. You hereby appoint us as your duly appointed agent and attorney in fact with the absolute right (but not the obligation) to perform the acts specified in this Section at your sole cost and expense. The appointment of us as your agent and attorney in fact for the purposes set forth herein is declared and acknowledged to be coupled with an interest and is irrevocable. The grant of power of attorney herein shall include full powers of substitution.

17.7 Right to Purchase Assets. If (i) this Agreement expires or is terminated by either party for any reason whatsoever, (ii) you at any time cease to do business as an EOS Franchise, then we have the right, but not the obligation, to purchase your Franchise, including the then-usable supplies, inventory, and all other assets owned by you in your Franchise and to acquire your lease or other contract rights (hereinafter referred to in this provision as the “Franchise Assets”) as determined by us in our sole discretion, at book value (cost less depreciation) without considering any value for goodwill associated with the name “EOS”. We will have the right, but not the obligation, to purchase any or all of the Franchise Assets from you for cash within thirty (30) days after the event triggering this second right of first refusal occurs. Nothing in this provision may be construed to prohibit us from enforcing the terms and conditions of this Agreement, including the covenants not to compete contained in Section 16.

18. NOTICE. All notices, requests, consents and other communications required hereunder shall be in writing and shall be duly given if hand delivered and a signed receipt obtained, sent by registered or certified mail, postage prepaid, return receipt requested, sent by overnight express type service, or sent by telecommunication with confirmed delivery, including electronic mail and facsimile, addressed:

If to us:
EOS Worldwide Franchising, LLC
Attn: Drew McCuiston
37637 Five Mile Rd., #323
Livonia, MI 48154
dmccuiston@eosworldwide.com

with a copy to
Fox Rothschild, LLP
Attn: Robert Walper
Fox Rothschild LLP
Building #10, Suite 200
300 Sentry Parkway East
Blue Bell, PA 19422-3001
rwalper@foxrothschild.com

If to you, to the address, email and facsimile indicated on Schedule I to this Agreement. In the alternative, notice shall be sent to such other address as you or us shall have specified in a written notice given to the other party. Each such notice shall be deemed delivered (a) on the date delivered, if by personal delivery; (b) on the date delivered, if by overnight express type service; (c) on the date of transmission by telecommunication with confirmed delivery, if by electronic mail or other electronic method; and (d) on the first occurring of (i) three (3) business days after mailing, postage prepaid, or (ii) the date upon which the return receipt is signed or delivery is refused or the notice is designated by the postal authorities as not deliverable, as the case may be, if mailed. Any notice provided by electronic mail or other electronic method shall be confirmed by one (1) of the delivery methods listed under subsection (a), (b), or (d) although this shall not affect the time notice is deemed given hereunder.

19. **BUSINESS ORGANIZATION**

You may, but are not required, to be a business organization (like a corporation, limited liability company or partnership) (a “Business Entity”). You agree and represent that:

(a) You have the authority to execute, deliver and perform your obligations under this Agreement and are duly organized or formed and validly existing in good standing under the laws of the state of your incorporation or formation;

(b) Your organizational or governing documents will recite that you will only conduct the business of an EOS Franchise and no other, the issuance and transfer of any ownership interests in you are restricted by the terms of this Agreement, and all certificates and other documents representing ownership interests in you will bear a legend referring to the restrictions of this Agreement;

(c) You agree that there will only be one EOS Implementer per Business Entity, and no employee or Personnel may perform any EOS Implementer Services;

(d) At our request, you will furnish true and correct copies of all documents and contracts governing the rights, obligations and powers of you and your agents (like articles of incorporation or organization and partnership, operating or shareholder agreements as applicable).

20. **DISPUTE RESOLUTION**

20.1 **Governing Law**. Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 (Lanham Act, 15 U.S.C. §1051 and the sections following it) or other federal law, this Agreement and the Franchise shall be enforced and governed by and under the substantive law of the State of Delaware, without regard to choice of law rules, unless otherwise provided herein.

20.2 **Jurisdiction**. Except as otherwise set forth herein, the exclusive venue and exclusive forum for all disputes between the parties shall be any court of general jurisdiction located in Delaware

and/or the United States District Court for the District of Delaware, and the parties to this Agreement hereby waive any and all objections with regard to personal jurisdiction and/or venue.

20.3 **Internal Dispute Resolution.** You must first bring any claim or dispute between you and us to our President/Integrator, Kelly Knight, after providing notice as set forth in Section 18 above. We must respond to your notice inquiry within ten (10) business days of receipt or otherwise it is deemed denied. You must exhaust this internal dispute resolution procedure (“IDR”) before you may bring your dispute before a third party. You agree that we have sixty (60) days to attempt to resolve your claim or dispute with IDR (the “IDR Period”). This agreement to first attempt resolution of disputes internally through IDR will survive termination or expiration of this Agreement.

20.4 **Mediation.** At our sole discretion, any disputes and claims arising out of or relating to this Agreement, the rights and obligations of the parties hereto, third-party beneficiaries, and/or any guarantors and/or transferees of this Agreement, or any claims between any of the above parties, or any other claims or causes of action relating to the making, interpretation, or performance of either party under this Agreement or that is in any way related to your Franchise, may be submitted to non-binding mediation conducted before a sole neutral mediator referred by the American Arbitration Association (“AAA”) in accordance with its Commercial Mediation Procedures. Mediation will be conducted in Michigan. The parties shall each bear all of their own costs of mediation; provided, however, the fees of the mediator shall be divided equally between you and us. The mediator will be disqualified as a witness, expert or counsel for any party with respect to the dispute and any related matter. Mediation is a compromise negotiation and will constitute privileged communications under the law governing this Agreement. The entire mediation process will be confidential and the conduct, statements, promises, offers, views and opinions of the mediator and the parties will not be discoverable or admissible in any legal proceeding for any purpose; provided, however, that evidence which is otherwise discoverable or admissible will not be excluded from discovery or admission as a result of its use in the mediation. We will notify you of our election to submit any dispute to non-binding mediation within thirty (30) days of receiving written notice of a dispute, claim, or alleged cause of action from you or at the time we provide you with notice of a dispute, claim, or alleged cause of action, as applicable.

20.5 **Arbitration.** At our sole discretion, any disputes and claims arising out of or relating to this Agreement, the rights and obligations of the parties hereto, third-party beneficiaries, and/or any guarantors and/or transferees of this Agreement, or any claims between any of the above parties, or any other claims or causes of action relating to the making, interpretation, or performance of either party under this Agreement or that is in any way related to your Franchise, may be resolved by submission to binding arbitration by and before a neutral franchise attorney referred by AAA and selected by the parties in accordance with the then-existing Commercial Arbitration Rules of the AAA. All hearings and other proceedings will take place in Michigan. We will notify you of our election to submit any dispute to arbitration (i) within thirty (30) days of receiving written notice of a dispute, claim, or alleged cause of action from you; or (ii) within thirty (30) days of a non-binding mediation determination pursuant to Section 20.4 above; or (iii) at the time we provide you with notice of a dispute, claim, or alleged cause of action, as applicable.

(a) The following shall supplement and, in the event of a conflict with any law or rule, including but not limited to the AAA Commercial Arbitration Rules, shall govern any dispute submitted to arbitration. The parties shall select one (1) arbitrator from the proposed list of arbitrators provided by the AAA. If the parties are unable to agree upon an arbitrator, each party to the dispute shall have fifteen (15) days from the transmittal date of the proposed list in which to strike names objected to, number the remaining names in order of preference, and return the list to the AAA. If a party does not return the list within the time specified, all persons named therein shall be deemed acceptable. From among the persons who have been approved on both lists, and in accordance with the designated order of

mutual preference, the AAA shall invite the acceptance of an arbitrator to serve. If the parties fail to agree on any of the persons named, or if acceptable arbitrators are unable to act, or if for any other reason the appointment cannot be made from the submitted lists, the process of submitting lists shall continue until a suitable arbitrator is selected. In all aspects of conducting the arbitration and in rendering his or her decision, the arbitrator shall enforce and apply the substantive laws of the State of Delaware for interpretation of this Agreement, without regard to choice of law rules. The parties may conduct one (1) seven-hour discovery deposition of a designated representative of the opposing party. Any party wishing to take such a deposition must describe with reasonable particularity, in the notice of deposition, the matters to be inquired into at the deposition, and the party producing the designated representative must designate one (1) or more officers, directors, or managing agents who consent to testify on its behalf. No other discovery depositions shall occur, unless the arbitrator finds such additional depositions to be necessary after written request and an opportunity to be heard. Each party shall be permitted up to ten (10) interrogatories and reasonable requests for production of documents. Each party shall be entitled to file a motion to dismiss, a motion for summary judgment and reasonable motions in limine. The arbitrator shall permit a responding party a reasonable period of time to respond in writing to any such motions. The arbitrator shall apply the Federal Rules of Evidence at the hearings. The arbitrator's award shall include an award of pre-hearing interest from the date upon which any damages were incurred, and from the date of the award until paid in full, at a rate to be fixed by the arbitrator, but in no event less than one and one-half percent (1.5%) per month, or part of a month (unless a lower rate is required by law). The prevailing party shall be entitled to recover from the non-prevailing party all costs of arbitration, including, without limitation, the arbitrator's fee, interest, and costs of investigation. In addition, the prevailing party shall be entitled to an award of its reasonable and necessary attorneys' fees. The arbitration hearings shall be completed within one hundred and fifty (150) days of the filing of the arbitration demand, unless the arbitrator, for good cause, must extend this deadline.

(b) The arbitrator shall have no authority to amend or modify the terms of the Agreement. To the extent permitted by applicable law, no issue of fact or law shall be given preclusive or collateral estoppel effect in any arbitration hereunder, except to the extent such issue may have been determined in another proceeding between the parties. Judgment upon the award of the arbitrator shall be submitted for confirmation to the United States District Court for the District of Delaware or any other court of general jurisdiction located in Delaware and, if confirmed, may be subsequently entered and/or docketed, including as a judgment, in any court having competent jurisdiction. Similarly, any appeals from and/or relating to any arbitration which may be brought in accordance with this Section 20.5 shall be heard before the United States District Court for the District of Delaware, or any other court of general jurisdiction located in Delaware.

(c) The arbitration provisions of this Agreement shall survive any termination or expiration of this Agreement.

20.6 **Injunctive Relief.** Nothing contained in this Agreement shall prevent us from applying to and/or obtaining, from any court having competent jurisdiction, a writ of attachment, injunctive relief, including without limitation a temporary injunction or preliminary injunction, and/or other emergency relief available to safeguard and protect our interests. We are entitled to seek this relief without the posting of any bond or security and, if a bond is nevertheless required by a court of competent jurisdiction, the parties expressly agree that the sum of One Thousand Dollars (\$1,000) is a sufficient bond.

20.7 **Third Party Beneficiaries.** Our affiliates, and the Brand Fund and their respective officers, directors, members, agents, representatives, affiliates, and/or employees are express third party beneficiaries of the provisions of this Agreement, including the mediation and arbitration provision set

forth in this Section 20, each having authority to specifically enforce the right to mediate/arbitrate/litigate claims asserted against such person(s) by you or asserted in relation to this Agreement.

20.8 **Prior Notice of Claims.** As a condition precedent to commencing an action for damages or for our violation or breach of this Agreement, you must notify us within ninety (90) days after the occurrence of the violation or breach, and failure to timely give such notice will preclude any claim for damages.

20.9 **Cumulative Remedies.** The remedies available to any party if the other party breaches this Agreement are cumulative. The exercise of any remedy will not limit any other remedies that may be available. Both parties will also be entitled to any and all remedies available under applicable law.

20.10 **Waiver of Punitive Damages.** WITHOUT LIMITING YOUR OBLIGATIONS TO INDEMNIFY US PURSUANT TO THIS AGREEMENT, BOTH PARTIES EACH WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO, OR CLAIM OF, ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER. YOU AND WE ALSO AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN YOU AND US, THE PARTY MAKING A CLAIM WILL BE LIMITED TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS AND ANY OTHER DAMAGES AWARD SPECIFICALLY REFERENCED IN THIS AGREEMENT.

20.11 **Limitations of Claims.** ANY AND ALL CLAIMS ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP BETWEEN AND/OR AMONG YOU AND US MUST BE MADE BY WRITTEN NOTICE TO THE OTHER PARTY WITHIN ONE (1) YEAR FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIM (REGARDLESS OF WHEN IT BECOMES KNOWN); EXCEPT FOR CLAIMS ARISING FROM: (A) INDEMNIFICATION; OR (B) UNAUTHORIZED USE OF THE MARKS, INTELLECTUAL PROPERTY OR CONFIDENTIAL INFORMATION. HOWEVER, THIS PROVISION DOES NOT LIMIT THE RIGHT TO TERMINATE THIS AGREEMENT IN ANY WAY.

20.12 **Waiver of Jury Trial.** BOTH PARTIES IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER YOU OR US.

20.13 **Waiver of Class Actions.** Each of the parties hereby irrevocably waives the right to litigate on a class action basis, in any action, proceeding, or counterclaim, whether at law or in equity, brought by any party.

20.14 **Arbitration/Litigation Expenses.** In any action or dispute, at law or in equity, that may arise under or otherwise relate to the terms of this Agreement, the prevailing party shall be entitled to full reimbursement of its arbitration or litigation expenses from the other party. Litigation or arbitration expenses include reasonable attorneys' fees, arbitrator's fee, defense costs, witness fees including expert witness fees and costs and other related expenses including paralegal fees, administrative costs, investigative costs, court reporter fees, sales and use taxes, if any, travel and lodging expenses, court or arbitration costs, and all other charges billed by the attorneys to the prevailing party. Reimbursement is due within thirty (30) days of written notice of an award or other notice of the expenses due. If we engage legal counsel for your failure to pay when due any monies owed under this Agreement or to submit when due any reports, information or supporting records, or for any failure otherwise to comply with this Agreement, you must reimburse us on demand for all of the above-listed expenses we incur.

21. MISCELLANEOUS

21.1 **Severability.** If any of the provisions of this Agreement are held invalid for any reason, the remainder will not be affected and will remain in full force and effect in accordance with its terms.

21.2 **Waivers.** Waiver of any provision of this Agreement will not be valid unless in writing and signed by the person against whom it is sought to be enforced. The failure by either party to insist upon strict performance of any provision will not be construed as a waiver or relinquishment of the right to insist upon strict performance of the same provision at any other time, or any other provision of this Agreement.

21.3 **Entire Agreement.** This Agreement, including any schedules, amendments, addenda, and exhibits compose the entire Agreement between the parties relating to its subject matter, and supersedes all prior agreements, proposals, representations and commitments, oral or otherwise; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by us in the Disclosure Document that was furnished to you by us. This Agreement may only be amended by an instrument signed by the authorized officers of both parties.

21.4 **Construction.** The headings of sections are for convenience only and do not define, limit or construe the contents of such sections. All words used in this Agreement, regardless of the number or gender in which they are used, will be construed to include any other number, singular or plural, in any other gender, masculine, feminine or neuter, as the context of this Agreement may require

21.5 **Counterparts.** This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one (1) and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

21.6 **Timing.** Time is of the essence of this Agreement. However, whenever the time for the performance of any action or condition contained in this Agreement falls on a Saturday, Sunday or legal holiday, such time will be extended to the next business date. Indications of time of day mean time in Delaware.

21.7 **State Addendum.** The laws of certain states may supersede some of the provisions of this Agreement, and certain states require us to supplement or modify the provisions of this Agreement. If applicable, these supplements and modifications are contained in the addendum to the Franchise Disclosure Document as Exhibit E. When you sign this Agreement, you will also properly sign the addendum, if applicable.

21.8 **Compliance with Anti-Terrorism Laws.** You and your Owners agree to comply, and to assist us to the fullest extent possible in our efforts to comply with Anti-Terrorism Laws (defined below). In connection with that compliance, you and your Owners certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your Owners otherwise are not in violation of, any of the Anti-Terrorism Laws. “Anti-Terrorism Laws” mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by you or your owners, or any blocking of your or your owners’ assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement.

21.9 **Survival.** All obligations under this Agreement (whether yours or ours) which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect after and notwithstanding the expiration or termination of this Agreement until such provisions are satisfied in full or by their nature expire.

21.10 **Interpretation.** Each of the parties agrees that they have been or have had the opportunity to have been represented by their own counsel throughout the negotiations and at the signing of this Agreement and all of the other documents signed incidental to this Agreement. None of the parties can, while this Agreement is effective or after its termination or expiration, assert that any provisions of this Agreement or any of the other documents should be construed against the drafter of this Agreement or any of the other documents.

21.11 **Acknowledgment.** You acknowledge and represent that:

We have made no promise or representation to you as to the renewal of this Agreement or the grant of a new franchise after the end of the Initial Term set forth in Section 2 hereof INITIAL HERE:

This Agreement and our Franchise Disclosure Document, or "FDD", have been in your possession for at least fourteen (14) days before you signed this Agreement and before your payment of any monies to us, refundable or otherwise, and that any unilateral, material changes to this Agreement were memorialized in writing in this Agreement for at least seven (7) days before you signed this Agreement, or as otherwise required by state law INITIAL HERE:

(a) You have read and understand this Franchise Agreement and our Franchise Disclosure Document; (b) We have fully and adequately explained the provisions of each to your satisfaction; (c) We have advised you to consult with your own attorneys, accountants, or other advisers about the potential benefits and risks of entering into this Franchise Agreement; (d) You have had ample opportunity to consult with advisors of your own choosing; and (e) Our attorneys have not advised or represented you with respect to this Franchise Agreement or the relationship created hereby. INITIAL HERE:

You have conducted an independent investigation of the business contemplated by this Franchise Agreement, and you acknowledge that, like any other business, an investment in the Franchised Business involves unavoidable business risks. You acknowledge that the success of the Franchised Business is primarily dependent upon the business abilities and efforts of you and your General Manager and Personnel. INITIAL HERE:

You have not received or relied upon any warranty or guarantee, express or implied, as to the potential revenues, income, profits, volume, or success of the business venture contemplated by this Franchise Agreement. You acknowledge that you have read this Franchise Agreement and our Franchise Disclosure Document, and that you have no knowledge of any representation by us or any of our officers, directors, shareholders, employees, or agents that are contrary to the statements made in our Franchise Disclosure Document or contrary to the terms hereof. We expressly disclaim the making of any warranty, guarantee, or representations of this type. INITIAL HERE:

The covenants not to compete in this Franchise Agreement are fair and reasonable, and will not impose any undue hardship on you or your owners, since you and your owners have other considerable skills, experience, and education that afford you and your owners the opportunity to derive income from other endeavors.

INITIAL HERE:

You acknowledge that this Franchise Agreement, the documents referred to herein, the attachments hereto, and other agreements signed concurrently with this Franchise Agreement, if any, constitute the entire, full and complete agreement and understanding between us and you and supersedes any and all prior agreements, no other representations, promises, warranties or agreements have induced you to execute this Agreement. Both parties acknowledge and agree that there are no oral or written representations, promises, assurances, warranties, covenants, "side-deals", rights of first refusal, options or understandings other than those expressly contained in this Agreement. This Franchise Agreement terminates and supersedes any prior agreement between the parties concerning the same subject matter, and any oral or written representations, including those that are inconsistent with the terms of this Franchise Agreement or our Franchise Disclosure Document.

INITIAL HERE:

You acknowledge that neither we nor any of our officers, directors, shareholders, employees, or agents have made any representation that: (a) we may purchase any or all products made, produced, fabricated, or modified by you; (b) we guarantee that you will derive income from the Franchised Business that will exceed the initial franchise fee; (c) we guarantee that we will refund all or part of the initial franchise fee if you are not satisfied with the Franchise; or (d) we will provide a sales program or marketing program that will enable you to derive income from the Franchised Business that exceeds the initial franchise fee.

INITIAL HERE:

IN WITNESS WHEREOF, the parties hereto have duly signed this Franchise Agreement as of the Effective Date.

“YOU”

“WE”

Name of Franchisee Company

EOS Worldwide Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: Kelly Knight
Title: President
Date: _____

Schedule I
Franchise Description

Effective Date of Franchise Agreement: _____

Name of Franchisee: _____

Name of Implementer: _____

Implementer Status: _____

Names of All Entity Owners and Percentage _____

Ownership: _____

Initial Franchise Fee: \$_____

Monthly Membership Fee: _____

Minimum Number of Sessions: _____

Minimum Average Session Rating: _____

Address for Notice under Section 18: _____

Exhibit A
General Release

This General Release Agreement (the “Release”) is made by the undersigned _____ (the “Releasor”) for the benefit of EOS Worldwide Franchising, LLC, a Delaware limited liability company, and all of its affiliates (collectively, the “Franchisor”), on this ____ day of _____, 20__.

RECITALS

WHEREAS, Releasor is an EOS Franchisee or owner of an EOS Franchise (the “Franchise”) under that Franchise Agreement dated _____ (the “Franchise Agreement”);

WHEREAS, Releasor desires to transfer or renew the Franchise or an ownership in the Franchise in accordance with the Franchise Agreement; and

WHEREAS, all capitalized terms not defined in this Release shall have the meaning given to them in the Franchise Agreement.

NOW, THEREFORE, in consideration of the consent by Franchisor to the transfer (the “Transfer”) or renewal (“Renewal”) of the Franchise and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Releasor hereby covenants and promises as follows:

(1) Releasor hereby absolutely and forever releases and discharges Franchisor from any and all claims, demands, damages, debts, liabilities, accounts, costs, expenses, liens, losses, charges, actions, suits, proceedings and causes of action of every kind and nature whatsoever (“Released Matters”), whether now known or unknown, suspected or unsuspected, which Releasor now has, owns or holds, or at any time heretofore ever had, owned or held, or could, shall or may hereafter have, own or hold, pertaining to, arising out of or in connection with the Franchise Agreement, any related agreements or the franchisor-franchisee relationship in connection therewith or the operation of the Franchise.

(2) Releasor hereby understands and agrees that this Release shall extend to and be binding upon any and all of Releasor’s attorneys, officers, members, directors, owners, employees, agents, representatives, heirs, spouses, estate executors, administrators, successors, affiliates, associates and assigns, and their respective insurers and underwriters. If more than one party shall execute this Release, the term “Releasor” shall mean all parties executing this Release, and all parties shall be bound by its terms.

(3) Releasor hereby understands and agrees that this Release shall extend to and inure to the benefit of any and all of Franchisor’s shareholders, members, managers, attorneys, officers, directors, owners, employees, agents, representatives, legal representatives, successors, affiliates, associates and assigns, and its and their respective insurers and underwriters.

(4) Releasor hereby understands and agrees that this Release supersedes any prior agreement, oral or written, with respect to its subject matter. Releasor understands and agrees that no representations, warranties, agreements or covenants have been made with respect to this Release, other than those set forth in this Release, and that in executing this Release, Releasor is not relying upon any representations, warranties, agreements or covenants not set forth in this Release.

(5) This Release and all acts and transactions under it shall in all respects be interpreted, enforced and governed by the internal laws of the State of Delaware.

This Release may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

IN WITNESS WHEREOF, the undersigned hereto have executed this Release effective as of the date first set forth above.

RELEASOR

Franchisee

BY: _____

Name: _____

Title: _____

Individually (Owner)

Spouse

Individually (Owner)

Spouse

AGREED AND ACKNOWLEDGED:

EOS Worldwide Franchising, LLC

BY: _____

Name: Kelly Knight

Title: President

Exhibit B

Personal Guaranty

This Guaranty must be signed by the Implementer (referred to as “you” or “your” for purposes of this Guaranty only) of _____ (the “Business Entity”) under the Franchise Agreement dated _____, 20__ (the “Franchise Agreement” and each and every agreement signed by Business Entity and us or any affiliate of ours, including the Franchise Agreement, (the “Franchise Agreement”), the Promissory Note and the Restrictive Covenant Agreements with EOS Worldwide Franchising, LLC (“us,” or “our” or “we”). Terms not defined herein shall have the meaning set forth in the Franchise Agreement.

1. **Scope of Guaranty.** In consideration of and as an inducement to our signing and delivering the Franchise Agreements, each of you signing this Guaranty personally and unconditionally: (a) guarantee to us and our successors and assigns that the Business Entity will punctually pay and perform each and every undertaking, agreement and covenant set forth in the Franchise Agreements; and (b) agree to be personally bound by, and personally liable for the breach of, each and every provision in the Franchise Agreement.
2. **Waivers.** Each of you waive: (a) acceptance and notice of acceptance by us of your obligations under this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed by you; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed by you; (d) any right you may have to require that an action be brought against the Business Entity or any other person as a condition of your liability; (e) all rights to payments and claims for reimbursement or subrogation which you may have against the Business Entity arising as a result of your execution of and performance under this Guaranty; and (f) all other notices and legal or equitable defenses to which you may be entitled in your capacity as guarantors.
3. **Consents and Agreements.** Each of you consent and agree that: (a) your direct and immediate liability under this Guaranty is joint and several; (b) you must render any payment or performance required under the Franchise Agreements upon demand if the Business Entity fails or refuses punctually to do so; (c) your liability will not be contingent or conditioned upon our pursuit of any remedies against the Business Entity or any other person; (d) your liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which we may from time to time grant to Business Entity or to any other person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims and no such indulgence will in any way modify or amend this Guaranty; and (e) this Guaranty will continue and is irrevocable during the term of the Franchise Agreements and, for obligations surviving the termination or expiration of the Franchise Agreements, after their termination or expiration.
4. **Enforcement Costs.** If we are required to enforce this Guaranty in any judicial proceeding or any appeals, you must reimburse us for our enforcement costs. Enforcement costs include reasonable accountants’, attorneys’, attorneys’ assistants’, mediators’, arbitrators’ and expert witness’ fees, costs of investigation and proof of facts, court costs, filing fees, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty.

5. **Effectiveness.** Your obligations under this Guaranty are effective on and from the Franchise Agreement Effective Date, regardless of the actual date of signature. Terms not otherwise defined in this Guaranty have the meanings as defined in the Franchise Agreements.
6. **Governing Law.** This Guaranty shall be deemed to have been made in and governed by the laws of the State of Delaware, which laws shall prevail in the event of any conflict of law.
7. **Internal Dispute Resolution.** You must first bring any claim or dispute arising out of or relating to the Franchise Agreements or this Guaranty to our President, Kelly Knight. You agree to exhaust this internal dispute resolution procedure before bringing any dispute before a third party. This agreement to engage in internal dispute resolution first shall survive the termination or expiration of this Guaranty.
8. **Dispute Resolution.** At our option, all claims or disputes between you and us arising out of, or in any way relating to, this Guaranty or the Franchise Agreements or any other agreement by and between you and us, or any of the parties' respective rights and obligations arising from such agreements must be submitted first to mediation and then arbitration as set forth in the Franchise Agreements. This agreement to mediate and arbitrate at our option shall survive the termination or expiration of this Guaranty.
9. **Third Party Beneficiaries.** Our officers, directors, owners, members, agents, representatives, affiliates, and/or employees are express third party beneficiaries of the Franchise Agreements and this Guaranty, and the mediation and arbitration provisions incorporated by reference herein, each having authority to specifically enforce the right to mediate and arbitrate claims asserted against such person(s) by you.
10. **Injunctive Relief.** Nothing contained in this Guaranty shall prevent us from applying to or obtaining from any court having jurisdiction, without bond, a writ of attachment, temporary injunction, preliminary injunction and/or other emergency relief available to safeguard and protect our interest prior to the filing of any mediation proceeding or pending the arbitration or handing down of a decision or award pursuant to any mediation or arbitration conducted hereunder.
11. **Jurisdiction and Venue.** With respect to any proceeding not subject to mediation or arbitration, the parties expressly agree to submit to the jurisdiction and venue of any court of general jurisdiction in Delaware and the jurisdiction and venue of the United States District Court for the District of Delaware.
12. **Jury Trial Waiver.** THE PARTIES HEREBY AGREE TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT. THIS WAIVER SHALL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES HERETO WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS GUARANTY OR THE FRANCHISE AGREEMENTS, THE PERFORMANCE OF EITHER PARTY, AND/OR YOUR PURCHASE FROM US OF THE FRANCHISE.
13. **Waiver of Punitive Damages.** You waive to the fullest extent permitted by law, any right to or claim for any punitive or exemplary, and agree that in the event of a dispute, your recovery shall be limited to actual damages. If any other term of this Guaranty is found or determined to be unconscionable or unenforceable, for any reason, the foregoing provisions shall continue in full

force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

14. **Waiver of Class Actions.** Each of the parties hereby irrevocably waives the right to litigate on a class action basis, in any action, proceeding, or counterclaim, whether at law or in equity, brought by any party.
15. **Limitation on Action.** You agree that no cause of action arising out of or under this Guaranty or any of the Franchise Agreements may be maintained by you unless brought before the expiration of one (1) year after the act, transaction or occurrence upon which such action is based or the expiration of one (1) year after you become aware of facts or circumstances reasonably indicating that you may have a claim against the us, whichever occurs sooner, and that any action not brought within this period shall be barred as a claim, counterclaim, defense or set-off.
16. **Counterparts.** This Guaranty may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one (1) and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docuSign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

Each of you now sign and deliver this Guaranty effective as of the date of the Franchise Agreement regardless of the actual date of signature.

**PERCENTAGE OF OWNERSHIP
INTEREST IN BUSINESS ENTITY**

GUARANTOR

PERCENTAGE: _____ %

NAME: _____

SIGNATURE: _____

DATE: _____

Exhibit C
Confidentiality and Non-Solicitation Agreement

I, _____ agree that during my association with _____ (“Franchisee”) and EOS Worldwide Franchising, LLC and its affiliates (collectively referred to as “EOS”) and for one (1) year immediately thereafter, I will not (whether as owner, partner, associate, agent, consultant, employee, independent contractor, member, stockholder, officer or otherwise of another or on my own account):

(a) Divert, solicit, interfere with, misappropriate, take away or attempt to divert or take away any of your Clients or any of the Clients of any other Implementer, with the exception of providing any services not related to EOS or making use of the EOS Marks or information for any Pre-Existing EOS Clients; or

(b) Divert, solicit, interfere with, misappropriate, take away, or attempt to divert or take away any current franchisees from leaving the EOS Franchise Systems;

(c) Perform or contribute to any other act injurious or prejudicial to the goodwill associated with EOS or its trademarks, trade names or other intellectual property.

In addition to the above, I agree to at all times during and after this Agreement, treat as confidential all manuals and materials designated for use by EOS with the EOS business (including without limitation the Operations Manual), and such other information as EOS or the Franchisee may designate from time to time for confidential use with the EOS business (as well as all trade secrets and confidential information, knowledge and know-how concerning the operation of the Franchise that may be imparted to, or acquired by, me from time to time in connection with my relationship with EOS and the Franchisee), and shall use all reasonable efforts to keep such information confidential. I acknowledge that the unauthorized use or disclosure of such confidential information (and trade secrets, if any) will cause incalculable and irreparable injury to EOS and the Franchisee. I accordingly agree that I shall not, at any time, without EOS and the Franchisee’s prior written consent, disclose, use or permit the use (except as may be required by applicable law or authorized by this Agreement) of such information, in whole or part, or otherwise make the same available to any unauthorized person or source. Any and all information, knowledge and know-how not generally known about EOS’s Standards and such other information or material as EOS or the Franchisee may designate as confidential, shall be deemed confidential for purposes of this Agreement.

Because of my significant responsibilities and access to proprietary information of EOS and the Franchisee, I acknowledge that each of my obligations in this Agreement are reasonable and necessary to protect the Franchisee’s, EOS and its franchisees’ legitimate business interests. I understand that breaking any of my promises or obligations will irreparably and continually damage Franchisee, and EOS franchisees for which money damages may not be adequate.

Consequently, if I violate any of my promises in this Agreement, or EOS and/or Franchisee has reason to believe that I am about to violate this Agreement, without limitation to other available remedies, EOS and Franchisee will be entitled to both: (1) a preliminary or permanent injunction to prevent the continuing harm to EOS (and/or any of its franchisees) and/or Franchisee, and (2) money damages insofar as they can be determined. An injunction ordering me to stop any activities that may violate this Agreement will not prevent me from earning a living. I will pay EOS and/or Franchisee its costs and expenses resulting from any enforcement of this Agreement resulting from my violation of the terms hereof, including reasonable attorney fees.

If any court determines that any of the covenants set forth in this Agreement, or any part thereof, is unenforceable because of the duration or geographic scope of such provision, such court shall have the power to reduce the duration or scope of such provision, as the case may be, and, in its reduced form, such provision shall then be enforceable. This Agreement shall be enforced and governed by and under the substantive law of the State of Delaware, without regard to choice of law rules, unless otherwise provided herein.

This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one (1) and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

Name: _____, Individually
Title:

Date

AGREED AND ACKNOWLEDGED:

EOS Worldwide Franchising, LLC

Name: Kelly Knight
Title: President

Exhibit D

CREDIT CARD AUTHORIZATION FORM

Franchisee Name: _____

Credit Card Holder's Name: _____

Cardholder's Billing Address: _____

Please charge my: Visa Card/ Mastercard/ Discover Card/ American Express Card

Card Number: _____

Expiration: ____/____

CID: _____

Effective as of the date of the signature below, _____ hereby authorizes EOS Worldwide Franchising, LLC (the "Company") or its designee to charge withdraw funds from the above-referenced credit card to make the following payments to the Company under the Franchise Agreement for the Franchised Business located at: _____:

(i) Monthly Membership Fee; (ii) Brand Fund Fee; (iii) Technology Fee; and any other fees that become due and owing to the Company under the Franchise Agreement, including amounts due for inventory, equipment, supplies or other items purchased from the Company or the Company's affiliates.

Signature of Cardholder: _____

Date: _____

Exhibit E
Electronic Funds Transfer (EFT) Authorization

Franchisee Information:

Franchisee Name	
-----------------	--

Franchisee Mailing Address (street)

Franchise Phone No.

Franchisee Mailing Address (city, state, zip)

Contact Name, Address and Phone number (if different than above)

Bank Account Information:

Bank Name

Bank Account No.

Bank Mailing Address (street)

Bank Routing No.

[:]:

(9 characters)

Bank Mailing Address (city, state, zip)

Bank Phone No.

Payee Information

EOS Worldwide Franchising, LLC

Authorization:

The Franchisee hereby authorizes the Bank to honor and charge the Bank Account for electronic funds transfers or drafts drawn on the Bank Account and payable to the Payee. The amount of such charge shall be set forth in a notice from the Payee presented to the Bank on the fifth day of each month which shall be debited no later than the tenth day of each month. The Franchisee agrees to execute such additional documents as may be reasonably requested by the Payee or the Bank to evidence the interest of this EFT Authorization. This authority shall remain in full force and effect until the Payee has received written notification from the Franchisee in such time and manner as to afford the Payee and the Bank to act on such notice. The Franchisee understands that the termination of this authorization does not relieve the Franchisee of its obligations to make payments to the Payee.

Signature:

Date:

INDEMNIFICATION OF BANK

In consideration of the Bank's compliance with the foregoing request and authorization, the Payee agrees with respect to any action by the Bank in compliance with the foregoing request and authorization to indemnify the Bank and hold the Bank harmless for, from and against any loss the Bank may suffer as a consequence of the Bank's actions from or in connection with the execution and issuance of any electronic fund transfer or draft, whether or not genuine, purporting to be executed by the Payee and received by the Bank in the regular course of business for the purpose of payment, except to the extent such loss caused by the negligence or willful misconduct of the Bank.

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK ACCOUNT.

Exhibit F-1

**EOS WORLDWIDE FRANCHISING, LLC
BASE CAMP IMPLEMENTER ADDENDUM TO FRANCHISE AGREEMENT**

THIS ADDENDUM (“Addendum”) dated this ____ day of 2021, hereby amends and modifies the EOS Worldwide Franchising Agreement dated _____, 2021 (the “Franchise Agreement”), by and between EOS Worldwide Franchising, LLC, a Delaware limited liability company (“Franchisor”, “we”, “us”, or “our”), and the Base Camp Implementer set forth on the signature page hereto (“Franchisee”, “you” or “your”). Franchisor and Franchisee are also referred to herein as a “Party” and collectively, the “Parties.” Terms not defined herein shall have the meaning set forth in the Franchise Agreement.

Background

You entered into a membership agreement with our affiliate, EOS Worldwide, LLC (“EOSW”) under which you pay a monthly membership fee to license our Intellectual Property, Copyrights and Marks. You now desire to enter into the Franchise Agreement. In recognition of the pre-existing business relationship with EOSW and in exchange for the general release described in Section 3 below, we are agreeing to amend your Franchise Agreement as set forth herein.

Agreement

NOW, THEREFORE, the Parties, intending to be legally bound, hereby agree as follows:

1. **Amendment.**

a. Section 4.2 of the Franchise Agreement is hereby amended and restated as follows:

Monthly Membership Fees. You will, for the entire term of this Agreement commencing the month you execute this Agreement, remit to us the monthly membership fee as set forth on Schedule I in consideration of use of the Marks, Intellectual Property and System (the “Membership Fee”). Notwithstanding the foregoing, your monthly Membership Fee will be \$495 until such time that you commence Initial Training. The Membership Fee remitted to us will not be refundable under any circumstances. We reserve the right at any time to increase the Membership Fee set forth on Schedule I on thirty (30) days’ written notice to you, provided that we will not increase the Membership Fee more than once annually, and any incremental fee increase will not exceed \$200 per month (\$2,400 annually) in any calendar year. If you request, and we approve, your Franchised Business qualification as a different Tier, then you will commence paying the then current Membership Fee for your new Tier designation in the first full month after we approve your changed Tier designation.

b. Section 5.1(a) is hereby amended and restated in its entirety as follows:

You (or if you are an Operating Entity, your Implementer) must attend and satisfactorily complete Initial Training (“Initial Training”) within twelve (12) months of signing this Agreement. Any other references in the Franchise Agreement requiring you or your Implementer to complete Initial Training or Boot Camp within six (6) months is hereby

deleted and replaced with twelve (12) months. You may continue to provide Implementer Services to Clients prior to attending Initial Training.

2. **Use of Marks.** Notwithstanding anything set forth in Franchise Agreement to the contrary, including but not limited to, Section 9.4, if the current name of your legal entity contains our Mark, "Traction", then you will not be required to amend your Certificate of Organization, Certificate of Formation or Articles of Incorporation or Organization (or other state formation organizational charter or filings) to remove the "Traction" Mark until termination or expiration of the Franchise Agreement. Your use of the Mark "Traction" in your business legal name does not extend to any other public facing marketing, advertising or promotion.

3. **General Release by Franchisee.** Franchisee, on his, her or its own behalf and on behalf of all of his, her or its officers, managers, representatives, agents, legal entities, and attorneys (collectively, the "Franchisee Releasors"), hereby release, acquit and forever discharge Franchisor and EOSW all of their respective affiliates, predecessors, subsidiaries, and successors, and all of their respective present, future or former officers, directors, shareholders, owners, managers, members, partners, representatives, employees, agents, attorneys, and the respective affiliates of each of the foregoing (collectively the "Franchisor Released Parties"), from all obligations, claims, debts, demands, covenants, contracts, promises, agreements, liabilities, damages costs, attorneys' fees, actions or causes of action whatsoever, whether known or unknown, which any of Franchisee Releasors, by itself/himself/herself, on behalf of, or in conjunction with any other person, persons, partnership or corporation, has, had or claims to have against any Franchisor Released Parties, including those arising out of or related to (1) Franchisee's relationship with EOSW, (2) the membership agreement and any transactions entered into thereunder, (3) the operation of the Franchisee as an Implementer prior to the Effective Date and (4) any other franchise-related statute, law or regulation that is applicable to the Parties' relationship or any other claim arising from the interactions of the Parties prior to the execution of the Franchise Agreement. This release does not, however, include any claims that arise from a breach of the Franchise Agreement or this Addendum.

Franchisee Parties represent and warrant that none of them will initiate, assist or cooperate with any third party in connection with any action or other proceeding against any Franchisor Released Parties in connection with the claims released in this Section 3, unless compelled by law. Franchisee Parties hereby acknowledge that this release is intended to be a full and unconditional general release, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist except as otherwise provided in this Section.

In California the following provision shall apply: Franchisee Releasor hereby expressly waives, to the fullest extent permitted by law, the provisions and benefits of Section 1542 of the California Civil Code, which statute provides: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

4. **Remaining Provisions Unchanged.** Except as otherwise provided above, all of the terms and conditions of the Franchise Agreement shall continue in full force and effect, and the representations, warranties, and covenants contained in the Franchise Agreement shall be read to give effect to the rights that are granted under this Addendum. In the event of any conflict or ambiguity between the terms of this Addendum and the Franchise Agreement, the terms of this Addendum shall control.

5. **No Change.** This Addendum may not be changed orally but only in a writing signed by both parties. This Addendum and the Franchise Agreement represents the entire agreement and

understanding among the parties in relation to the subject matter of this Addendum. All other agreements, writings or oral representations are hereby deemed merged into the terms of this Addendum.

6. **Transferability.** This Addendum and the terms set forth herein are non-transferable.

7. **Counterparts.** This Addendum may be executed in multiple counterparts and delivered electronically and each counterpart shall be an original and all counterparts, together, shall constitute this Addendum.

8. **Governing Law.** This Addendum shall be governed by and construed in accordance with the laws of the State of Delaware.

[signature page follows]

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

Franchisor:
EOS WORLDWIDE FRANCHISING, LLC

By: _____
Name:
Title:

FRANCHISEE:

By: _____
Name:
Title:

Exhibit F-2

EOS WORLDWIDE FRANCHISING, LLC PROFESSIONAL IMPLEMENTER ADDENDUM TO FRANCHISE AGREEMENT

THIS ADDENDUM (“Addendum”) dated this ____ day of 2021, hereby amends and modifies the EOS Worldwide Franchising Agreement dated _____, 2021 (the “Franchise Agreement”), by and between EOS Worldwide Franchising, LLC, a Delaware limited liability company (“Franchisor”, “we”, “us”, or “our”), and the Certified or Professional Implementer set forth on the signature page hereto (“Franchisee”, “you” or “your”). Franchisor and Franchisee are also referred to herein as a “Party” and collectively, the “Parties.” Terms not defined herein shall have the meaning set forth in the Franchise Agreement.

Background

You entered into a membership agreement with our affiliate, EOS Worldwide, LLC (“EOSW”) under which you pay a monthly membership fee to license our Intellectual Property, Copyrights and Marks. In connection with your membership and operation as an EOS Certified or Professional Implementer, you attended Base Camp training and Boot Camp training. You now desire to enter into the Franchise Agreement. In recognition of the pre-existing business relationship with EOSW and in exchange for the general release described in Section 3 below, we are agreeing to amend your Franchise Agreement as set forth herein.

Agreement

NOW, THEREFORE, the Parties, intending to be legally bound, hereby agree as follows:

1. **Amendment.**

- a. Section 4.1 of the Franchise Agreement is hereby deleted.
- b. Section 5.1(a) of the Franchise Agreement is hereby deleted. Any references in the Franchise Agreement requiring you or your Implementer to complete Initial Training or Boot Camp prior to the commencement of operations is hereby deleted.
- c. Section 8.3 of the Franchise Agreement is hereby amended to include an additional subsection 8.3(c) stating:

We acknowledge and understand that certain Client Data may be used by you in the operation of your Franchise and in your non-competitive endeavors (“Multi-Use Client Data”). Notwithstanding anything set forth above, upon termination or expiration of this Agreement, you may retain a copy of the Multi-Use Client Data at your expense, if (1) permitted by applicable law, rule or regulation (including all applicable consumer privacy laws) and (2) the Client consents to such use and there are no legal or contractual restrictions on your ability to retain such Multi-Use Client Data and (3) any transfer is completed in accordance with any security and information protocols set forth in the Operations Manual. We disclaim any liability from your use of any Client Data after termination or expiration of this Agreement and there are no limits on our ability to use any Client Data, including Multi-Use Client Data. You acknowledge agree that this provision is at all times subject to your compliance with all post-termination or expiration obligations under this Agreement.

d. Section 9.1(f) of the Franchise Agreement shall be amended to include the following additional two subsections:

The List shall be comprised of those Clients of your EOS Franchise for whom you have or may provide EOS Implementation Services and include pre-existing clients, patrons, contacts, referral sources and leads prior to entering into this Agreement who were created or serviced in your role as an Implementer with the EOS Affiliate or who received Services or Products or attended Sessions ("Pre-Existing EOS Client(s)"). Notwithstanding anything set forth in Section 8 or Section 9 of this Agreement to the contrary, all Client Data of Pre-Existing EOS Clients shall be considered shared Client Data upon expiration or termination of this Agreement.

Notwithstanding the foregoing, you may continue to provide non-EOS services and products to Clients upon termination or expiration of this Agreement so long as you otherwise comply with your post-termination expiration or termination obligations, including but not limited to ceasing the use of our Marks. You shall promptly submit to us all Lists within three (3) days of expiration or termination of this Agreement. You may retain a copy of the List related to Multi-Use Client Data, provided, that (1) it is permitted by applicable law, rule or regulation (including all applicable consumer privacy laws), (2) the Clients and other parties on the list consent to such use, and (3) there are no legal or contractual restrictions on your ability to retain such information and (4) such transfer is completed in accordance with any security and information protocols set forth in the Operations Manual.

Notwithstanding anything set forth herein, we recognize that you may have pre-existing clients, patrons, contacts, referral sources and leads prior to entering into this Agreement affiliated with unrelated businesses who were not created in your role as an Implementer with the EOS Affiliate ("Pre-Existing Non-EOS Clients") and we do not claim any ownership interest in any lists of Pre-Existing Non-EOS Clients that are not serviced by your Franchise or provided EOS Services or Products.

2. **Use of Marks.** Notwithstanding anything set forth in Franchise Agreement to the contrary, including but not limited to, Section 9.4, if the current name of your legal entity contains our Mark, "Traction", then you will not be required to amend your Certificate of Organization, Certificate of Formation or Articles of Incorporation or Organization (or other state formation organizational charter or filings) to remove the "Traction" Mark until termination or expiration of the Franchise Agreement. Your use of the Mark "Traction" in your business legal name does not extend to any other public facing marketing, advertising or promotion.

3. **General Release by Franchisee.** Franchisee, on his, her or its own behalf and on behalf of all of his, her or its officers, managers, representatives, agents, legal entities, and attorneys (collectively, the "Franchisee Releasers"), hereby release, acquit and forever discharge Franchisor and EOSW all of their respective affiliates, predecessors, subsidiaries, and successors, and all of their respective present, future or former officers, directors, shareholders, owners, managers, members, partners, representatives, employees, agents, attorneys, and the respective affiliates of each of the foregoing (collectively the "Franchisor Released Parties"), from all obligations, claims, debts, demands, covenants, contracts, promises, agreements, liabilities, damages costs, attorneys' fees, actions or causes of action whatsoever, whether known or unknown, which any of Franchisee Releasers, by itself/himself/herself, on behalf of, or in conjunction with any other person, persons, partnership or corporation, has, had or claims to have against any Franchisor Released Parties, including those arising out of or related to (1) Franchisee's relationship with EOSW, (2) the membership agreement and any transactions entered into thereunder, (3) the operation

of the Franchisee as an Implementer prior to the Effective Date and (4) any other franchise-related statute, law or regulation that is applicable to the Parties' relationship or any other claim arising from the interactions of the Parties prior to the execution of the Franchise Agreement. This release does not, however, include any claims that arise from a breach of the Franchise Agreement or this Addendum.

Franchisee Parties represent and warrant that none of them will initiate, assist or cooperate with any third party in connection with any action or other proceeding against any Franchisor Released Parties in connection with the claims released in this Section 3, unless compelled by law. Franchisee Parties hereby acknowledge that this release is intended to be a full and unconditional general release, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist except as otherwise provided in this Section.

In California the following provision shall apply: Franchisee Releasor hereby expressly waives, to the fullest extent permitted by law, the provisions and benefits of Section 1542 of the California Civil Code, which statute provides: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

4. **Remaining Provisions Unchanged.** Except as otherwise provided above, all of the terms and conditions of the Franchise Agreement shall continue in full force and effect, and the representations, warranties, and covenants contained in the Franchise Agreement shall be read to give effect to the rights that are granted under this Addendum. In the event of any conflict or ambiguity between the terms of this Addendum and the Franchise Agreement, the terms of this Addendum shall control.

5. **No Change.** This Addendum may not be changed orally but only in a writing signed by both parties. This Addendum and the Franchise Agreement represents the entire agreement and understanding among the parties in relation to the subject matter of this Addendum. All other agreements, writings or oral representations are hereby deemed merged into the terms of this Addendum.

6. **Transferability.** This Addendum and the terms set forth herein are non-transferable.

7. **Counterparts.** This Addendum may be executed in multiple counterparts and delivered electronically and each counterpart shall be an original and all counterparts, together, shall constitute this Addendum.

8. **Governing Law.** This Addendum shall be governed by and construed in accordance with the laws of the State of Delaware.

[signature page follows]

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

Franchisor:
EOS WORLDWIDE FRANCHISING, LLC

By: _____
Name:
Title:

FRANCHISEE:

By: _____
Name:
Title:

EXHIBIT B
FINANCIAL STATEMENTS

EOS WORLDWIDE FRANCHISING, LLC
Financial Statement
February 1, 2021

EOS WORLDWIDE FRANCHISING, LLC

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Independent Auditor's Report

To the Member
EOS WORLDWIDE FRANCHISING, LLC
LIVONIA, MICHIGAN

We have audited the accompanying balance sheet of EOS WORLDWIDE FRANCHISING, LLC (a Delaware Corporation), as of February 1, 2021, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above present fairly, in all material respects, the financial position of EOS Worldwide Franchising, LLC as of February 1, 2021, in accordance with accounting principles generally accepted in the United States of America.

Somerset CPAs, PC

Indianapolis, Indiana
February 15, 2021

EOS WORLDWIDE FRANCHISING, LLC

Balance Sheet
February 1, 2021

Assets

Current Assets

Cash \$ 500,000

Total Assets \$ 500,000

Member's Equity

Member's Equity \$ 500,000

Total Member's Equity \$ 500,000

See accompanying notes.

EOS WORLDWIDE FRANCHISING, LLC
Notes to Financial Statement
February 1, 2021

Note 1 - Nature of Operations and Summary of Significant Accounting Policies:

Nature of Operations

EOS Worldwide Franchising, LLC (the "Company") was organized on January 11, 2021, under the laws of the State of Delaware as a corporation, and is a wholly-owned subsidiary of EOS HoldCo, LLC.

EOS Worldwide, LLC, an affiliate of the Company, combines timeless business principles with a set of simple, practical, real-world tools to help entrepreneurs get what they want from their businesses. They also offer comprehensive training and support to entrepreneurs and business coaches who want to implement the Entrepreneurial Operating System ("EOS") effectively with one or many businesses. EOS Worldwide, LLC is the owner of the trade name and service mark EOS and other trademarks and intellectual property the Company will use in connection with EOS franchises. EOS Worldwide, LLC will license to the Company the right to use EOS trademarks and intellectual property and to further sublicense them. The Company will sublicense to franchisees the right to use the EOS trademarks and intellectual property in connection with their franchises.

The Company's duration shall be in perpetuity, unless sooner dissolved in accordance with the operating agreement.

Basis of Accounting

The financial statement of the Company has been prepared on the accrual basis of accounting and, accordingly, reflects all significant cash and equity balances.

Revenue Recognition

The Company has no current source of revenue. Future revenues will be of amounts received and receivable for goods and services supplied to franchisees in the ordinary course of business.

Use of Estimates

The preparation of the financial statement in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, if any, at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the Consolidated Statement of Cash Flows, the Company considers all highly liquid instruments that are purchased within three months or less of an instrument's maturity date to be cash equivalents.

EOS WORLDWIDE FRANCHISING, LLC
Notes to Financial Statement
February 1, 2021

Note 2 – Related Party Transactions:

The Company's parent company voluntarily paid all of the organizational and other initial operating expenditures incurred by the Company from the Company's inception (January 11, 2021) through February 1, 2021. The Company's parent company is not seeking and does not intend to be reimbursed for the expenditures and, as a result, the amount due to the parent for repayment of the organizational and other initial operating expenditures is \$0 at February 1, 2021.

The Company is in discussions with EOS Worldwide, LLC to perform a corporate reorganization that would include a transfer of the user base of EOS Worldwide, LLC into the Company and the use of EOS Worldwide, LLC intellectual property for use in the Company.

The Company has granted a security interest in all assets of the Company to a note purchase agreement between EOS Worldwide, LLC and other third parties. The balance at February 1, 2021, is \$8,175,000. No amount due is reflected in the accompanying Balance Sheet.

Note 3 - Income Taxes

No provision has been made for federal and state income taxes since the proportionate share of the LLC's income or loss is included in the tax returns of the members.

Accounting principles generally accepted in the United States of America require the Company to examine its tax positions for uncertain positions. Management is not aware of any tax positions that are more likely than not to change in the next 12 months or that would not sustain an examination by applicable taxing authorities.

The Company's federal and state income tax returns for 2020 are subject to examination by the applicable tax authorities, generally for three years after the later of the original or extended due date.

Note 4 - Concentration of Credit Risk:

The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents. The Company places its cash and cash equivalents with one financial institution. At times, such amounts may be in excess of the FDIC insured limit. The Company has never experienced any losses related to these balances.

Note 5 - Subsequent Events:

The Company has performed an evaluation of subsequent events through February 15, 2021, which is the date the financial statement was available to be issued.

EXHIBIT C

State Administrators

<p><u>California</u> California Department of Financial Protection and Innovation 320 West 4th St., Suite 750 Los Angeles, CA 90013-2344 (213) 736-2741 Toll Free: 1-866-275-2677</p>	<p><u>Michigan</u> Consumer Protection Division Michigan Department of Attorney General 670 Law Building Lansing, MI 48913 (517) 373-7117</p>	<p><u>South Dakota</u> Department of Labor and Regulation Division of Securities 124 S Euclid, Suite 104 Pierre, SD 57501</p>
<p><u>Connecticut</u> Department of Banking, Securities Investment Division 260 Constitution Plaza Hartford, CT 06103</p>	<p><u>Minnesota</u> Minnesota Dept. of Commerce 85 7th Place East, Suite 500 St. Paul, MN 55101-3165 (651) 539-1500</p>	<p><u>Texas</u> Secretary of State Statutory Documents Section P.O. Box 12887 Austin, TX 78711-2887</p>
<p><u>Florida</u> Florida Department of Agriculture And Consumer Services P.O. Box 6700 Tallahassee, FL 32399-6700</p>	<p><u>New York</u> New York Department of Law, Investor Protection and Securities 120 Broadway, 23rd Floor New York, NY 10271 (212) 416-8211</p>	<p><u>Utah</u> Department of Commerce 160 East 300 South SM Box 146704 Salt Lake City, UT 84114-6704</p>
<p><u>Hawaii</u> Business Registration Div. Dept. of Commerce & Consumer Affairs 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722</p>	<p><u>Nebraska</u> Department of Banking and Finance 1230 "0" Street Suite 400 PD. Box 95006 Lincoln, NE 68509-5009</p>	<p><u>Virginia</u> State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street Richmond, Virginia 23219 (804) 371-9051</p>
<p><u>Illinois</u> Chief, Franchise Division Office of Attorney General 500 South Second Street Springfield, IL 62707 (217) 782-4465</p>	<p><u>North Dakota</u> North Dakota Securities Department 600 East Boulevard Avenue 5th Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712</p>	<p><u>Washington</u> Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760</p>
<p><u>Indiana</u> Deputy Commissioner, Franchise Division Indiana Securities Commission Secretary of State 302 W. Washington St, Room E-111 Indianapolis, IN 46204 (317) 232-6681</p>	<p><u>Oregon</u> Department of Insurance & Finance Corporate Securities and Franchise Corporate Securities Section Labor and Industries Building Salem, OR 97310 (503) 378-4387</p>	<p><u>Wisconsin</u> Securities and Franchise Registration Wisconsin Securities Commission P.O. Box 1768 Madison, WI 53701 (608) 266-8559</p>
<p><u>Maryland</u> Office of the Attorney General, Securities Division, 200 St. Paul Place, Baltimore, MD 21202-2020 (410) 576-6360</p>	<p><u>Rhode Island</u> Chief Securities Examiner Department of Business Regulation Securities Division Franchise Section 233 Richmond Street, Suite 232 Providence, RI 02903-4232 (401) 277-3048</p>	

EXHIBIT D

State Agents for Service of Process

<p>CALIFORNIA California Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500</p>	<p>MARYLAND Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360</p>	<p>RHODE ISLAND Director of Depart. of Business Regulation Suite 232 233 Richmond Street Providence, Rhode Island 02903-4232 (401) 277-3048</p>
<p>CONNECTICUT Connecticut Department of Banking, Securities and Business Investments Division 260 Constitution Plaza Hartford, CT 06103</p>	<p>MICHIGAN Dept. of Commerce, Corp'ns & Securities Bur. 6546 Mercantile Way P.O. Box 30222 Lansing, Michigan 48910 (517) 373-7117</p>	<p>SOUTH DAKOTA Department of Labor and Regulation Division of Securities 124 S Euclid, Suite 104 Pierre, SD 57501</p>
<p>HAWAII Comm'r Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722</p>	<p>MINNESOTA Commissioner of Commerce 85 7th Place East, Suite 500 St. Paul, Minnesota 55101 (651) 539-1500</p>	<p>VIRGINIA Clerk of the State Corporation Commission 1300 East Main Street Richmond, Virginia 23219 (804) 371-9733</p>
<p>ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465</p>	<p>NEW YORK New York State Department of State Division of Corporations Second Floor 41 State Street Albany, New York 12231</p>	<p>WASHINGTON Director of Depart. of Financial Institutions General Administration Building -Securities Division – 3¹⁴ Floor 150 Israel Road, S. W. Tumwater, Washington 98501 (360) 902-8760</p>
<p>INDIANA Indiana Secretary of State 201 State House Indianapolis, Indiana 46204 (317) 232-6681</p>	<p>NORTH DAKOTA North Dakota Securities Commissioner 600 Boulevard Avenue, State Capital Fifth Floor Bismarck, ND 58505-0510 (701)328-4712</p>	<p>WISCONSIN Commissioner of Securities 345 West Washington Avenue Fourth Floor Madison, Wisconsin 53703 (608) 261-9555</p>

EXHIBIT E

STATE ADDENDA

ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE CALIFORNIA FRANCHISE INVESTMENT LAW

1. The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the Franchise Disclosure Document.
2. California Business and Professions Code 20000 through 20043 provides rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
3. Item 3 of the Disclosure Document is amended to provide that:

“neither the franchisor, nor any person 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. § 78(a) et seq., suspending or expelling such persons from membership in that association or exchange.”
4. 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.).
5. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.
6. The Franchise Agreement requires binding arbitration. The arbitration will occur in Michigan with the costs of the arbitrators’ fees and the fees payable to the American Arbitration Association being borne jointly by you and us but you must pay your own legal fees, legal expenses, transportation, and travel accommodations.
7. Prospective franchisees are encourage 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.
8. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.
9. You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).

10. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION THE AT www.dbo.ca.gov.
11. 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.
12. The highest rate of interest allowed in California is ten percent (10%) per annum.
13. The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements as per se violations of the Cartwright Act.

**ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE CONNECTICUT
BUSINESS OPPORTUNITY INVESTMENT ACT**

DISCLOSURES REQUIREMENT BY CONNECTICUT LAW

The State of Connecticut does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

Notwithstanding anything to the contrary in the disclosure document, the following provisions shall supersede and apply to all franchises offered and sold in the State of Connecticut:

1. If the seller fails to deliver the products or supplies or fails to render the services necessary to begin substantial operation of the business within forty-five days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled.

2. Item 2 of the Disclosure Document is amended to provide that each seller's current address is the address of EOS Worldwide Franchising, LLC which is 37637 Five Mile Rd., #323, Livonia, MI 48154.

**ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE HAWAII
FRANCHISE INVESTMENT LAW**

1. THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.
2. THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST FOURTEEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST FOURTEEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.
3. THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.
4. Registered agent in the state authorized to receive service of process:

Commissioner of Securities
Department of Commerce & Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii, 96813
(808) 586-2722

5. Item 3 of the Disclosure Document is amended to provide that:

“neither the franchisor, nor any person in Item 2 of the Disclosure Document, has within the last 10 years, been 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. § 78(a) et seq., suspending or expelling such persons from membership in that association or exchange or is subject to any currently effective order or ruling of the Federal Trade Commission or is subject to any currently effective order relating to business activity as a result of an action brought by any public agency or department.”

**ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE ILLINOIS
FRANCHISE DISCLOSURE ACT**

Notwithstanding anything to the contrary in the Disclosure Document, the following provisions shall supersede and apply to all franchises offered and sold in the State of Illinois:

1. Illinois law governs the Franchise Agreement.
2. 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.
3. Your rights upon termination and non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.
4. In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

**ILLINOIS AMENDMENT
TO FRANCHISE AGREEMENT**

Company and Franchisee hereby agree that the Franchise Agreement dated _____, 20__, will be amended as follows:

1. Illinois law governs the Franchise Agreement.
2. 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.
3. Your rights upon termination and non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.
4. In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

IN WITNESS WHEREOF, Company and Franchisee have duly executed and delivered this Amendment as of the date set forth above.

COMPANY:

Franchisee:

EOS Worldwide Franchising, LLC

By: _____

By: _____

Its: _____
(title)

Its: _____
(title)

**ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE INDIANA
FRANCHISE DECEPTIVE FRANCHISE PRACTICES ACT**

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

1. The laws of the State of Indiana supersede any provisions of the Franchise Agreement, the other agreements or Delaware law if such provision are in conflict with Indiana law.
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 material breach of the Franchise Agreement, shall supersede the provisions of Section 17 of the Franchise Agreement in the State of Indiana to the extent they may be inconsistent with such prohibition.
3. Item 12 and Section 3.1 of the Franchise Agreement are subject to Indiana Code § 23-2-2.7-1(2) and § 23-2-2.7-2(4) which prohibit us from competing unfairly with you within a reasonable area.
4. No release language set forth in the Disclosure Document or Franchise Agreement, including but not limited to Item 17 or Section thereof, respectively, shall relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana.
5. Section 20 of the Franchise Agreement is amended to provide that such agreement will be construed in accordance with the laws of the State of Indiana.
6. Any provision in the Franchise Agreement which designates jurisdiction or venue, or requires you to agree to jurisdiction or venue, in a forum outside of Indiana, is deleted from any Franchise Agreement issued in the State of Indiana.

INDIANA AMENDMENT TO FRANCHISE AGREEMENT

Company and Franchisee hereby agree that the Franchise Agreement dated ____ , 20__, will be amended as follows:

1. The laws of the State of Indiana supersede any provision of the Franchise Agreement or Delaware Law if such provisions are in conflict with Indiana law. The Franchise Agreement will be governed by Indiana law.
2. The following language is added to the General Release on Exhibit A to the Franchise Agreement:

“, except that the general release provisions shall not apply to any liability under the Indiana Deceptive Franchise Practices Law.”

3. Choice of forum for litigation will not be limited to the State of Delaware.

COMPANY:

Franchisee:

EOS Worldwide Franchising, LLC

By: _____

By: _____

Its: _____
(title)

Its: _____
(title)

**ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE MARYLAND
FRANCHISE REGISTRATION AND DISCLOSURE LAW**

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

The following sentence is added to the end of the “Summary” section of Item 17(c) and Item 17(m):

“However, any general release required as a condition for our approval of a transfer, renewal, or assignment of your Franchise Agreement will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.”

1. Item 17(v) is supplemented with the following: “A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.”
2. Item 17 is amended by adding the following at the end of the section: “Despite any provision in the Franchise Agreement to the contrary, any claim arising under the Maryland Franchise Registration and Disclosure Law must be commenced within 3 years from the grant of the franchise.”

**MARYLAND AMENDMENT
TO FRANCHISE AGREEMENT**

Company and Franchisee hereby agree that the Franchise Agreement dated ____ , 20__, will be amended as follows:

1. The following language is added to the General Release attached as Exhibit A to the Franchise Agreement:

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

2. The following language is added to Section 20 of the Franchise Agreement:

“Franchisee may bring a lawsuit in Maryland for claims arising out of the Maryland Franchise Registration and Disclosure Law. All claims arising under the Maryland Franchise Registration and Disclosure Law (Md. Code Bus. Reg., Sections 14-201 through 14-233) shall be commenced within three (3) years after the grant of the franchise.”

3. The following language is added to Section 21 of the Franchise Agreement:

“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.”

IN WITNESS WHEREOF, Company and Franchisee have duly executed and delivered this Amendment as of the date set forth above.

COMPANY:

Franchisee:

EOS Worldwide Franchising, LLC

By: _____

By: _____

Its: _____
(title)

Its: _____
(title)

ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE MICHIGAN FRANCHISE INVESTMENT LAW

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

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

1. A prohibition on your right to join an association of franchisees.
2. A requirement that you assent to a release, assignment, novation, waiver or estoppel which deprives you of rights and protections provided in this Act. This shall not preclude you, after entering into a license agreement, from settling any and all claims.
3. A provision that permits us to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include your failure to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
4. A provision that permits us 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 license of your inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to us and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applied only if (i) the term of the franchise is less than 5 years and (ii) you are prohibited by the license or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising of other commercial symbol in the same area subsequent to the expiration of the franchise or you do not receive at least 6 months advance notice of our intent not to renew the franchise.
5. A provision that permits us 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.
6. A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude you from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
7. A provision which permits us to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent us from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

- a. The failure of the proposed transferee to meet our then current reasonable qualifications or standards.
 - b. The fact that the proposed transferee is a competitor of us or sub-franchisor.
 - c. The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - d. The failure of you or the proposed transferee to pay any sums we are owed or to cure any default in the license agreement existing at the time of the proposed transfer.
8. A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants us 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 you have breached the lawful provisions of the license agreement and has failed to cure the breach in the manner provided in subdivision (c).
9. A provision which permits us to directly or indirectly convey, assign, or otherwise transfer our obligations to fulfill contractual obligations to you unless provisions has been made for providing the required contractual service.

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

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO THE OFFICE OF THE ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, ATTN: FRANCHISE DEPARTMENT, 525 W. OTTAWA STREET, 670 G. MENNAN WILLIAMS BLDG., LANSING, MICHIGAN 48933 (517) 272-7117.

ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE MINNESOTA FRANCHISE INVESTMENT LAW

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

1. The following language is added to Item 13 of the Disclosure Document:

“Minnesota considers it unfair to not protect the franchisee’s right to use the trademarks. As such, the Minnesota Department of Commerce requires the Franchisor to indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the Franchisee’s use of the tradename infringes trademark rights of the third party. Franchisor indemnifies Franchisee against the consequences of Franchisee’s use of the tradename in accordance with the requirements of the license, and, as a condition to indemnification, Franchisee must provide notice to Franchisor of any such claims within ten (10) days and tender the defense of the claim to Franchisor. If Franchisor accepts the tender of defense, Franchisor has the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.”

2. Item 17 of the Disclosure Document:

“With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require (except in certain specified cases) (1) that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non- renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

“Pursuant to Minnesota Statutes, Section 80C.21 and Minn. Rule Part 2860-4400J, this Section shall not in any way abrogate or reduce (1) any of the franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

“Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes.

“The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief and a court will determine if a bond is required. See Minn. Rules 2860.4400J.

“You may not bring any action under Chapter 80C of the Minnesota Statutes more than three years after the cause of action accrues.”

3. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

MINNESOTA AMENDMENT TO FRANCHISE AGREEMENT

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

Company and Franchisee hereby agree that the Franchise Agreement dated _____, 20_, will be amended as follows:

1. Section 9 of the Franchise Agreement is amended to add the following language:

“The Minnesota Department of Commerce requires Company to indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the Franchisee’s use of the tradename infringes trademark rights of the third party. Company will protect the Franchisee’s right granted hereby to use the Marks or will indemnify the Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Marks. Specifically, Company indemnifies Franchisee against the consequences of Franchisee’s use of the tradename in accordance with the requirements of the license, and, as a condition to indemnification, Franchisee must provide notice to Company of any such claims within ten (10) days and tender the defense of the claim to Company. If Company accepts the tender of defense, Company has the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.”

2. Section 2.3 of the Franchise Agreement is amended to add the following:

“With respect to franchises governed by Minnesota law, Company will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a Franchisee be given 180 days’ notice for non-renewal of the Franchise Agreement.”

3. Section 2.3(g) of the Franchise Agreement is hereby deleted and replaced with the following:

“signing a general release, in the form prescribed by the Company and hereto attached as Exhibit A, releasing Company and Affiliate and their subsidiaries (if any) and their respective officers, directors, employees, attorneys, contractors, agents, and representatives from any claim that Franchisee may have against them prior to the expiration of the initial term of this Agreement; provided, however, any release shall not release Company of any liability imposed by Minnesota Statutes 1973 Supplement, Sections 80C.01 to 80C.22 (the “General Release”).”

4. Section 15 of the Franchise Agreement is amended to add the following:

“With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require (except in certain specified cases) that Company’s consent to the transfer of the franchise not to be unreasonably withheld.”
5. Section 15.5(f) of the Franchise Agreement is hereby deleted and replaced with the following:

The Franchisee and its owners sign and deliver to Company general releases, in form and substance prescribed by Company, releasing Company and Affiliate and their respective officers, directors, employees, agents and representatives from any known or unknown claim, except for the payment of uncollected amounts due Franchisee for Services prior to the effective date of transfer; provided, however, any release shall not release Company of any liability imposed by Minnesota Statutes 1973 Supplement, Sections 80C.01 to 80C.22.
6. Section 14 of the Franchise Agreement is amended to add the following:

“With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a Franchisee be given 90 days’ notice of termination (with 60 days to cure).”
7. Section 20 of the Franchise Agreement is amended as follows:

“Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit Company from requiring litigation to be conducted outside Minnesota. Nothing contained herein shall limit Franchisee’s right to submit matters to the jurisdiction of the courts of Minnesota to the full extent required by Minn. Rule 2860.4400J. In addition, nothing in the disclosure document or this Agreement can abrogate or reduce (1) any of Franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C or (2) Franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.”
8. Section 9.2 is amended to read as follows:

“Company may seek injunctive relief, without bond if determined by the court of competent jurisdiction that a bond is not required, against Franchisee restraining the unauthorized use of any Mark or Copyrighted Materials, or the unauthorized use or disclosure of Company’s confidential information.”

9. Section 20.6 is hereby deleted in its entirety and replaced with the following:

“Nothing contained in this Agreement shall prevent Company from seeking from any court having competent jurisdiction, a writ of attachment, injunctive relief, including without limitation a temporary injunction or preliminary injunction, and/or other emergency relief available to safeguard and protect Company’s interests. Company is entitled to seek this relief without the posting of any bond or security if determined by the court of competent jurisdiction that a bond is not required.”

10. Section 20.11 of the Franchise Agreement is hereby amended by adding the following at the end of the Section: “; provided, however, any action under Chapter 80C of the Minnesota Statutes must be submitted within three years after the cause of action accrues.”

11. Section 20.12 of the Franchise Agreement is hereby deleted in its entirety and replaced with “[**Intentionally omitted.**]”

12. Exhibit A to the Franchise Agreement shall be amended with the addition of the following language: “Notwithstanding anything in this Agreement to the contrary, any release shall not release EOS of any liability imposed by Minnesota Statutes 1973 Supplement, Sections 80C.01 to 80C.22.”

IN WITNESS WHEREOF, Company and Franchisee have duly executed and delivered this Amendment as of the date set forth above.

COMPANY:

Franchisee:

EOS Worldwide Franchising, LLC

By: _____

By: _____

Its: _____
(title)

Its: _____
(title)

ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE NEW YORK FRANCHISE LAW

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

1. Item 3 “Litigation” is amended by adding the following:

Neither we nor any predecessor, any person identified in Item 2, or any affiliate offering franchises under our principal trademark:

- A. 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. Has any 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. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-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. 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.

2. Item 4 “Bankruptcy” is amended by adding the following:

Neither we nor any of our affiliates, predecessors, officers, or general partner during the 10-year period immediately before the date of this Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

3. Item 17 “Termination” Section (d) is amended by adding the following at the end of the Summary section:

“You may terminate the Franchise Agreement on any grounds available by law.”

4. Item 17 “Assignment of Contract by Us” Section (j) is amended by adding the following at the end of the Summary section:

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

5. Item 17 “Choice of Law” Section (w) is amended by adding the following at the end of the Summary section:

“The Delaware 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”

**NEW YORK AMENDMENT
TO FRANCHISE AGREEMENT**

Company and Franchisee hereby agree that the Franchise Agreement dated _____, 20____, will be amended as follows:

Section 17.6 of the Franchise Agreement is amended by adding a subsection (g) stating:

“Franchisee may terminate this Agreement upon any grounds available at law.”

The following is added to Section 20.1 of the Franchise Agreement:

“This section shall not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the New York State General Business Law and the regulations issued thereunder.”

IN WITNESS WHEREOF, Franchisor and Franchisee have duly executed and delivered this Amendment as of the date set forth above.

COMPANY:

Franchisee:

EOS Worldwide Franchising, LLC

By: _____

By: _____

Its: _____

(title)

Its: _____

(title)

**ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE NORTH DAKOTA
FRANCHISE LAW**

Notwithstanding anything to the contrary in the Disclosure Document, the following provisions shall supersede and apply to all franchises offered and sold in the State of North Dakota:

1. Item 17(v) is deleted and is replaced by the following:

(v) Choice of Forum	Section 20.1	North Dakota
---------------------	--------------	--------------

2. Item 17(w) is amended by adding the following sentence in the Summary Section:

“The laws of the state of North Dakota supersede any provisions of the Franchise Agreement, the other agreements or Delaware law if such provisions are in conflict with North Dakota law.”

3. North Dakota has determined that requiring a franchisee to sign a general release upon renewal of the franchise agreement is unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, all references to the Franchisee signing a general release upon renewal of the Franchise Agreement are deleted.
4. Summary column (r) in Item 17 of the Disclosure Document and Section 16.6(a) of the Franchise Agreement prohibit you from soliciting any of your Client or the Clients of any other EOS Franchisee to a competitive business for 1 year after termination or expiration of the Franchise Agreement. Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota. The Commissioner has held that covenants restricting competition are contrary to Section 9-08-06 of the North Dakota Century Code, and are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

**NORTH DAKOTA AMENDMENT
TO FRANCHISE AGREEMENT**

Company and Franchisee hereby agree that the Franchise Agreement dated _____, 20____, will be amended as follows:

1. Section 16.6(a) of the Franchise Agreement is amended to add the following:

“Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.”
2. Any provision in the Franchise Agreement which requires the Franchisee to sign a general release upon renewal of the Franchise Agreement is hereby deleted from any Franchise Agreement issued in the State of North Dakota.
3. The laws of the State of North Dakota supersede any provisions of the Franchise Agreement, the other agreements or Delaware law if such provisions are in conflict with North Dakota law. 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 deleted from any Franchise Agreement issued in the State of North Dakota.

IN WITNESS WHEREOF, Company and Franchisee have duly executed and delivered this Amendment as of the date set forth above.

COMPANY:

Franchisee:

EOS Worldwide Franchising, LLC

By: _____

By: _____

Its: _____
(title)

Its: _____
(title)

**OHIO AMENDMENT
TO FRANCHISE AGREEMENT**

Ohio Notice of Cancellation

(FOR OHIO FRANCHISEES ONLY)

_____ (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 twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to 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, or send a telegram, to EOS Worldwide Franchising, LLC, at 37637 Five Mile Rd., #323, Livonia, MI 48154, not later than midnight of (enter date).

I hereby cancel this transaction.

(Date) (Purchaser's signature)

**ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE RHODE ISLAND
FRANCHISE DISCLOSURE ACT**

1. Item 17(v) Summary section is amended to read:

“We must litigate in the state and judicial district where we maintain our principal place of business except that to the extent required by applicable law, you may bring an action in Rhode Island for claims arising under the Rhode Island Franchise Investment Act.”

**RHODE ISLAND AMENDMENT
TO FRANCHISE AGREEMENT**

Company and Franchisee hereby agree that the Franchise Agreement dated _____, 20____, will be amended as follows:

1. The laws of the State of Rhode Island supersede any provisions of the Franchise Agreement, the other agreements or Delaware law if such provisions are in conflict with law.
2. 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 Rhode Island, is deleted from any Franchise Agreement issued in the State of Rhode Island.

IN WITNESS WHEREOF, Company and Franchisee have duly executed and delivered this Amendment as of the date set forth above.

COMPANY:

Franchisee:

EOS Worldwide Franchising, LLC

By: _____

By: _____

Its: _____
(title)

Its: _____
(title)

ADDENDUM TO THE DISCLOSURE DOCUMENT UNDER THE WASHINGTON FRANCHISE INVESTMENT LAW

Notwithstanding anything to the contrary in the disclosure document, the following provisions shall supersede and apply to all franchises offered and sold in the State of Washington.

1. If any of the provisions in the disclosure document or Franchise Agreement are inconsistent with the provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act (the “Act”), the provisions of the Act will prevail over the inconsistent provisions of the disclosure document and Franchise Agreement with regard to any franchises sold in Washington.
2. Item 17 is amended to add the following:

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

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

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

“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.

“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.

“A provision in the Franchise Agreement which terminates the franchise upon bankruptcy of the franchise may not be enforceable under Title 11, United States Code Section 101.”

WASHINGTON AMENDMENT TO FRANCHISE AGREEMENT

Company and Franchisee hereby agree that the Franchise Agreement dated _____, 20____, will be amended as follows:

1. The State of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement in Franchisee's relationship with the Company, 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 Franchisor including the areas of termination and renewal of your franchise.
2. In the event of a conflict of law, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.
3. 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.
4. Transfer fees are collectable to the extent that they reflect Company's reasonable estimated or actual costs in effecting a transfer.
5. 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, 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.
6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of 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 Franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the Franchise Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.
7. RCW 49.62.060 prohibits Company from restricting, restraining, or prohibiting Franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the Franchise Agreement or elsewhere are void and unenforceable in Washington.

8. The undersigned hereby acknowledges receipt of this amendment.

IN WITNESS WHEREOF, Company and Franchisee have duly executed and delivered this Amendment as of the date set forth above.

COMPANY:

Franchisee:

EOS Worldwide Franchising, LLC

By: _____

By: _____

Its: _____
(title)

Its: _____
(title)

EXHIBIT F

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None.

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FRANCHISEES WHO HAVE LEFT THE SYSTEM

None.

EXHIBIT I

FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT

As you know, EOS Worldwide Franchising, LLC (the “Franchisor”) and you are preparing to enter into a Franchise Agreement (the “Franchise Agreement”) for the establishment and operation of an EOS Worldwide franchised Business (the “Franchised Business”). The purpose of this Questionnaire is to determine whether any statements or promises were made to you by employees or authorized representatives of the Franchisor, or by employees or authorized representatives of a broker acting on behalf of the Franchisor (“Broker”) that have not been authorized, or that were not disclosed in the Disclosure Document or that may be untrue, inaccurate or misleading. Franchisor, through the use of this document, desires to ascertain that (a) the undersigned, individually and as a representative of any legal entity established to acquire the franchise rights, fully understands and comprehends that the purchase of a franchise is a business decision, complete with its associated risks; and (b) you are not relying upon any oral statement, representations, promises or assurances during the negotiations for the purchase of the franchise which have not been authorized by Franchisor.

In the event that you are intending to purchase an existing Franchised Business from an existing Franchisee, you may have received information from the transferring Franchisee, who is not an employee or representative of the Franchisor. The questions below do not apply to any communications that you had with the transferring Franchisee. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

1. Are you seeking to enter into the Franchise Agreement in connection with a purchase or transfer of an existing Franchised Business from an existing Franchisee?

Yes _____ No _____

2. I had my first face-to-face meeting with a Franchisor representative on _____, 20____.

3. Have you received and personally reviewed the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes _____ No _____

4. Do you understand all of the information contained in the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes _____ No _____

If no, what parts of the Franchise Agreement, any Addendum, and/or related agreement do you not understand? (Attach additional pages, if necessary.)

5. Have you received and personally reviewed the Franchisor's Disclosure Document that was provided to you?

Yes _____ No _____

6. Did you sign a receipt for the Disclosure Document indicating the date you received it?

Yes _____ No _____

7. Do you understand all of the information contained in the Disclosure Document and any state-specific Addendum to the Disclosure Document?

Yes _____ No _____

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

8. Have you discussed the benefits and risks of establishing and operating a Franchised Business with an attorney, accountant, or other professional advisor?

Yes _____ No _____

If No, do you wish to have more time to do so?

Yes _____ No _____

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

Yes_____ No_____

10. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the actual or potential revenues, profits or operating costs of any particular Franchised Business operated by the Franchisor or its franchisees (or of any group of such businesses), that is contrary to or different from the information contained in the Disclosure Document?

Yes_____ No_____

11. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise regarding the amount of money you may earn in operating the franchised business that is contrary, different from or in addition to the information contained in the Disclosure Document?

Yes_____ No_____

12. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the total amount of revenue the Franchised Business will generate, that is contrary, different from or in addition to the information contained in the Disclosure Document?

Yes_____ No_____

13. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise regarding the costs you may incur in operating the Franchised Business that is contrary, different from or in addition to the information contained in the Disclosure Document?

Yes_____ No_____

14. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchised Business?

Yes_____ No_____

15. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that the Franchisor will furnish to you that is contrary to, or different from, the information contained in the Disclosure Document or Franchise Agreement?

Yes_____ No_____

16. Have you entered into any binding agreement with the Franchisor concerning the purchase of this Franchised Business prior to today?

Yes_____ No_____

17. Have you paid any money to the Franchisor concerning the purchase of this Franchised Business prior to today?

Yes _____ No _____

18. Have you spoken to any other franchisee(s) of this system before deciding to purchase this Franchised Business? If so, who?

If you have answered No to question 9, or Yes to any one of questions 10-17, please provide a full explanation of each answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered Yes to question 9, and No to each of questions 10-17, please leave the following lines blank.

I signed the Franchise Agreement and Addendum (if any) on _____, 20____, and acknowledge that no Agreement or Addendum is effective until signed and dated by the Franchisor.

Please understand that your responses to these questions are important to us and that we will rely on them. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions. In addition, by signing this Questionnaire, you also acknowledge that:

A. You recognize and understand that business risks, which exist in connection with the purchase of any business, make the success or failure of the Franchised Business subject to many variables, including among other things, your skills and abilities, the hours worked by you, competition, interest rates, the economy, inflation, franchise location, operation costs, lease terms and costs and the marketplace. You hereby acknowledge your awareness of and willingness to undertake these business risks.

B. You agree and state that the decision to enter into this business risk is in no manner predicated upon any oral representations, assurances, warranties, guarantees or promises made by Franchisor or any of its officers, employees or agents (including the Broker or any other broker) as to the likelihood of success of the Franchised Business. Except as contained in the Disclosure Document, you acknowledge that you have not received any information from the Franchisor or any of its officers, employees or agents (including the Broker or any other broker) concerning actual, projected or forecasted sales, profits or earnings. If you believe that you have received any information concerning actual, average, projected or forecasted sales, profits or earnings other than those contained in the Disclosure Document, please describe those in the space provided below or write "None".

C. You further acknowledge that the President of the United States of America has issued Executive Order 13224 (the “Executive Order”) prohibiting transactions with terrorists and terrorist organizations and that the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the “Anti-Terrorism Measures”). Franchisor therefore requires certain certifications that the parties with whom it deals are not directly involved in terrorism. For that reason, you hereby certify that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, is:

- (i) a person or entity listed in the Annex to the Executive Order;
 - (ii) a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism;
 - (iii) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism;
- or
- (iv) owned or controlled by terrorists or sponsors of terrorism.

D. You acknowledge that:

- (i) any statements regarding the potential or probable revenues, sales or profits of the Franchised Business are made solely in the Disclosure Document delivered to you prior to signing this Acknowledgment Statement;
- (ii) any statement regarding the potential or probable revenues, sales or profits of the business venture or statistical information regarding any existing EOS Worldwide Franchises that is not contained in our Disclosure Document is unauthorized, unwarranted and unreliable and should be reported to us immediately;
- (iii) any information you obtained from our EOS Worldwide franchisees relating to revenues, sales, profits or otherwise does not constitute information obtained from us and we do not warrant or guaranty the accuracy of any such information; and
- (iv) you have not received or relied on any representations about the EOS Worldwide Franchised Business made by us, or our officers, directors, employees or agents that are contrary to the statements made in our Disclosure Document or to the terms of this Agreement.

IN WITNESS WHEREOF, each of the undersigned has executed this Acknowledgement Statement effective as of the date of the Franchise Agreement.

Attest:

By: _____

Signature

Printed Name

Address

Attest:

By: _____

Signature

Printed Name

Address

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 Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

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

In all other states, the effective date of this Disclosure Document is the issuance date of February 16, 2021.

EXHIBIT K

RECEIPT
KEEP THIS COPY FOR YOUR RECORDS

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 EOS Worldwide Franchising, LLC offers you a franchise, it must provide this Disclosure Document to you fourteen (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 and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 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. Michigan requires that we give you this Disclosure Document at least ten (10) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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

The franchisor is EOS Worldwide Franchising, LLC located at 37637 Five Mile Rd., #323, Livonia, MI 48154. Its telephone number is (248) 278-8220. The franchise seller is _____.

Issue Date: February 16, 2021.

The Issue Date is not the Effective Date. See Page 4 of this Disclosure Document to determine if your state's Effective Date varies from the Issuance Date.

The EOS Worldwide Franchising, LLC authorizes the agents listed on Exhibit D to receive service of process in the respective states. I received a Disclosure Document dated February 16, 2021, that included the following Exhibits:

- | | |
|---|--|
| A. Franchise Agreement | G. List of Franchisees |
| B. Financial Statements | H. List of Former Franchisees |
| C. State Administrators | I. Franchise Disclosure Acknowledgment Statement |
| D. Agents for Service of Process | J. State Effective Date Page |
| E. State Addenda to FDD and Franchise Agreement | K. Receipt Pages |
| F. Operations Manual Table of Contents | |

Date Received

Prospective Franchisee Signature

Prospective Franchisee Printed Name

You may return the signed receipt either by signing, dating and mailing it to EOS Worldwide Franchising, LLC at 37637 Five Mile Rd., #323, Livonia, MI 48154, or by emailing a PDF copy of the signed and dated receipt to EOS Worldwide Franchising, LLC at franchise@EOSworldwide.com.

EXHIBIT K

RECEIPT
SEND THIS COPY TO US

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 EOS Worldwide Franchising, LLC offers you a franchise, it must provide this Disclosure Document to you fourteen (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.

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