

# FRANCHISE DISCLOSURE DOCUMENT



**SMILE SOURCE L.P.**  
a Texas Limited Partnership  
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Kingwood, Texas 77339  
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(888) 890-9990

Email: [contactus@smilesource.com](mailto:contactus@smilesource.com)  
URL: [www.smilesource.com](http://www.smilesource.com)

Smile Source franchisees operate a dental office, in a specific territory, for routine dental treatments, conducting examinations to diagnose extensive implant, cosmetic and orthodontic elective health problems, using corrective tooth loss and esthetic measures such as dental prosthetic implant replacements or orthodontic and cosmetic corrections, and provide all other areas of dental care which dentists may be permitted by law to perform, including the retail sale of dental supplies.

There is no initial franchise fee. The total investment necessary to begin operation of a Smile Source franchise is \$60,500 to \$435,000 if you open a new office and \$27,800 to \$86,200 if you convert an existing office. None of this amount is paid to the franchisor or any affiliate.

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 Smile Source L.P. at 23824 Highway 59 North, Kingwood, Texas 77339 and 888-890-9990.

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

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

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

**Issuance Date: April 6, 2020~~April 3, 2019~~**

## STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit A for information about the franchisor, or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION IN HARRIS OR MONTGOMERY COUNTY, TEXAS OR BY MEDIATION AND ARBITRATION IN HARRIS COUNTY, TEXAS. OUT OF STATE LITIGATION, MEDIATION OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO SUE OR TO MEDIATE AND ARBITRATE WITH US IN TEXAS THAN IN YOUR HOME STATE.
2. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.
3. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$60,500 TO \$435,000. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF DECEMBER 31, 2019, WHICH IS \$144,333.

**See the following page for state effective dates.**

### 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   |                |
| Hawaii       |                |
| Illinois     |                |
| Indiana      |                |
| Maryland     |                |
| Michigan     |                |
| Minnesota    |                |
| New York     |                |
| North Dakota |                |
| Rhode Island |                |
| South Dakota |                |
| Virginia     |                |
| Washington   |                |
| Wisconsin    |                |

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of April 6, 2020~~April 3, 2019~~.

# FRANCHISE DISCLOSURE DOCUMENT

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## EXHIBITS

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

This Franchise Disclosure Document describes Smile Source franchises. In this disclosure document, the terms specified below have the following meanings:

- (a) “We,” “Us,” “Our” and “Smile Source” means Smile Source L.P., the franchisor.
- (b) “You” and “you” means the person or entity who acquires the franchise. Unless stated otherwise, if you are a corporation, partnership or other entity, the term “You” and “you” does not include the individual owners of the corporation, partnership or other entity, who are referred to as the “Owners” or “owners.”
- (c) “Dental Care Center” means a franchised SMILE SOURCE® dental care center established and operated under the Franchise Agreement.
- (d) “Network” means, collectively, the network of independently owned and operated dental care centers who are members of the SMILE SOURCE® Franchised Network and those who are members of the ~~Associate-Membership~~ Network.
- (e) “SMILE SOURCE® Franchised Network” means the network of franchised Dental Care Centers.
- (f) “~~Associate-Membership~~ Network” means the network of dental care centers established and operated under an ~~Associate-Membership~~ aAgreement.

**Smile Source**

We are a Texas limited partnership formed on September 29, 2006. Our principal place of business is at 23824 Highway 59 North, Kingwood, Texas 77339. We have been operating under the “Smile Source” name since our inception. We do not do business under any names other than “Smile Source.”

The General Partner of Smile Source L.P. is Smile Source Management L.L.C. (“Smile Source Management”), a Texas limited liability company whose business address is the same as ours.

From its inception until April 2011, Smile Source and Smile Source Management were owned by Vision Source L.P. (“Vision Source”), a Texas limited partnership, that offers optical eye care center franchises under the “Vision Source” name and mark, with its principal place of business at 23824 Highway 59 North, Kingwood, Texas 77339. Effective April 2011, SSH Corporation (“SSH”) which is controlled by Brazos Equity Fund III, L.P. (“Brazos”), a Delaware limited partnership, acquired a majority ownership interest in Smile Source and Smile Source Management. Brazos maintains its principal place of business at 100 Crescent Court, Suite 1777, Dallas, Texas 75201. Brazos has the ability to select all seven members of our Board of Directors. However, by written agreement, two of the seven Directors must be selected from the current Smile Source management. The present members of the Board of Directors are as disclosed in Item 2 of this disclosure document.

We have franchised Dental Care Centers since December 2006. We have never owned or operated a Dental Care Center.

**Smile Source’s Agent for Service of Process**

Smile Source’s agent, if any, for service of process in your state is disclosed on the attached Exhibit B to this disclosure document.

**The Smile Source Franchise**

We have a distinctive system for (i) facilitating the exchange of information on best practices among independent dentists and dental industry experts regarding the management, operation, and promotion of a

Dental Care Center; (ii) arranging for price reductions (including discounts and rebates) from vendors supplying dental products and services based on the nationwide buying power of our Network; (iii) advertising, promotional and marketing programs, including the promotion and sale of dental care services and products; and (iv) offering programs relating to (i), (ii) and (iii) above. We refer to our distinctive methods, proprietary know-how and trade secrets related to the Dental Care Centers collectively as the “System”).

If you qualify, we may offer you the opportunity to establish and operate a Dental Care Center and to utilize the System and certain trademarks, service marks, logos and commercial symbols (“Names and Marks”) owned by Smile Source, as further described in Item 13, under the terms of our standard Franchise Agreement (“Franchise Agreement”). Our current form of Franchise Agreement is in Exhibit E-1 to this disclosure document.

As our franchisee, you must operate your Dental Care Center in a manner that will inform the public that your Dental Care Center is a member of the SMILE SOURCE® Franchised Network or, if you are not permitted by applicable State laws and regulations to operate under the SMILE SOURCE® name, as a “Member of the SMILE SOURCE® Network.” As our franchisee, you would have the right to select from the benefits and programs available to the Dental Care Centers in the SMILE SOURCE® Franchised Network but we do not guarantee you will be able to participate in all aspects of the System.

### **Associate General Memberships**

Beginning in 2015, we have implemented ~~an associate~~ membership program (“~~Associate Membership Agreement~~”) whereby an independently owned and operated dental office can be established and operated under ~~an Associate Membership aAgreement as an associate general member~~ (“~~Associate General Member~~”) of the Network and can utilize the System but with some important limitations. The ~~Associate Membership aAgreement~~ includes a provision that prohibits the ~~Associate General Member~~ from use of the Names and Marks in any manner, including but not limited to any inclusion of or reference to the ~~Associate General Member’s~~ office on any website or marketing materials that include any of the Names and Marks. In addition, in all dealings with third parties (including, without limitation, employees, suppliers, patients, customers, and government authorities), the ~~Associate General Member~~ will identify the ~~Associate General Member’s~~ office only with the ~~Associate General Member’s~~ own business name. Although we refer to the ~~Associate Membership program Agreement and General Members~~ at various places in this disclosure document, this disclosure document is intended only for those who would become Smile Source franchisees.

### **Affiliates of Smile Source**

We have affiliates that offer franchises or provide products or services to Smile Source franchisees.

Smile Source Marketing, Inc. (“Smile Source Marketing”), conducts the marketing activities for our franchisees in certain geographic areas, as described in this disclosure document (please see Item 11 for details). Vision Source Marketing has the same address we have.

DentistryUnchained.com, LLC (“Dentistry Unchained”) is a blog and a membership-based buying group for independent, private practice dentists. The organization uses their combined purchasing power to achieve favorable group pricing from vendors. Dentistry Unchained has the same address as Smile Source.

Until September 2015, VSH Corporation (“VSH”) was our affiliate and was also controlled by Brazos. VSH maintains its principal place of business at principal place of business at 23824 Highway 59 North, Kingwood, Texas 77339. A wholly owned subsidiary of VSH is Vision Source. Vision Source has offered franchises since August 1996 and had 3,023 franchises as of December 31, 2014. All of the shares of stock in VSH was sold to an unrelated third party in September 2015.

Neither we nor our affiliates have offered franchises in any other line of business.

### **Market and Competition**

The market for dental care, both need driven and elective services, is highly competitive and continually evolving in reaction to the changes in health care delivery systems and related state and federal regulations. Your competitors will include other franchised Smile Source offices, ~~Associate-General~~ Member offices, independent dental care professionals, national and regional dental chains, national retail and wholesale chains that provide dental products and services, and sometimes mail order suppliers of similar products. You will likely face increased competition from health maintenance organizations.

### **Industry-Specific Laws or Regulations**

The practice of dentistry is highly regulated in all states. If you are an individual, you must be a licensed dentist and the Dental Care Center must be under your direct supervision. If you are a corporate entity or a partnership, you must be wholly owned by one or more licensed dentist(s) and you must designate one individual licensed dentist to retain overall managerial control of the Dental Care Center.

You must comply with all Federal, State and local laws governing the operation of a Dental Care Center, and obtain all permits and licenses necessary to operate the Dental Care Center. Consult with independent legal counsel to determine the laws, rules and regulations to which you will be subjected to if you enter into this franchise.

## **ITEM 2**

### **BUSINESS EXPERIENCE**

#### **President, Chief Executive Officer and Board Member: Trevor Maurer**

Trevor Maurer joined us as Vice President of Business Development in November 2012 and in January 2014 he was elected President of Smile Source, in September 2015 he was elected as a Board Member of SSH and in December 2015 he was elected Chief Executive Officer of Smile Source.

#### **Chief Financial Officer: Sherry L. Wilson**

Sherry L. Wilson joined us as Chief Financial Officer in 2020. Prior to joining us, Ms. Wilson was Corporate Controller for Vision Source L.P. in Kingwood, Texas from January 2015 through January 2016 and was Vice President and Corporate Controller from February 2016 through October 2019. Before that, Ms. Wilson was Corporate Controller of John Moore Services, Inc. in Houston, Texas from May 2013 through December 2014.

#### **Vice President, Business Development and Member Services: Jamie Cassidy**

Jamie Cassidy joined Smile Source in March of 2016 as Business Development Manager, Northeast. In January 2018 she began serving as our National Director of Business Development and, in May, 2018 she was elected Vice President, Business Development and Member Services. Prior to that Ms. Cassidy was Vice President of Business Development for The Power Practice, in Franklin Lakes, New Jersey from March 2012 to March 2016.

#### **Vice President, Vendor Relations: Tom Allmon**

Thomas Allmon joined Smile Source in August of 2013 as Northwest Business Development Manager. In May 2017 he began serving as our Director of Vendor Relations and in January 2019 he was elected Vice President, Vendor Relations.

#### **Vice President, Marketing: Ashley Newman**

Ashley Newman joined Smile Source in April of 2016 as Director of Marketing and in January 2019 she was elected Vice President, Marketing. Prior to that, Ms. Newman was Marketing Director for DDS Lab,

LLC in Tampa, Florida from October of 2012 to April of 2016.

**BOARD OF DIRECTORS (In addition to Trevor Maurer listed above).**

**Board Member: Glenn D. Ellisor, O.D.**

Glenn D. Ellisor, O.D., our founder, has served in many different management positions since our inception. Dr. Ellisor has served as a Director of SSH Corporation since November 2011 and Chairman since February 2013. Dr. Ellisor is also the founder of Vision Source and has served in many different management positions from its inception until his retirement from Vision Source management effective September 2018. He has served as a Director of VSH since April 2011 and Executive Chairman from August 2013 until September 2015 when he was elected Executive Officer. Since June 1991, Dr. Ellisor, a licensed optometrist, has owned and operated a VISION SOURCE® Office in Kingwood, Texas and since December 2015, Dr. Ellisor has owned and operated a second VISION SOURCE® Office in Kingwood, Texas.

**Board Member: James M. Greenwood**

James M. Greenwood joined us in January 2013 as President and Director of SSH and Senior Vice President and Chief Operating Officer of Smile Source until August 2013 when he was elected President and Chief Executive Officer of SSH and Smile Source and, beginning January 2014, he has continued as Chief Executive Officer of Smile Source until September 2015. Since June 2016, Mr. Greenwood has served on the Healthcare Associates of Texas, Inc. Board of Directors in Irving, Texas. Mr. Greenwood has served on the Platinum Dermatology Holdings, LLC Board of Directors in Dallas, Texas since November 2016. Mr. Greenwood was elected President and Chief Executive Officer of VSH and Vision Source in August 2013 and served in those positions until October 2019 ~~continues as a Director of VSH.~~ From May 2011 until March 2017, Mr. Greenwood was a member of the Board of Managers of Epic/Freedom, LLC in Dallas, Texas and from June 2016 until December 2018, Mr. Greenwood was a member of the Board of Directors of Legacy Heart Care, LLC in Fort Worth, Texas.

**Board Member: Jeff S. Fronterhouse**

Jeff S. Fronterhouse has served as a member of the SSH Board of Directors since October 2011. He has also served as a Vice President of SSH since October 2011. He was a member of the VSH Board of Directors and Vice President of VSH from April 2011 until September 2015. Since 1999, Mr. Fronterhouse has also served as the co-Chief Executive Officer and partner of Brazos Private Equity Partners, L.L.C. in Dallas, Texas. Since January 2015, Mr. Fronterhouse has served as managing partner of Riata Capital Group in Dallas, Texas.

**Board Member: Glenn W. Askew**

Glenn W. Askew has served as a member of the SSH Board of Directors since October 2011 and as a member of the VSH Board of Directors from April 2011 until September 2015. He has also served as a Vice President of SSH since October 2011 and as Vice President of VSH from April 2011 until September 2015. He has served as a Managing Director for Brazos Private Equity Partners, L.L.C. in Dallas, Texas since May 2008. Since January 2015, Mr. Askew has been a partner of Riata Capital Group in Dallas, Texas.

**Board Member: James J. Bradford**

James J. Bradford has served as a member of the SSH Board of Directors since May 2017. Since June 2015, Mr. Bradford has served as a partner of Riata Capital Group in Dallas, Texas. Mr. Bradford previously served as an Operating CFO for CIC Partners, LLC based in Dallas, Texas from 2011 until May 2015.

**ITEM 3  
LITIGATION**

No litigation is required to be disclosed in this Item.

**ITEM 4  
BANKRUPTCY**

No bankruptcy is required to be disclosed in this Item.

**ITEM 5  
INITIAL FEES**

We charge no initial fees to new franchisees. You are not required to pay any initial fees or any other initial payments to Smile Source. We reserve the right to charge initial fees in the future to new franchisees.

**ITEM 6  
OTHER FEES**

| Type of Fee                                      | Amount                                                                                                                                                                                           | Due Date                                                                                                                                                               | Remarks                                                                                                                                                                                                                     |
|--------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Royalty                                          | Up to 2.00% of Gross Receipts, but currently 1.43% for new franchisees                                                                                                                           | The first day of the month following the month for which payment is made. Delinquent if not received by 45 days after end of calendar month for which payment was due. | See Footnote No. 1 and 2                                                                                                                                                                                                    |
| Registration Fee for Attendees at Annual Meeting | \$299 registration fee for attendance at the annual meeting. Registration fee is per person, i.e. dentists, associates, staff members and family member, and covers meals for all paid attendees | At least two weeks before meeting                                                                                                                                      | We pay for your meals at the annual meeting, if you choose to attend                                                                                                                                                        |
| Review of Financial Records                      | Cost of review                                                                                                                                                                                   | Upon billing                                                                                                                                                           | Payable only if review shows an understatement of Gross Receipts by the lesser of \$30,000 or 5% of the actual total Gross Receipts or if you did not timely provide us with your financial records                         |
| Insurance                                        | Cost of Premiums                                                                                                                                                                                 | Upon billing                                                                                                                                                           | Payable to us only if you fail to provide the insurance coverages specified in the Franchise Agreement                                                                                                                      |
| Fees on Late Payments                            | \$25.00 for a payment that is received more than 5 days after the date payment was due                                                                                                           | Upon billing                                                                                                                                                           | Our acceptance of late fees does not constitute waiver of the right to timely payment                                                                                                                                       |
| Interest on Late Payments                        | 1% per month or the highest rate allowed by applicable law, whichever is less                                                                                                                    | Upon billing                                                                                                                                                           | Interest is charged on accounts that are more than 90 days delinquent and interest is charged retroactive to the date payment was due. Our acceptance of interest does not constitute waiver of the right to timely payment |
| Fees on Dishonored Payments                      | \$35.00 for a payment that is returned or not honored by your bank                                                                                                                               | Upon billing                                                                                                                                                           | Our acceptance of fee does not constitute waiver of the right to timely payment                                                                                                                                             |

| Type of Fee        | Amount                                             | Due Date                                 | Remarks                                                                                                                                                                                                                                                                                                                                         |
|--------------------|----------------------------------------------------|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Liquidated Damages | See Footnote 3                                     | Within 30 days after date of termination | Subject to state law (see Exhibit J), payable if we terminate based on your default or your wrongful repudiation of the Franchise Agreement                                                                                                                                                                                                     |
| Indemnification    | Actual losses or expenses incurred by Smile Source | On demand                                | You must reimburse us and our officers, directors, shareholders, employees, agents, heirs, successors, assigns, and representatives for all costs we incur as a result of any claims arising directly or indirectly from the operation of your Dental Care Center, alleged professional errors or omissions, allegedly defective products, etc. |

**Footnote No. 1.** The term “Gross Receipts” means all amounts received by your Dental Care Center, computed according to generally accepted accounting principles, minus “Allowable Sales Deductions” consisting of sales taxes and other similar taxes collected from patients or customers on the basis of sales transactions, the balance due on patients’ or customers’ unclaimed orders, reimbursements and price adjustments to insurance carriers and governmental agencies, cash refunds to patients or customers, and money lost on returned checks.

Under the standard Franchise Agreement, we can charge a Royalty of 2% of Gross Receipts. However, if you sign the Franchise Agreement before we announce an increase to 2%, you will sign an addendum reducing the Royalty to the rate in effect at the time you sign the franchise agreement which, on the effective date of this disclosure document is 1.43% of Gross Receipts. The form of the addendum is in Exhibit E-2 to this disclosure document. Once we announce an increase to 2%, the addendum will not be offered to future franchisees. We will provide at least 30 days’ advance notice of the increase and we anticipate announcing the increase within a year after the original issuance date of this disclosure document.

Provided that you timely report your Gross Receipts and pay the Royalty fee due each month, the maximum Royalty due, during each successive 12 month period beginning on the Start Date, may be limited to \$33,000 (the “Royalty Cap”). If you are delinquent in reporting your Gross Receipts or paying the Royalty fee due, then the Royalty Cap will not apply for that 12 month period. If you have more than one Dental Care Center, the Royalty Cap will apply to each separate Dental Care Center, not the combined total, and each Dental Care Center must separately report its Gross Receipts for calculation and payment of the Royalty fee due each month. If you own and operate more than one Dental Care Center, the Royalty Cap for each additional Dental Care Center that you own and operate may be limited to \$8,400. To qualify for the Royalty Cap, you must provide written notice asserting your qualification for the Royalty Cap, provided any such qualification may not be for a date that is more than 12 months before the date of your written notice.

We allow for a reduced Royalty percentage for franchisees that qualify for certain special programs:

1. New Market Area Program. This program is for dentists whose dental care center is one of the first 5 dental care centers located in a new or expanding market area. Your “Market Area” is the area around your dental care center that is within 60 minutes driving time. In order to qualify as a “New Market Area,” the following criteria must be met:
  - a. The meeting place for the nearest local meeting of members of the SMILE SOURCE®

Franchised Network and ~~Associate-Membership~~ Network is not within your Market Area;  
and,

- b. There are no existing members of the SMILE SOURCE® Franchised Network and ~~Associate-Membership~~ Network within your Market Area that have a Royalty rate greater than 1%;  
and, at least one of the following apply:
- c. There are no existing members of the SMILE SOURCE® Franchised Network and ~~Associate-Membership~~ Network within your Market Area;  
or,
- d. There are 4 or fewer existing or former members of the SMILE SOURCE® Franchised Network and ~~Associate-Membership~~ Network within your Market Area who either previously qualified for the New Market Area Program or who joined the SMILE SOURCE® Franchised Network or ~~Associate-Membership~~ Network when the regular Royalty rate was 1%.

If you qualify for the New Market Area Program, during the initial term and any renewal term of the Franchise Agreement, the Royalty fee will at the reduced rate of 1%.

- 2. Dental Lab Program – This program is for franchisees who own a bona fide dental laboratory that is in regular operation. A “dental laboratory” is defined as a laboratory that is owned by the franchisee, is located within the franchisee’s business premises, and has at least a functioning casting machine (to cast metal), ultrasonic cleaner, porcelain oven, dental furnace, empress/emax pressing unit, grinder, vibrator, lab drill, suck-down machine and a pressure pot. The “bona fide, regular operation” of a dental laboratory means a dental laboratory that is operated on a regular and consistent basis by the Franchisee and is an integral part of the Franchisee’s overall business operations. The Royalty fee for a new qualified franchisee will be reduced by 0.40% fee for as long as they meet the qualifications of the Dental Lab Program. If you cease to be qualified for the Dental Lab Program, you pay the Royalty fee rate that was in effect when you signed the Franchise Agreement, as described above for the standard program, beginning on the first day of the month following the month in which you cease to qualify for the Dental Lab Program. The Royalty fee for an existing franchisee who installs a qualified dental laboratory will be the lesser of (a) the Royalty fee stated in the existing franchisee’s Franchise Agreement, or (b) the applicable reduction, as stated in this paragraph, from the Royalty fee as described above for the standard program.
- 3. Multiple Office Program – This program is for franchisees and the franchisee’s owners who have a proportionate ownership interest in more than 2 Dental Care Centers. A “proportionate ownership interest” means either (a) the franchisee has a direct ownership of more than 2 Dental Care Centers; or (b) one or more of the franchisee’s owners have an ownership interest in more than 2 Dental Care Centers and, for each Dental Care Center, the respective ownership interest of each owner is not less than a proportionate interest in relation to any other owners of the Dental Care Center. The Royalty fee for a qualified new franchisee who has 3 or 4 Dental Care Centers will be reduced by 0.20% for as long as they continue to meet the qualifications of the Multiple Office Program with 3 or 4 Dental Care Centers. The Royalty fee for a qualified new franchisee who has 5 or more Dental Care Centers will be reduced by 0.40% for as long as they continue to meet the qualifications of the Multiple Office Program with 5 or more Dental Care Centers. If you cease to be qualified for the Multiple Office Program, you pay the Royalty fee rate that was in effect when you signed the Franchise Agreement, as described above for the standard program, beginning on the first day of the month following the month in which you cease to qualify for the Multiple Office Program. The Royalty

fee for an existing franchisee who starts or acquires additional Dental Care Centers will be the lesser of (a) the Royalty fee stated in the existing franchisee's Franchise Agreement, or (b) the applicable reduction, as stated in this paragraph, from the Royalty fee as described above for the standard program.

You should ask us if you qualify for a reduced Royalty percentage under any of the above programs.

If applicable laws do not permit amounts received for dental services to be included in the calculation of Gross Receipts for the purpose of paying the Royalty, then the term "Gross Receipts" will not include receipts from such services; and the Gross Receipts as calculated will instead be multiplied by two (2) to calculate the Royalty.

If, in the future, a legal determination is made by a government authority or by us upon advice of counsel, that the current method of calculating the Royalty does not conform to current law, then we will negotiate with you in good faith an alternative fee arrangement that would conform to the law and provide equivalent economic value to Smile Source. If you and we do not agree within 90 days, we can terminate the Franchise Agreement immediately upon written notice to you. All post-termination obligations of the parties will remain in effect.

**Footnote No. 2.** If you qualify for the termination of the Franchise Agreement during the 19<sup>th</sup> month of the initial term (see Franchise Agreement, Section 10.01(ii)), you may also qualify for a refund of a portion of the Royalty fees paid during the first 18 months of the initial term (the "Test Period"). To qualify, you must satisfy each of the following requirements to our reasonable satisfaction:

1. We have received your properly completed Notice of Election to Opt Out of Franchise Agreement (see Exhibit D in Franchise Agreement) at least 90 days before the requested opt out date.
2. You have not been and are not at that time in default, whether cured or not, of the Franchise Agreement or any other agreement with us or our subsidiaries and affiliates and you have timely paid all Royalty fees with the applicable monthly sales report in the manner we designate.
3. You must have attended at least one Smile Source Exchange conference in its entirety.
4. You must have attended at least two of our local, regional and/or state franchisee meetings that include your Office Territory.

If you qualify, the portion of the Royalty fees refunded will be the difference between the total Royalty fees you paid us for the Test Period less any discounts and rebates received by you from your dental supply purchases and dental lab purchases, under our vendor programs, during the Test Period. (See Exhibit E-2A to this disclosure document)

**Footnote No. 3.** If we terminate the Franchise Agreement based on your default or wrongful repudiation of the Franchise Agreement, you must pay us liquidated damages in an amount equal to the accrued Royalties during the immediately preceding 24 full calendar months or the number of months remaining in the term of the Franchise Agreement at the date of termination, whichever is less. If you have been operating the Dental Care Center for less than 24 months, then the amount will be the average monthly Royalty since the Start Date multiplied by 24. Notwithstanding the above formula, liquidated damages will not be less than \$1,000 per month. You must also pay any taxes assessed on the payment of liquidated damages.

Except as otherwise noted in Footnote 1, all fees in this Item are uniformly imposed on new franchisees and ~~Associate-General~~ Members. All fees in this Item are payable to Smile Source and are non-refundable except as stated in Footnote No. 2.

We may apply your payments to any past due debt you owe us regardless of how you say the payment should be applied. We may deduct past-due amounts owed by you to Smile Source and our affiliates from any rebates we would otherwise distribute to you under the Cooperative Buying Program (see Item 8). If you do not pay all amounts when due, we may suspend all or part of our services and support, including your participation in the Cooperative Buying Program or other programs we offer in the System, until you cure the delinquency.

**ITEM 7**  
**ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT – NEW OFFICE**

| Type of Expenditure                                                     | Amount                       | Method of Payment | When Due         | To Whom Payment is to be Made          |
|-------------------------------------------------------------------------|------------------------------|-------------------|------------------|----------------------------------------|
| Initial Franchise Fee                                                   | None                         |                   |                  |                                        |
| Architectural & Miscellaneous Site Improvement Changes (Note 1)         | \$5,000 to \$300,000         | As Incurred       | Prior to Opening | Vendors                                |
| Leasing of Dental Care Center (deposit and first month's rent) (Note 1) | \$2,500 to \$6,000           | As Incurred       | Prior to Opening | Landlord                               |
| Signage                                                                 | \$3,000 to \$10,000          | As Incurred       | Prior to Opening | Suppliers                              |
| Legal Fees                                                              | \$800 to \$1,200             | As Incurred       | As Incurred      | Attorneys                              |
| Initial Inventories (Dental Supplies)                                   | \$20,000 to \$40,000         | As Incurred       | As Incurred      | Vendors                                |
| Point-of-Sale Computer & Accounting Set-up                              | \$2,000 to \$8,000           | As Incurred       | As Incurred      | Vendors and Accounting Professional(s) |
| Office Equipment and Furniture                                          | \$2,000 to \$10,000          | As Incurred       | As Incurred      | Suppliers                              |
| Prepaid Expenses and Deposits                                           | \$2,000 to \$3,000           | As Incurred       | As Incurred      | Vendors & Utilities                    |
| Practice Development Expenses                                           | \$2,000 to \$5,000           | As Incurred       | As Incurred      | Suppliers                              |
| Insurance (initial premium) (Note 2)                                    | \$1,200 to \$1,800           | As Incurred       | As Incurred      | Insurance Company                      |
| Additional Funds – 3 Months (Note 3)                                    | \$20,000 to \$50,000         | As Incurred       | As Incurred      | Employees, Vendors & Suppliers         |
| <b>Total (Note 4)</b>                                                   | <b>\$60,500 to \$435,000</b> |                   |                  |                                        |

**YOUR ESTIMATED INITIAL INVESTMENT – EXISTING OFFICE**

| Type of Expenditures  | Amount              | Method of Payment | When Due         | To Whom Payment is to be Made |
|-----------------------|---------------------|-------------------|------------------|-------------------------------|
| Initial Franchise Fee | None                |                   |                  |                               |
| Signage               | \$3,000 to \$10,000 | As Incurred       | Prior to Opening | Suppliers                     |

| Type of Expenditures                  | Amount                                                                      | Method of Payment | When Due    | To Whom Payment is to be Made  |
|---------------------------------------|-----------------------------------------------------------------------------|-------------------|-------------|--------------------------------|
| Initial Inventories (Dental Supplies) | \$2,000 to \$20,000                                                         | As Incurred       | As Incurred | Vendors                        |
| Legal Fees                            | \$800 to \$1,200                                                            | As Incurred       | As Incurred | Attorneys                      |
| Practice Development Expenses         | \$2,000 to \$5,000                                                          | As Incurred       | As Incurred | Suppliers                      |
| Additional Funds – 3 Months (Note 3)  | \$20,000 to \$50,000                                                        | As Incurred       | As Incurred | Employees, Vendors & Suppliers |
| <b>Total (Note 4)</b>                 | <b>\$27,800 to \$86,200</b><br>(Does not include real estate costs, if any) |                   |             |                                |

### **Notes to both Tables:**

**Note 1: Premises.** You must pay for or provide financing for the leasing or purchase of real property and the construction or conversion of a building. Such variables as property cost, location, cost of construction, and local building codes make it difficult to estimate accurately the rental or purchase cost of real property. Smile Source franchises may have 1,200 to 5,000 or more square feet of leased space.

If the property is owned by a third party and leased, the rent for the first month is estimated to be \$2,500 to \$6,000 and the security deposit is usually equal to one months' rent. You may also incur site development and improvement costs (i.e., architectural and engineering fees, blueprint alteration costs, zoning and use costs, license fees, etc.) of up to \$300,000, particularly in a third party build-to-suit arrangement.

**Note 2: Insurance.** You must carry and maintain in full force and effect, with an insurer or insurers who will include Smile Source as an additional insured, insurance policy or policies of:

1. Professional errors & omissions insurance with minimum amounts of \$1,000,000 per occurrence and \$2,000,000 annual aggregate.
2. Product liability insurance with minimum amounts of \$1,000,000 per occurrence and \$2,000,000 annual aggregate.
3. General liability insurance in the minimum amount of \$1,000,000.

Each of these insurance policies must include a provision that the policy cannot be canceled without thirty (30) days' written notice to us. You must obtain all insurance policies from an insurance company of recognized responsibility with a rating of at least "AXII" by A.M. Best or a comparable rating by another rating agency approved by us.

**Note 3: Additional Funds.** The estimated amount is for license fees, salaries, business start-up and other overhead expenses payable during the first 3 months of business operations. Working capital needs will vary depending on numerous factors, and may vary beyond the low-high range in the table.

**Note 4: Total.** Smile Source relied on its 11 plus years of experience in the franchised dental care business to compile these estimates. You should review these figures carefully with a business advisor before deciding to purchase the franchise. Neither Smile Source nor its affiliates, will finance any part of your initial investment.

The above figures may vary and all costs may increase. Except as otherwise stated, all costs are normally payable to a third-party supplier and are usually incurred within 6 months of signing the Franchise Agreement. Except for the leasehold and utility deposits, the above expenditures are nonrefundable. You should review your lease agreement and utility company regulations to determine if any deposits are refundable and under what circumstances.

## **ITEM 8**

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

We do not have specifications you must follow or designated suppliers or approved suppliers you must use for goods, services or real estate.

We negotiate purchasing arrangements with vendors of dental and other products and services to obtain price reductions (including discounts and rebates) for Smile Source franchisees based on the buying power of our Network. We refer to these arrangements as our “Cooperative Buying Program.” You are under no obligation to purchase from our suppliers or to participate in any price reductions, and we do not warrant or guarantee you will be allowed to participate in all aspects of the Cooperative Buying Program. By participating in the Cooperative Buying Program, you agree that all products and services you purchase under the Cooperative Buying Program will only be used and/or sold at your Dental Care Center and are not for resale other than in the ordinary course of your business with the general public. You also agree the participating vendors may disclose to us the details of the vendor’s transactions with you and your Dental Care Center including any other information that you have disclosed to the vendor. You also agree that all Cooperative Buying Program details and transaction data are subject to the confidentiality provisions in the Franchise Agreement. Since we do not have designated or approved suppliers or vendors, none of our officers have an ownership interest in any designated or approved suppliers or vendors.

Some suppliers and vendors in our Cooperative Buying Program will pay us revenue based on your purchases if you use them. In our sole discretion, we will pay a portion of that revenue to you and retain the balance as partial reimbursement for our administrative costs in obtaining and maintaining those purchasing arrangements and for handling the payments to the Smile Source franchisees; and/or (ii) use all or a portion of that revenue to defray the cost of local, regional and national meetings of Smile Source franchisees, sponsorship of marketing practice management consultants and seminars, and the Smile Source website. These vendor payments are not guaranteed and we have no way of knowing if vendor payments will be received. In connection with the Cooperative Buying Program, Franchisee understands, acknowledges, and agrees that Franchisor may enter into service agreements with various vendors, under which Franchisor will perform or provide certain marketing and promotional services (including, but not limited to, booth space at the annual meeting, newsletter and/or magazine sponsorships and website banners) to those vendors in return for fair market value fees.

During our fiscal year ended December 31, ~~2017~~2019, we did not derive any revenue from required purchases by franchisees. As noted above, all purchases under our Cooperative Buying Program are voluntary.

You must carry and maintain in full force and effect, with an insurer or insurers who will include Smile Source as an additional insured, insurance policy or policies of:

1. Professional errors & omissions insurance with minimum amounts of \$1,000,000 per occurrence and \$2,000,000 annual aggregate.
2. Product liability insurance with minimum amounts of \$1,000,000 per occurrence and \$2,000,000 annual aggregate.
3. General liability insurance in the minimum amount of \$1,000,000.

Each of these insurance policies must include a provision that the policy cannot be canceled without thirty (30) days' written notice to us. You must obtain all insurance policies from an insurance company of recognized responsibility with a rating of at least "AXII" by A.M. Best or a comparable rating by another rating agency approved by us.

Although we do not require you to purchase and use electronic cash register equipment or computer systems, you may want to utilize a computer hardware and software system to track purchases, sales and customer information. The decision on which, if any, computer hardware and software system to purchase and use in your business is completely in your discretion.

## ITEM 9 FRANCHISEE'S OBLIGATIONS

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

| Obligation                                                 | Section in Agreement                                 | Disclosure Document Item |
|------------------------------------------------------------|------------------------------------------------------|--------------------------|
| a. Site Selection and acquisition/lease                    | Not Applicable                                       | Item 11                  |
| b. Pre-opening purchases/leases                            | Not Applicable                                       | Item 5                   |
| c. Site development and other pre-opening requirements     | Section 5.05 of Franchise Agreement                  | Items 7 and 11           |
| d. Initial and ongoing training                            | Not Applicable                                       | Item 11                  |
| e. Opening                                                 | Section 10.01(vi)(h) of Franchise Agreement          | Item 17                  |
| f. Fees                                                    | Sections 4.01, 4.02 and 11(j) of Franchise Agreement | Items 5 and 6            |
| g. Compliance with standards and policies/operating manual | Not Applicable                                       | Item 11                  |
| h. Trademarks and proprietary information                  | Section 5.09 and Article 9 of Franchise Agreement    | Items 13 and 14          |
| i. Restrictions on products / services offered             | Section 5.03 of Franchise Agreement                  | Items 8 and 16           |
| j. Warranty and customer service requirements              | Not Applicable                                       | None                     |
| k. Territorial development and sales quotas                | Not Applicable                                       | None                     |
| l. Ongoing product/service purchases                       | Not Applicable                                       | None                     |
| m. Maintenance, appearance and remodeling requirements     | Section 5.06 of Franchise Agreement                  | None                     |
| n. Insurance                                               | Section 5.02 of Franchise Agreement                  | Item 7                   |
| o. Advertising and Marketing                               | Section 5.09 of Franchise Agreement                  | Item 11                  |
| p. Indemnification                                         | Article 12 of Franchise Agreement                    | Item 6                   |
| q. Owner's participation / management /staffing            | Section 2.02, 5.03 and 5.04 of Franchise Agreement   | Items 1 and 15           |
| r. Records and reports                                     | Section 5.08 of Franchise Agreement                  | Items 6 and 11           |
| s. Inspections and audits                                  | Article 13 of Franchise Agreement                    | Item 6                   |
| t. Transfer                                                | Article 8 of Franchise Agreement                     | Item 17                  |
| u. Renewal                                                 | Section 3.02 of Franchise Agreement                  | Item 17                  |

| Obligation                      | Section in Agreement                | Disclosure Document Item |
|---------------------------------|-------------------------------------|--------------------------|
| v. Post-termination obligations | Article 11 of Franchise Agreement   | Item 17                  |
| w. Non-competition covenants    | Section 5.10 of Franchise Agreement | Item 17                  |
| x. Dispute resolution           | Article 14 of Franchise Agreement   | Item 17                  |
| y. Compliance with laws         | Section 5.04 of Franchise Agreement | Item 17                  |
| z. Non-Disclosure Agreement     | Section 9.06 of Franchise Agreement | Item 15 and Exhibit G    |

## ITEM 10 FINANCING

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

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

**Except as listed below, Smile Source is not required to provide you with any assistance.**

**Pre-opening Assistance.** Before you open your Dental Care Center or convert your existing business to a Dental Care Center, we will:

1. Designate your territory. (Franchise Agreement Section 1.04) In certain circumstances we have approved two or more franchisees to operate Dental Care Centers utilizing the System and the Name and Marks within a portion of their designated territories but only upon the written consent of all franchisees physically located within that designated territory.
2. Provide information regarding your access to the System and the Cooperative Buying Program. (Franchise Agreement Section 6.01)

**Site Selection.** If you do not have an existing dental care center, you will select the site for your Dental Care Center. You may want to use our geospatial service offering to assist in your selection of the site for your location. We must approve the site you select. Among the factors we consider in approving sites are the specific location of the proposed site within the Territory, your reputation within the area, and the ability for the specific proposed site to provide the desired services and be equipped to provide patients with the standard of care for that region of the State. We have a reasonable period of time to approve or disapprove of the site you choose for your Dental Care Center. If we cannot agree on a site for your Dental Care Center, we will not sign a Franchise Agreement and you may not operate a Dental Care Center under the System and the Names and Marks. (Franchise Agreement Section 1.04)

**Development Time.** If you have an existing dental care center, the typical time between signing of the Franchise Agreement and the conversion to the Smile Source name and System will vary from immediately to 2 months. This period can be longer or shorter than 2 months depending on the remodeling necessary to convert your existing business and your ability to quickly obtain office supplies and signs.

If you do not have an existing dental care center, the typical time between signing of the Franchise Agreement and opening your Dental Care Center will vary from 2 to 6 months. This period can be longer or shorter depending on the construction work necessary, the financing needs of the business, building permits for the business, compliance with zoning and local ordinances, weather conditions, availability of products and your ability to quickly obtain office supplies and signs.

In both cases, the Franchise Agreement requires you open for business within 180 days after acceptance of the Franchise Agreement. (Franchise Agreement Section 10.01(vi)(h))

**Ongoing Assistance.** After you open your Dental Care Center or convert your business to a Dental Care Center, we will:

1. Administer the Cooperative Buying Program. You will be entitled to participate in price reductions (including discounts and rebates) on purchases through the Cooperative Buying Program, but any vendor may decide not to sell products or services to any franchisee. We do not guarantee you will be able to participate in all aspects of the System or Cooperative Buying Program. (Franchise Agreement Section 6.01)
2. Provide individual and/or Network-wide consultation and advice to you in the management and promotion of your Dental Care Center. You may decide, in your sole discretion, whether to follow our advice. We may provide consultation and advice in written materials, by postings on a web site, by telephone, in person at our office or your location, at franchisee meetings, or by any other means we choose. We will also facilitate the exchange of practice development ideas between our franchisees and others whose expertise may benefit the franchisees. (Franchise Agreement Section 7.01).
3. Make available for your use a limited amount of advertising and promotional material and services. These may include video and audiotapes, forms and templates, copy-ready print advertising materials, and miscellaneous point-of-sale items. Artwork may be provided in digital form. You must pay your own reproduction costs if you use this material. (Franchise Agreement Section 7.02)

**Advertising.** Except as described above, we do not have a central advertising or marketing program for the Network. You do not have to contribute to an advertising fund. We do not have a franchisee advisory council to advise us on advertising. You do not have to participate in a regional advertising cooperative. If you want to use any advertising or marketing material(s), that will include the Names and Marks, you must submit those materials for review and our approval prior to any use.

**Electronic Equipment and Computers.** We do not require that you acquire and use any specified electronic cash register equipment or computer system. If you acquire and use an electronic cash register or computer system, we will not have independent access to any information and data on your computer system.

**Training.** As stated in Item 1 of this disclosure document, the Dental Care Center must be under the supervision and managerial control of a licensed dentist. We do not provide any formal or informal training. We currently conduct a three-day annual meeting at which speakers and participants share valuable information and materials. Attendance is voluntary and our current registration fee is \$299.00 per member doctor, subject to change in our discretion. We will make available some of your meals at the annual meeting without charge. However, you must pay your own travel, lodging and other incidental expenses if you choose to attend. If you bring employees or family members with you to the annual meeting, we charge a fee sufficient to cover our cost for their meals.

**Operations Manual.** We do not have an operating manual. Because the Dental Care Center must be under the supervision and managerial control of a licensed dentist and we do not engage in the corporate practice of dentistry, we have not developed a franchisee guide or any other manual(s).

## ITEM 12 TERRITORY

Each Franchise Agreement is granted for a specific business address (the “Designated Location”). If you have an existing dental office, we anticipate that the Designated Location will be the site of your existing dental office. If you do not have an existing dental office, you must obtain our approval of your initial location. We will not unreasonably withhold approval.

You must operate the Dental Care Center only at the Designated Location. If you wish to relocate the Dental Care Center, the address of a new Designated Location must be approved by both parties. We will

not withhold our consent to relocation within the Territory (as defined below) unless we believe that the proposed new location might have an unreasonably adverse effect on another current or prospective SMILE SOURCE® franchisee or damage the goodwill associated with the Names and Marks. Our consent to any such change, whether inside or outside the Territory, may be conditioned upon an amendment to modify the Territory. We will consider allowing relocation outside the original Territory only if: (a) the amended Territory does not extend into another current or prospective franchisee's Territory (or we obtain the other franchisee's consent), and (b) amending the Territory would not interfere with any pending grant of a franchise or ~~Associate Membership Agreement~~ to another dentist. If you change the location of your Dental Care Center, whether within or outside your Territory, without first obtaining our written consent, we may either (i) consent to the new location of your Dental Care Center and, in our discretion, modify your Territory by written notice to you, or (ii) terminate your Franchise Agreement.

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

You will receive certain, limited territorial protections described below.

We will define an area around the Designated Location (the "Territory") within which we will not establish or franchise others to establish a Dental Care Center providing general dentistry services under the Names and Marks. Before you execute the Franchise Agreement, you and Smile Source will agree on your Territory, expressed in relation to the centerlines of highways, streets and boundary lines, or some other mutually agreeable method. We do not have a minimum or maximum area we will assign as a Territory; rather, the size of your Territory will depend upon the demographic information for the proposed Territory and also the area within which you would reasonably be expected to draw patients and customers to your Dental Care Center.

The Territory is subject to some important limitations:

1. In certain circumstances, we have approved two or more franchisees to operate Dental Care Centers providing general dentistry services within the same Territory or portion of the same Territory but only upon the written consent of all franchisees who will be sharing that designated Territory.
2. We retain the right to grant franchises to dental specialists (oral surgeons, endodontists, orthodontists, pedodontists, periodontists, prosthodontists and other certified or accredited dental specialists) to use the System under the Name and Marks in Dental Care Centers anywhere inside your Territory.
3. If your Franchise Agreement expires, we have the right to ~~(i) establish or franchise other Dental Care Centers in your Territory, and (ii) grant Associate Memberships in your Territory,~~ even if we accept a Royalty payment from you after your Franchise Agreement has expired and even if we have not announced the expiration of your Franchise Agreement to the suppliers in the Cooperative Buying Program.
4. If you default under your Franchise Agreement and your default continues after written notice from us and beyond any applicable cure period, and we elect not to terminate your Franchise Agreement during the remainder of the initial term and any renewal terms, we have the right to ~~(i) establish or franchise other Dental Care Centers in your Territory, and (ii) grant Associate Memberships in your Territory,~~ even if your default is subsequently cured.
5. We and other franchisees and ~~Associate-General~~ Members have the right to conduct general advertising, direct and indirect sales, marketing and promotional programs anywhere, including within your Territory, as permitted by state law.
6. During the term of your Franchise Agreement, we may grant ~~Associate Memberships Agreements~~

in your Territory, ~~but only with your prior written consent.~~ however, the Membership Agreement will prohibit the General Member from using the Names and Marks in any manner.

7. If you renew your Franchise Agreement for one or more renewal term(s), the renewal franchise agreement may have materially different terms and conditions from your expiring contract, including but not limited to the definition of the Territory.

All Smile Source franchisees and ~~Associate-General~~ Members have the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, to make sales outside his or her territory. Therefore, you may solicit business from any patient or customer, irrespective of the location of the patient or customer, and we or any other franchisee and ~~Associate-General~~ Member may directly or indirectly solicit business from any patient or customer, even if the patient or customer is in your Territory. Neither you, Smile Source nor any ~~Associate-General~~ Member will receive any compensation for the direct or indirect solicitation of patient(s) and customer(s) within your Territory.

For your first franchise with us, You will have a nontransferable option during the initial 5 year term of the Franchise Agreement and any renewals terms to obtain up to 2 additional Dental Care Center franchises, as permitted by law, at locations we approve which are outside any available Territory granted to you, under the same terms and conditions for the payment of Royalty Fees as in your first Franchise Agreement, except the reduced Royalty fees for the new graduate program described in Item 6 will not apply for any additional Dental Care Center franchises. This option may be exercised only if you own 50% or more of the ownership interest in the additional Dental Care Center and you are not in default of your Franchise Agreement. You are not granted any options, rights of first refusal or similar rights to acquire additional franchises or any other rights to establish additional Dental Care Centers.

We and our affiliates retain the right to establish franchise networks and grant franchises, under other names and marks, inside or outside the Territory. However, neither we nor our affiliates operate, nor do we have any present plans to operate or franchise or license the operation of, any business selling similar goods or services under different trade names or trademarks.

We and our affiliates retain the right to sell goods through mail order, catalog sales, telemarketing, Internet, television, newspaper, and any other advertising media to consumers located anywhere, including within your Territory. However, neither we nor our affiliates offer such sales, nor do we have any present plans to conduct such sales or operate any business selling goods in such manner.

The continuation of your territorial rights is not dependent upon achievement of any certain sales volume, market penetration or other contingency.

### **ITEM 13 TRADEMARKS**

Under the Franchise Agreement, we will grant you the right to operate a Dental Care Center under the name "SMILE SOURCE®." If you are not permitted by applicable State laws and regulations to operate under the SMILE SOURCE® name, then you may operate, as permitted by law, the Dental Care Center as a "Member of the SMILE SOURCE® Network."

We have registered the following Names and Marks on the Principal Register of the U.S. Patent and Trademark Office:

**SMILE SOURCE**  
**Reg. No. 3839406    Granted August 24, 2010**  
**Renewed November 17, 2019**



Reg. No. 4158866    Granted June 12, 2012



Reg. No. 4158931    Granted June 12, 2012

We have filed all affidavits required to date for these Names and Marks with the United States Patent and Trademark Office.

We also claim any and all common-law rights to the trademarks and service marks listed above, which we have used in interstate commerce.

You must notify us immediately when you learn of any infringement or unauthorized use of Smile Source's Names and Marks, and of a trademark identical to or confusing similar to a trademark we have licensed to you. We have the sole right to control any administrative proceedings or litigation involving a trademark licensed by Smile Source to you. We will take the action appropriate in our sole discretion. We are not required to protect you against infringement or unfair competition claims arising out of your use of the Names and Marks, or to participate in your defense or indemnify you.

Your use of the Names and Marks and any goodwill associated with the Names and Marks is to Smile Source's benefit. Other than as set forth in the Franchise Agreement, you obtain no other rights to the Names and Marks. You retain no rights in the Names and Marks upon the expiration or termination of the Franchise Agreement.

You agree to use the Names and Marks in a manner that will inform the public that the Dental Care Center is part of the SMILE SOURCE® Franchised Network. You agree to follow any written guidelines we provide concerning your use of the Names and Marks. You also agree to include the "®" symbol wherever you use the Names and Marks in your Dental Care Center.

There are no currently effective determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeals Board, the trademark administrator of any state or any court relating to our principal Names and Marks. There ~~is~~ are no pending interference, opposition, or cancellation proceedings nor any pending material litigation involving the Names and Marks.

There are no agreements in effect which significantly limit our rights to use, franchise or license the use of the Names and Marks.

We know of no superior prior rights or infringing uses which could materially affect your use of the Names and Marks.

#### ITEM 14

##### PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We own no patents or pending patent applications material to the franchise. We have not registered any copyrights, but we claim unregistered copyrights in the Franchise Agreement itself and in our sales, marketing, promotional and other materials.

The Franchise Agreement requires you to maintain as confidential, both during and for 3 years after the term of the Franchise Agreement, any confidential information, knowledge, or know-how concerning Smile Source, the System or the operation of the Dental Care Center you or your owners may have learned by the franchise relationship including, but not limited to, the terms and conditions of offers by vendors under the Cooperative Buying Program. You may divulge confidential information only to your employees or agents

who must have access to it to operate the Dental Care Center, and those employees and agents must be instructed not to divulge confidential information. See Item 15 below concerning your obligations to obtain confidentiality and non-competition agreements from persons involved in the business.

You must promptly notify us if you learn about any unauthorized use of our copyrighted materials or proprietary information. We have no obligation to take any action in response to this notice. We will take the action we determine, to be appropriate. If your Franchise Agreement terminates you must immediately cease use of and return all proprietary information to us.

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

You, if you are an individual, or all your owners, if you are a professional entity, must be licensed dentists in good standing. You or one of your owners must exercise personal on-premises supervision over the Dental Care Center.

You will be responsible for all business and management decisions for your dental practice. We will not interfere with your professional judgment. We will not assert ownership in your dental practice, patient medical records or medical equipment. You will be fully responsible for all aspects of your dental practice, including but not limited to the selection of employees, contractors, inventory and medical equipment, coding and billing procedures, decisions regarding patient care or any patient's need for referrals to other health care practitioners, and your hours of practice.

Each individual who has an ownership interest in the franchisee entity must sign a guaranty of the company's obligations under the Franchise Agreement. Our current form of guaranty is in Exhibit F to this disclosure document.

You must instruct your employees and agents to not divulge any confidential information, knowledge, or know-how concerning the System or the operation of the Dental Care Center. Our current form of Nondisclosure Agreement to Protect Release of Confidential Information is in Exhibit G to this disclosure document.

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

Smile Source franchisees must offer primary dental care services and sell dental supplies and products. As long as your services and products are of high standards and of a style, appearance and quality suited to the protection and enhancement of the Names and Marks, you may sell any lawful services, products or supplies you desire.

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

**THE FRANCHISE RELATIONSHIP**

**This table lists certain important provisions of the Franchise Agreement and related agreements. You should read these provisions in the agreements attached to this disclosure document.**

| Provision                       | Section in Franchise Agreement | Summary                                                            |
|---------------------------------|--------------------------------|--------------------------------------------------------------------|
| a. Length of the franchise term | Section 3.01                   | 60 calendar months from the start date of the Franchise Agreement. |

| Provision                                         | Section in Franchise Agreement  | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------------------------|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| b. Renewal or extension of the term               | Section 3.02                    | You can renew for additional term(s) of 60 calendar months each, unless we have announced a decision to stop franchising or withdraw from doing business in the geographic area of your Dental Care Center. Our acceptance of a Royalty payment after the expiration of your Franchise Agreement does not constitute our approval or acceptance of a renewal or extension of the term.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| c. Requirements for franchisee to renew or extend | Section 3.02                    | Requirements include: Not in default; pay all sums due; have not been delinquent with monthly sales reports and monthly Royalty fees more than once during any 12-month period; submit renewal application at least 3 months before end of term; sign new franchise agreement; and sign a release. The renewal franchise agreement may have materially different terms and conditions from your expiring contract, including but not limited to the definition of Territory.                                                                                                                                                                                                                                                                                                                                                                                                                   |
| d. Termination by franchisee                      | Section 10.01(ii) and (iii)     | You can terminate without cause in the 19th full calendar month of the initial term if you give us at least 90 days written notice in the form of Exhibit D in the Franchise Agreement and you satisfy the conditions stated in the written notice form.<br><br>You can terminate if we fail to cure within allowed cure period following your written notice of default.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| e. Termination by franchisor without “cause”      | None                            | None, except that Franchise Agreement terminates without cause when the term expires.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| f. Termination by franchisor with “cause”         | Section 10.01(iv), (v) and (vi) | We can only terminate for cause. However, if we have given you notice of a default, we can suspend our services and support, including your participation in the System and the Cooperative Buying Program, until you cure the default.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| g. “Cause” defined – curable defaults             | Section 10.01(iv) and (v)       | <u>You have 15 days to cure for:</u> failure to pay any amount due; failure to submit the financial reports required by the Franchise Agreement; or making of false statements in the financial statements. <u>You have 60 days to cure for:</u> failure to comply with other provisions of the Franchise Agreement; failure to satisfy a final judgment over \$5,000; foreclosure of any lien or mortgage relating to the franchised business; loss or suspension of the professional license of the person performing dental care services; loss of other licenses and/or permits necessary for operation of the business; you fail to operate all of your dental offices as franchised Smile Source offices unless the Territory for the office is not currently available, but the office must become a franchised Smile Source office if the Territory becomes available at a later date. |

| Provision                                             | Section in Franchise Agreement | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------------------------------------|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| h. "Cause" defined – non-curable defaults             | Section 10.01(vi)              | <u>Non-curable defaults:</u> you materially and substantially impair the goodwill associated with the Names and Marks; you or your owners use the System or Names and Marks at a similar office without our written authorization; you commit the same default twice in a 12-month period; you act without a required approval from us; you or your owners breach the confidentiality provisions; bankruptcy proceedings are initiated by or against you (see Note 1); you are adjudicated a bankrupt or insolvent; a final court or governmental agency or department order is issued against you that causes you to cease or materially restrict the operation of the Franchised Business; you fail to open the Dental Care Center within 180 days after the start date of the Franchise Agreement; you close the business for any period in excess of 30 days; you violate the transfer restrictions contained in the Franchise Agreement; any administrative or judicial proceeding is commenced against you or your professional staff and the proceeding is not dismissed within 60 days; you or your professional staff are convicted of or plead guilty or no contest to any crime punishable by imprisonment for more than 1 year; or you submit a false report to us. |
| i. Franchisee's obligations on termination/nonrenewal | Article 11                     | Among other things, you must: immediately cease using the System and the Names and Marks; return any materials bearing the Names and Marks; pay all amounts due to Smile Source; change the telephone number(s) advertised for the Dental Care Center unless you timely pay your pro-rata share of the charges for the advertisement; cancel or terminate any assumed names, internet domain names, email addresses and social media which contain any of the Names and Marks; and notify all vendors and suppliers in the Cooperative Buying Program; notify every payer under any insurance plan or managed care program in which you participate. Subject to state law (see Exhibit J), you must also pay us liquidated damages if termination was based on your default or repudiation of the Franchise Agreement. If we terminate the Franchise Agreement based on your uncured default, we may elect to terminate any other agreement that we or any of our affiliates have with you or any of your affiliates relating to the same Dental Care Center or to any other dental office(s).                                                                                                                                                                                  |
| j. Assignment of contract by franchisor               | Section 17.12                  | We can assign without your consent, provided that we reasonably believe that the assignee can perform our obligations under the Franchise Agreement and the assignee expressly agrees to assume those obligations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

| Provision                                                               | Section in Franchise Agreement | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------------------------------------------------------------------|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| k. "Transfer" by franchisee – definition                                | Section 8.01                   | "Transfer" means a transfer of all or any part of your interest in the Franchise Agreement; any direct or indirect ownership interest in Franchisee; or substantially all of the assets of the Office. The term "Control Transfer" means any Transfer which would result in a change in control of Franchisee or in Franchisee's or any Owner's control of the Office.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| l. Franchisor approval of transfer by franchisee                        | Section 8.02, 8.03 and 8.05    | We have the right to approve all Transfers, except that no approval is required for a Transfer from a named owner Doctor to another named owner Doctor, for a Transfer by an owner Doctor to an associate Doctor that you have employed for at least 3 months, or for a Transfer to a member of the owner Doctor's family.<br>For Transfers subject to our approval, we may disapprove if, in our sole discretion, the proposed transferee is a person or entity which does not meet our then-current qualifications for new Smile Source franchise applicants or <del>associate-general membership applicants</del> in the Network. Our failure to disapprove within 30 days after receipt of your written notice and all other required information about this proposed Transfer is deemed to be our approval of the Transfer, subject to satisfaction of the conditions in "m" below. |
| m. Conditions for franchisor's approval of transfer                     | Section 8.04, 8.05 and 8.06    | You must deliver written notice at least 60 days before the effective date of any proposed Control Transfer and at least 30 days before the effective date of any other proposed Transfer. If we do not disapprove the proposed transferee, requirements to complete the Transfer include: new franchisee signs new franchise agreement (Control Transfer Only); new owners sign guaranty; you sign a special release of claims against us; you pay all amounts owed to us and cure other defaults; you complete approved Transfer within 90 days. Royalty rate will remain the same but all other terms of franchise agreement may change, including but not limited to the definition of the Territory.-                                                                                                                                                                               |
| n. Franchisor's right of first refusal to acquire franchisee's business | Section 8.08                   | For any proposed Control Transfer that is not within Section 8.02, we or our assignee have the right to match the purchase price offered by the proposed transferee and to substitute ourselves as the buyer in the transaction. Any "no shop" or similar commitment you make to any third party will not apply. We do not have to match non-price terms offered by the proposed transferee (such as post-closing employment terms, non-compete terms, escrow amounts and time periods, etc.), provided that we offer reasonably equivalent economic value overall. If the prospective transferee's purchase price includes any non-cash consideration (e.g., equipment or real estate), we can substitute the reasonable equivalent in cash (using a jointly named independent                                                                                                          |

| Provision                                                                 | Section in Franchise Agreement | Summary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------------|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                           |                                | appraiser, if you and we cannot agree on the reasonable equivalent in cash within a reasonable time).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| o. Franchisor's option to purchase franchisee's business                  | None                           | Not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| p. Death or disability of franchisee                                      | Section 8.07                   | Transfers upon death, disability or mental incompetency will be subject to the same conditions as any other proposed Transfer. If your heirs or named successors don't qualify, your executor, administrator or personal representative must complete a Transfer to someone else within 6 months.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| q. Non-competition covenants during the term of the franchise             | Section 5.10                   | You may not operate another dental office at any location inside or outside the Territory except under a separate franchise agreement with us. If you have another dental office that cannot be a Smile Source office because it is located within another Smile Source franchisee's territory, then you may operate the other dental office, provided that (i) it does not use the System or the Names and Marks; (ii) the office and office address are not listed in any advertisements containing all or any part of the Names and Marks or on any website, stationary or other business materials used in connection with the Franchised Business; (iii) the other office does not participate in any benefits under our Cooperative Buying Program; and (iv) if the territory becomes available at a later date, you enter into a separate franchise agreement with us for the office. |
| r. Non-competition covenants after the franchise is terminated or expires | None                           | No restriction on operating a Dental Care Center; however, for 3 years following nonrenewal, termination, or an approved transfer, you may not use Confidential Information to negotiate special pricing and/or purchase concessions from any vendor, whether or not that vendor is participating in our Cooperative Buying Program.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| s. Modification of the agreement                                          | Section 6.02 and 17.04         | We can amend Exhibit E in the Franchise Agreement (Administrative Fee Exceptions) either by sending you a revised Exhibit E (including by electronic mail) and/or by posting the revised Exhibit E on the vendor page of the Smile Source member portal. All other amendments must be in writing and signed by you and us.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| t. Integration/merger clause                                              | Section 17.03                  | Only the terms of the Franchise Agreement are binding (subject to state law; see Exhibit J). Any other promises may not be enforceable. However, this clause will not be treated as a disclaimer of our representations in this disclosure document.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| u. Dispute resolution by arbitration or mediation                         | Article 14                     | All disputes must be submitted to mediation and arbitration, except for collection actions, actions to preserve the status quo pending arbitration, and actions for declaratory relief or preliminary and permanent injunctive relief to protect our intellectual                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| Provision          | Section in Franchise Agreement | Summary                                                                                                                                                                                                                     |
|--------------------|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                    |                                | property and confidential information and to enforce your post-termination obligations.                                                                                                                                     |
| v. Choice of forum | Article 14                     | Subject to state law (see Exhibit J), all mediation and arbitration must be conducted in Harris County, Texas and any litigation permitted by the agreement must be conducted in Harris County or Montgomery County, Texas. |
| w. Choice of law   | Section 14.05                  | Except to the extent governed by Federal law, the law of the state where the Dental Care Center is located applies.                                                                                                         |

**Note 1** – Termination based on your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

## ITEM 18 PUBLIC FIGURES

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

## ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting us at 23824 Highway 59 North, Kingwood, Texas 77339, Attn: President, or by email to Legal@SmileSource.com or by phone to (281) 359-2344 or (888) 890-9990, the Federal Trade Commission, and the appropriate state regulatory agencies.

## ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

**Item 20 - Table No. 1  
Systemwide Outlet Summary  
For Years ~~2016~~2017 to ~~2018~~2019**

| Outlet Type | Year | Outlets at the Start of the Year | Outlets at the End of the Year | Net Change |
|-------------|------|----------------------------------|--------------------------------|------------|
| Franchised  | 2016 | 352                              | 470                            | +118       |

|               |      |     |     |      |
|---------------|------|-----|-----|------|
|               | 2017 | 470 | 562 | +92  |
|               | 2018 | 562 | 623 | +61  |
|               | 2019 | 623 | 734 | +111 |
| Company-Owned | 2016 | 0   | 0   | 0    |
|               | 2017 | 0   | 0   | 0    |
|               | 2018 | 0   | 0   | 0    |
| Total Outlets | 2016 | 352 | 470 | +118 |
|               | 2017 | 470 | 562 | +92  |
|               | 2018 | 562 | 623 | +61  |

| Outlet Type   | Year | Outlets at the Start of the Year | Outlets at the End of the Year | Net Change |
|---------------|------|----------------------------------|--------------------------------|------------|
| Franchised    | 2017 | 470                              | 562                            | 92         |
|               | 2018 | 562                              | 623                            | 61         |
|               | 2019 | 623                              | 734                            | 111        |
| Company-Owned | 2017 | 0                                | 0                              | 0          |
|               | 2018 | 0                                | 0                              | 0          |
|               | 2019 | 0                                | 0                              | 0          |
| Total Outlets | 2017 | 470                              | 562                            | 92         |
|               | 2018 | 562                              | 623                            | 61         |
|               | 2019 | 623                              | 734                            | 111        |

Smile Source has no company-owned Dental Care Centers.

**Item 20 - Table No. 2**  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**  
**For Years ~~2016~~2017 to ~~2018~~2019**

| State      | Year | Number of Transfers |
|------------|------|---------------------|
| California | 2016 | 0                   |
|            | 2017 | 0                   |
|            | 2018 | 0                   |
| Georgia    | 2016 | 1                   |
|            | 2017 | 0                   |
|            | 2018 | 0                   |
| Kansas     | 2016 | 0                   |
|            | 2017 | 0                   |
|            | 2018 | 1                   |

| State        | Year        | Number of Transfers |
|--------------|-------------|---------------------|
| Minnesota    | 2016        | 0                   |
|              | 2017        | 1                   |
|              | 2018        | 1                   |
| New Jersey   | 2016        | 0                   |
|              | 2017        | 0                   |
|              | 2018        | 0                   |
| Oregon       | 2016        | 1                   |
|              | 2017        | 0                   |
|              | 2018        | 0                   |
| Tennessee    | 2016        | 1                   |
|              | 2017        | 0                   |
|              | 2018        | 0                   |
| Texas        | 2016        | 1                   |
|              | 2017        | 0                   |
|              | 2018        | 0                   |
| Washington   | 2016        | 1                   |
|              | 2017        | 1                   |
|              | 2018        | 0                   |
| <b>Total</b> | <b>2016</b> | <b>5</b>            |
|              | <b>2017</b> | <b>2</b>            |
|              | <b>2018</b> | <b>2</b>            |

| <u>State</u>      | <u>Year</u> | <u>Number of Transfers</u> |
|-------------------|-------------|----------------------------|
| <u>Kansas</u>     | <u>2017</u> | <u>0</u>                   |
|                   | <u>2018</u> | <u>1</u>                   |
|                   | <u>2019</u> | <u>0</u>                   |
| <u>Michigan</u>   | <u>2017</u> | <u>0</u>                   |
|                   | <u>2018</u> | <u>0</u>                   |
|                   | <u>2019</u> | <u>1</u>                   |
| <u>Minnesota</u>  | <u>2017</u> | <u>1</u>                   |
|                   | <u>2018</u> | <u>1</u>                   |
|                   | <u>2019</u> | <u>0</u>                   |
| <u>Washington</u> | <u>2017</u> | <u>1</u>                   |

|              |             |          |
|--------------|-------------|----------|
| <b>Total</b> | <u>2018</u> | <u>0</u> |
|              | <u>2019</u> | <u>1</u> |
|              | <u>2017</u> | <u>2</u> |
|              | <u>2018</u> | <u>2</u> |
|              | <u>2019</u> | <u>2</u> |
|              |             |          |

**Item 20 - Table No. 3**  
**Status of Franchised Outlets**  
**For Years ~~2016~~2017 to ~~2018~~2019**

| State       | Year | Outlets-at<br>Start-of-Year | Outlets<br>Opened | Terminations | Non-<br>Renewals | Re-required<br>by Franchisor | Ceased<br>Operations—<br>Other Reasons | Outlets-at<br>End-of-the<br>Year |
|-------------|------|-----------------------------|-------------------|--------------|------------------|------------------------------|----------------------------------------|----------------------------------|
| Alabama     | 2016 | 7                           | 2                 | 1            | 0                | 0                            | 0                                      | 8                                |
|             | 2017 | 8                           | 0                 | 2            | 0                | 0                            | 0                                      | 6                                |
|             | 2018 | 6                           | 0                 | 0            | 0                | 0                            | 0                                      | 6                                |
| Alaska      | 2016 | 0                           | 0                 | 0            | 0                | 0                            | 0                                      | 0                                |
|             | 2017 | 0                           | 0                 | 0            | 0                | 0                            | 0                                      | 0                                |
|             | 2018 | 0                           | 0                 | 0            | 0                | 0                            | 0                                      | 0                                |
| Arkansas    | 2016 | 4                           | 2                 | 0            | 0                | 0                            | 0                                      | 6                                |
|             | 2017 | 6                           | 1                 | 0            | 0                | 0                            | 0                                      | 7                                |
|             | 2018 | 7                           | 4                 | 0            | 0                | 0                            | 0                                      | 11                               |
| Arizona     | 2016 | 8                           | 2                 | 1            | 0                | 0                            | 0                                      | 9                                |
|             | 2017 | 9                           | 2                 | 2            | 0                | 0                            | 0                                      | 9                                |
|             | 2018 | 9                           | 0                 | 0            | 0                | 0                            | 1                                      | 8                                |
| California  | 2016 | 17                          | 12                | 4            | 1                | 0                            | 2                                      | 22                               |
|             | 2017 | 22                          | 8                 | 1            | 0                | 0                            | 0                                      | 29                               |
|             | 2018 | 29                          | 0                 | 2            | 0                | 0                            | 1                                      | 26                               |
| Colorado    | 2016 | 15                          | 17                | 0            | 0                | 0                            | 3                                      | 29                               |
|             | 2017 | 29                          | 11                | 6            | 0                | 0                            | 2                                      | 32                               |
|             | 2018 | 32                          | 3                 | 0            | 0                | 0                            | 6                                      | 29                               |
| Connecticut | 2016 | 4                           | 0                 | 0            | 0                | 0                            | 0                                      | 4                                |
|             | 2017 | 4                           | 3                 | 0            | 0                | 0                            | 0                                      | 7                                |
|             | 2018 | 7                           | 2                 | 0            | 0                | 0                            | 0                                      | 9                                |
| Florida     | 2016 | 4                           | 11                | 0            | 0                | 0                            | 0                                      | 15                               |
|             | 2017 | 15                          | 20                | 9            | 0                | 0                            | 0                                      | 26                               |
|             | 2018 | 26                          | 8                 | 1            | 0                | 0                            | 8                                      | 25                               |
| Georgia     | 2016 | 33                          | 6                 | 1            | 0                | 0                            | 1                                      | 37                               |
|             | 2017 | 37                          | 7                 | 2            | 1                | 0                            | 2                                      | 39                               |
|             | 2018 | 39                          | 14                | 0            | 0                | 0                            | 2                                      | 51                               |
| Hawaii      | 2016 | 3                           | 0                 | 0            | 0                | 0                            | 0                                      | 3                                |
|             | 2017 | 3                           | 0                 | 0            | 0                | 0                            | 0                                      | 3                                |

| State         | Year | Outlets-at<br>Start-of-Year | Outlets<br>Opened | Terminations | Non-<br>Renewals | Reacquired<br>by Franchisor | Ceased<br>Operations—<br>Other Reasons | Outlets-at<br>End-of-the<br>Year |
|---------------|------|-----------------------------|-------------------|--------------|------------------|-----------------------------|----------------------------------------|----------------------------------|
|               | 2018 | 3                           | -                 | -            | -                | -                           | -                                      | 3                                |
| Idaho         | 2016 | 4                           | 1                 | 0            | 0                | 0                           | 0                                      | 5                                |
|               | 2017 | 5                           | 2                 | 0            | 0                | 0                           | 0                                      | 7                                |
|               | 2018 | 7                           | 2                 | 0            | 0                | 0                           | 0                                      | 9                                |
| Indiana       | 2016 | 0                           | 1                 | 0            | 0                | 0                           | 0                                      | 1                                |
|               | 2017 | 1                           | 11                | 0            | 0                | 0                           | 0                                      | 12                               |
|               | 2018 | 12                          | 1                 | 0            | 0                | 0                           | 3                                      | 10                               |
| Iowa          | 2016 | 1                           | 0                 | 1            | 0                | 0                           | 0                                      | 0                                |
|               | 2017 | 0                           | 5                 | 0            | 0                | 0                           | 0                                      | 5                                |
|               | 2018 | 5                           | -                 | -            | -                | -                           | -                                      | 5                                |
| Illinois      | 2016 | 4                           | 6                 | 1            | 0                | 0                           | 0                                      | 9                                |
|               | 2017 | 9                           | 4                 | 1            | 0                | 0                           | 0                                      | 12                               |
|               | 2018 | 12                          | 5                 | 0            | 0                | 0                           | 2                                      | 15                               |
| Kansas        | 2016 | 1                           | 1                 | 0            | 0                | 0                           | 0                                      | 2                                |
|               | 2017 | 2                           | 0                 | 0            | 0                | 0                           | 0                                      | 2                                |
|               | 2018 | 2                           | 1                 | 0            | 0                | 0                           | 0                                      | 3                                |
| Kentucky      | 2016 | 0                           | 1                 | 0            | 0                | 0                           | 0                                      | 1                                |
|               | 2017 | 1                           | 0                 | 0            | 0                | 0                           | 1                                      | 0                                |
|               | 2018 | 0                           | 1                 | 0            | 0                | 0                           | 0                                      | 1                                |
| Louisiana     | 2016 | 3                           | 2                 | 0            | 0                | 0                           | 0                                      | 5                                |
|               | 2017 | 5                           | 2                 | 0            | 0                | 0                           | 1                                      | 6                                |
|               | 2018 | 6                           | 3                 | 0            | 0                | 0                           | 0                                      | 9                                |
| Maryland      | 2016 | 2                           | 0                 | 0            | 0                | 0                           | 0                                      | 2                                |
|               | 2017 | 2                           | 0                 | 0            | 0                | 0                           | 0                                      | 2                                |
|               | 2018 | 2                           | 6                 | 0            | 0                | 0                           | 0                                      | 8                                |
| Massachusetts | 2016 | 1                           | 2                 | 0            | 0                | 0                           | 0                                      | 3                                |
|               | 2017 | 3                           | 0                 | 0            | 0                | 0                           | 0                                      | 3                                |
|               | 2018 | 3                           | 1                 | 0            | 0                | 0                           | 0                                      | 4                                |
| Michigan      | 2016 | 7                           | 3                 | 0            | 0                | 0                           | 0                                      | 10                               |
|               | 2017 | 10                          | 2                 | 1            | 0                | 0                           | 0                                      | 11                               |
|               | 2018 | 11                          | 8                 | 0            | 0                | 0                           | 1                                      | 18                               |
| Minnesota     | 2016 | 11                          | 4                 | 1            | 0                | 0                           | 0                                      | 14                               |
|               | 2017 | 14                          | 7                 | 1            | 0                | 0                           | 0                                      | 20                               |
|               | 2018 | 20                          | 5                 | 1            | 0                | 0                           | 1                                      | 23                               |
| Mississippi   | 2016 | 0                           | 0                 | 0            | 0                | 0                           | 0                                      | 0                                |
|               | 2017 | 0                           | 7                 | 0            | 0                | 0                           | 0                                      | 7                                |
|               | 2018 | 7                           | 15                | 0            | 0                | 0                           | 2                                      | 20                               |
| Missouri      | 2016 | 7                           | 3                 | 1            | 0                | 0                           | 1                                      | 8                                |
|               | 2017 | 8                           | 3                 | 2            | 0                | 0                           | 0                                      | 9                                |
|               | 2018 | 9                           | 2                 | 0            | 0                | 0                           | 0                                      | 11                               |

| State          | Year | Outlets-at<br>Start-of-Year | Outlets<br>Opened | Terminations | Non-<br>Renewals | Reacquired<br>by Franchisor | Ceased<br>Operations—<br>Other Reasons | Outlets-at<br>End-of-the<br>Year |
|----------------|------|-----------------------------|-------------------|--------------|------------------|-----------------------------|----------------------------------------|----------------------------------|
| Montana        | 2016 | 0                           | 3                 | 0            | 0                | 0                           | 0                                      | 3                                |
|                | 2017 | 3                           | 1                 | 3            | 0                | 0                           | 0                                      | 1                                |
|                | 2018 | 1                           | -                 | -            | -                | -                           | -                                      | 1                                |
| Nebraska       | 2016 | 0                           | 0                 | 0            | 0                | 0                           | 0                                      | 0                                |
|                | 2017 | 0                           | 2                 | 0            | 0                | 0                           | 0                                      | 2                                |
|                | 2018 | 2                           | -                 | -            | -                | -                           | -                                      | 2                                |
| Nevada         | 2016 | 0                           | 1                 | 0            | 0                | 0                           | 0                                      | 1                                |
|                | 2017 | 1                           | 0                 | 0            | 0                | 0                           | 0                                      | 1                                |
|                | 2018 | 1                           | -                 | -            | -                | -                           | -                                      | 1                                |
| New Hampshire  | 2016 | 0                           | 1                 | 0            | 0                | 0                           | 0                                      | 1                                |
|                | 2017 | 1                           | 0                 | 0            | 0                | 0                           | 0                                      | 1                                |
|                | 2018 | 1                           | -                 | -            | -                | -                           | -                                      | 1                                |
| New Jersey     | 2016 | 6                           | 3                 | 2            | 0                | 0                           | 0                                      | 7                                |
|                | 2017 | 7                           | 1                 | 1            | 0                | 0                           | 0                                      | 7                                |
|                | 2018 | 7                           | 1                 | 0            | 0                | 0                           | 0                                      | 8                                |
| New Mexico     | 2016 | 0                           | 0                 | 0            | 0                | 0                           | 0                                      | 0                                |
|                | 2017 | 0                           | 1                 | 0            | 0                | 0                           | 0                                      | 1                                |
|                | 2018 | 1                           | 2                 | 0            | 0                | 0                           | 1                                      | 2                                |
| New York       | 2016 | 4                           | 7                 | 0            | 0                | 0                           | 0                                      | 11                               |
|                | 2017 | 11                          | 7                 | 0            | 0                | 0                           | 0                                      | 18                               |
|                | 2018 | 18                          | 5                 | 1            | 0                | 0                           | 8                                      | 14                               |
| North Carolina | 2016 | 4                           | 0                 | 0            | 0                | 0                           | 0                                      | 4                                |
|                | 2017 | 4                           | 1                 | 0            | 0                | 0                           | 0                                      | 5                                |
|                | 2018 | 5                           | 4                 | 0            | 0                | 0                           | 0                                      | 9                                |
| Ohio           | 2016 | 4                           | 10                | 1            | 0                | 0                           | 0                                      | 13                               |
|                | 2017 | 13                          | 6                 | 0            | 0                | 0                           | 0                                      | 19                               |
|                | 2018 | 19                          | 2                 | 0            | 0                | 0                           | 3                                      | 18                               |
| Oklahoma       | 2016 | 12                          | 5                 | 0            | 0                | 0                           | 1                                      | 16                               |
|                | 2017 | 16                          | 5                 | 0            | 0                | 0                           | 1                                      | 20                               |
|                | 2018 | 20                          | 3                 | 0            | 1                | 0                           | 0                                      | 22                               |
| Oregon         | 2016 | 1                           | 2                 | 0            | 0                | 0                           | 0                                      | 3                                |
|                | 2017 | 3                           | 0                 | 0            | 0                | 0                           | 0                                      | 3                                |
|                | 2018 | 3                           | -                 | -            | -                | -                           | -                                      | 3                                |
| Pennsylvania   | 2016 | 4                           | 3                 | 0            | 0                | 0                           | 0                                      | 7                                |
|                | 2017 | 7                           | 4                 | 1            | 0                | 0                           | 0                                      | 10                               |
|                | 2018 | 10                          | 5                 | 0            | 0                | 0                           | 2                                      | 13                               |
| Rhode Island   | 2016 | 0                           | 0                 | 0            | 0                | 0                           | 0                                      | 0                                |
|                | 2017 | 0                           | 0                 | 0            | 0                | 0                           | 0                                      | 0                                |
|                | 2018 | 0                           | 0                 | 0            | 0                | 0                           | 0                                      | 0                                |
| South Carolina | 2016 | 2                           | 0                 | 1            | 0                | 0                           | 0                                      | 1                                |

| State                | Year | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations—Other Reasons | Outlets at End of the Year |
|----------------------|------|--------------------------|----------------|--------------|--------------|--------------------------|---------------------------------|----------------------------|
|                      | 2017 | 1                        | 2              | 0            | 0            | 0                        | 0                               | 3                          |
|                      | 2018 | 3                        | -              | -            | -            | -                        | -                               | 3                          |
| Tennessee            | 2016 | 28                       | 9              | 0            | 0            | 0                        | 0                               | 37                         |
|                      | 2017 | 37                       | 15             | 6            | 0            | 0                        | 1                               | 45                         |
|                      | 2018 | 45                       | 7              | 0            | 2            | 0                        | 1                               | 49                         |
| Texas                | 2016 | 89                       | 10             | 7            | 0            | 0                        | 0                               | 92                         |
|                      | 2017 | 92                       | 12             | 3            | 1            | 0                        | 3                               | 97                         |
|                      | 2018 | 97                       | 16             | 5            | 6            | 0                        | 8                               | 94                         |
| Utah                 | 2016 | 1                        | 2              | 0            | 0            | 0                        | 0                               | 3                          |
|                      | 2017 | 3                        | 1              | 1            | 0            | 0                        | 0                               | 3                          |
|                      | 2018 | 3                        | 2              | 0            | 0            | 0                        | 1                               | 4                          |
| Vermont              | 2016 | 0                        | 0              | 0            | 0            | 0                        | 0                               | 0                          |
|                      | 2017 | 0                        | 1              | 0            | 0            | 0                        | 0                               | 1                          |
|                      | 2018 | 1                        | -              | -            | -            | -                        | -                               | 1                          |
| Virginia             | 2016 | 3                        | 4              | 0            | 0            | 0                        | 0                               | 7                          |
|                      | 2017 | 7                        | 3              | 0            | 0            | 0                        | 4                               | 6                          |
|                      | 2018 | 6                        | 1              | 0            | 0            | 0                        | 2                               | 5                          |
| Washington           | 2016 | 55                       | 12             | 0            | 0            | 0                        | 1                               | 66                         |
|                      | 2017 | 66                       | 2              | 7            | 0            | 0                        | 2                               | 59                         |
|                      | 2018 | 59                       | 11             | 0            | 4            | 0                        | 6                               | 60                         |
| West Virginia        | 2016 | 0                        | 0              | 0            | 0            | 0                        | 0                               | 0                          |
|                      | 2017 | 0                        | 1              | 0            | 0            | 0                        | 0                               | 1                          |
|                      | 2018 | 1                        | 1              | 0            | 0            | 0                        | 0                               | 2                          |
| Wisconsin            | 2016 | 3                        | 1              | 0            | 0            | 0                        | 0                               | 4                          |
|                      | 2017 | 4                        | 1              | 0            | 0            | 0                        | 0                               | 5                          |
|                      | 2018 | 5                        | 1              | 0            | 0            | 0                        | 0                               | 6                          |
| District of Columbia | 2016 | 0                        | 0              | 0            | 0            | 0                        | 0                               | 0                          |
|                      | 2017 | 0                        | 0              | 0            | 0            | 0                        | 0                               | 0                          |
|                      | 2018 | 0                        | 1              | 0            | 0            | 0                        | 0                               | 1                          |
| Total                | 2016 | 352                      | 149            | 22           | 1            | 0                        | 9                               | 469                        |
|                      | 2017 | 469                      | 161            | 49           | 2            | 0                        | 17                              | 562                        |
|                      | 2018 | 562                      | 143            | 10           | 13           | 0                        | 59                              | 623                        |

| State   | Year | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations – Other Reasons | Outlets at End of the Year |
|---------|------|--------------------------|----------------|--------------|--------------|--------------------------|-----------------------------------|----------------------------|
| Alabama | 2017 | 9                        | 0              | 2            | 0            | 0                        | 0                                 | 7                          |
|         | 2018 | 7                        | 0              | 0            | 0            | 0                        | 0                                 | 7                          |
|         | 2019 | 7                        | 0              | 0            | 4            | 0                        | 0                                 | 3                          |
| Alaska  | 2017 | 0                        | 0              | 0            | 0            | 0                        | 0                                 | 0                          |

| State       | Year | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations – Other Reasons | Outlets at End of the Year |
|-------------|------|--------------------------|----------------|--------------|--------------|--------------------------|-----------------------------------|----------------------------|
|             | 2018 | 0                        | 0              | 0            | 0            | 0                        | 0                                 | 0                          |
|             | 2019 | 0                        | 2              | 0            | 0            | 0                        | 0                                 | 2                          |
| Arkansas    | 2017 | 6                        | 1              | 0            | 0            | 0                        | 0                                 | 7                          |
|             | 2018 | 7                        | 4              | 0            | 0            | 0                        | 0                                 | 11                         |
|             | 2019 | 11                       | 6              | 0            | 0            | 0                        | 0                                 | 17                         |
| Arizona     | 2017 | 9                        | 2              | 2            | 0            | 0                        | 0                                 | 9                          |
|             | 2018 | 9                        | 0              | 0            | 0            | 0                        | 1                                 | 8                          |
|             | 2019 | 8                        | 0              | 0            | 0            | 0                        | 1                                 | 7                          |
| California  | 2017 | 21                       | 8              | 1            | 0            | 0                        | 0                                 | 28                         |
|             | 2018 | 28                       | 0              | 2            | 0            | 0                        | 1                                 | 25                         |
|             | 2019 | 25                       | 4              | 1            | 1            | 0                        | 0                                 | 27                         |
| Colorado    | 2017 | 29                       | 11             | 6            | 0            | 0                        | 2                                 | 32                         |
|             | 2018 | 32                       | 3              | 0            | 0            | 0                        | 6                                 | 29                         |
|             | 2019 | 29                       | 2              | 2            | 1            | 0                        | 1                                 | 27                         |
| Connecticut | 2017 | 4                        | 3              | 0            | 0            | 0                        | 0                                 | 7                          |
|             | 2018 | 7                        | 2              | 0            | 0            | 0                        | 0                                 | 9                          |
|             | 2019 | 9                        | 1              | 1            | 0            | 0                        | 1                                 | 8                          |
| Florida     | 2017 | 15                       | 20             | 9            | 0            | 0                        | 0                                 | 26                         |
|             | 2018 | 26                       | 8              | 1            | 0            | 0                        | 8                                 | 25                         |
|             | 2019 | 25                       | 6              | 1            | 1            | 0                        | 0                                 | 29                         |
| Georgia     | 2017 | 36                       | 7              | 2            | 1            | 0                        | 2                                 | 38                         |
|             | 2018 | 38                       | 14             | 0            | 0            | 0                        | 2                                 | 50                         |
|             | 2019 | 50                       | 30             | 0            | 2            | 0                        | 1                                 | 77                         |
| Hawaii      | 2017 | 3                        | 0              | 0            | 0            | 0                        | 0                                 | 3                          |
|             | 2018 | 3                        | 0              | 0            | 0            | 0                        | 0                                 | 3                          |
|             | 2019 | 3                        | 0              | 0            | 0            | 0                        | 0                                 | 3                          |
| Idaho       | 2017 | 5                        | 2              | 0            | 0            | 0                        | 0                                 | 7                          |
|             | 2018 | 7                        | 2              | 0            | 0            | 0                        | 0                                 | 9                          |
|             | 2019 | 9                        | 1              | 1            | 0            | 0                        | 0                                 | 9                          |
| Indiana     | 2017 | 1                        | 11             | 0            | 0            | 0                        | 0                                 | 12                         |
|             | 2018 | 12                       | 1              | 0            | 0            | 0                        | 3                                 | 10                         |
|             | 2019 | 10                       | 3              | 0            | 0            | 0                        | 0                                 | 13                         |
| Iowa        | 2017 | 0                        | 5              | 0            | 0            | 0                        | 0                                 | 5                          |
|             | 2018 | 5                        | 0              | 0            | 0            | 0                        | 0                                 | 5                          |
|             | 2019 | 5                        | 3              | 0            | 0            | 0                        | 0                                 | 8                          |
| Illinois    | 2017 | 9                        | 4              | 1            | 0            | 0                        | 0                                 | 12                         |
|             | 2018 | 12                       | 5              | 0            | 0            | 0                        | 2                                 | 15                         |
|             | 2019 | 15                       | 1              | 1            | 0            | 0                        | 0                                 | 15                         |
| Kansas      | 2017 | 2                        | 0              | 0            | 0            | 0                        | 0                                 | 2                          |
|             | 2018 | 2                        | 1              | 0            | 0            | 0                        | 0                                 | 3                          |
|             | 2019 | 3                        | 6              | 0            | 0            | 0                        | 0                                 | 9                          |

| State         | Year | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations – Other Reasons | Outlets at End of the Year |
|---------------|------|--------------------------|----------------|--------------|--------------|--------------------------|-----------------------------------|----------------------------|
| Kentucky      | 2017 | 1                        | 0              | 0            | 0            | 0                        | 1                                 | 0                          |
|               | 2018 | 0                        | 1              | 0            | 0            | 0                        | 0                                 | 1                          |
|               | 2019 | 1                        | 1              | 0            | 0            | 0                        | 0                                 | 2                          |
| Louisiana     | 2017 | 5                        | 2              | 0            | 0            | 0                        | 1                                 | 6                          |
|               | 2018 | 6                        | 3              | 0            | 0            | 0                        | 0                                 | 9                          |
|               | 2019 | 9                        | 1              | 1            | 0            | 0                        | 1                                 | 8                          |
| Maryland      | 2017 | 2                        | 0              | 0            | 0            | 0                        | 0                                 | 2                          |
|               | 2018 | 2                        | 6              | 0            | 0            | 0                        | 0                                 | 8                          |
|               | 2019 | 8                        | 7              | 0            | 0            | 0                        | 0                                 | 15                         |
| Massachusetts | 2017 | 3                        | 0              | 0            | 0            | 0                        | 0                                 | 3                          |
|               | 2018 | 3                        | 1              | 0            | 0            | 0                        | 0                                 | 4                          |
|               | 2019 | 4                        | 3              | 0            | 0            | 0                        | 0                                 | 7                          |
| Michigan      | 2017 | 10                       | 2              | 1            | 0            | 0                        | 0                                 | 11                         |
|               | 2018 | 11                       | 8              | 0            | 0            | 0                        | 1                                 | 18                         |
|               | 2019 | 18                       | 12             | 1            | 2            | 0                        | 0                                 | 27                         |
| Minnesota     | 2017 | 14                       | 7              | 1            | 0            | 0                        | 0                                 | 20                         |
|               | 2018 | 20                       | 5              | 1            | 0            | 0                        | 1                                 | 23                         |
|               | 2019 | 23                       | 2              | 3            | 0            | 0                        | 0                                 | 22                         |
| Mississippi   | 2017 | 0                        | 7              | 0            | 0            | 0                        | 0                                 | 7                          |
|               | 2018 | 7                        | 15             | 0            | 0            | 0                        | 2                                 | 20                         |
|               | 2019 | 20                       | 7              | 1            | 0            | 0                        | 0                                 | 26                         |
| Missouri      | 2017 | 8                        | 3              | 2            | 0            | 0                        | 0                                 | 9                          |
|               | 2018 | 9                        | 2              | 0            | 0            | 0                        | 0                                 | 11                         |
|               | 2019 | 11                       | 3              | 1            | 0            | 0                        | 0                                 | 13                         |
| Montana       | 2017 | 3                        | 1              | 3            | 0            | 0                        | 0                                 | 1                          |
|               | 2018 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
|               | 2019 | 1                        | 1              | 0            | 0            | 0                        | 0                                 | 2                          |
| Nebraska      | 2017 | 0                        | 2              | 0            | 0            | 0                        | 0                                 | 2                          |
|               | 2018 | 2                        | 0              | 0            | 0            | 0                        | 0                                 | 2                          |
|               | 2019 | 2                        | 2              | 1            | 0            | 0                        | 0                                 | 3                          |
| Nevada        | 2017 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
|               | 2018 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
|               | 2019 | 1                        | 1              | 0            | 0            | 0                        | 0                                 | 2                          |
| New Hampshire | 2017 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
|               | 2018 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
|               | 2019 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
| New Jersey    | 2017 | 6                        | 1              | 1            | 0            | 0                        | 0                                 | 6                          |
|               | 2018 | 6                        | 1              | 0            | 0            | 0                        | 0                                 | 7                          |
|               | 2019 | 7                        | 4              | 0            | 0            | 0                        | 0                                 | 11                         |
| New Mexico    | 2017 | 0                        | 1              | 0            | 0            | 0                        | 0                                 | 1                          |
|               | 2018 | 1                        | 2              | 0            | 0            | 0                        | 1                                 | 2                          |

| State          | Year | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations – Other Reasons | Outlets at End of the Year |
|----------------|------|--------------------------|----------------|--------------|--------------|--------------------------|-----------------------------------|----------------------------|
|                | 2019 | 2                        | 0              | 0            | 0            | 0                        | 0                                 | 2                          |
| New York       | 2017 | 12                       | 7              | 0            | 0            | 0                        | 0                                 | 19                         |
|                | 2018 | 19                       | 5              | 1            | 0            | 0                        | 8                                 | 15                         |
|                | 2019 | 15                       | 2              | 4            | 2            | 0                        | 2                                 | 9                          |
| North Carolina | 2017 | 4                        | 1              | 0            | 0            | 0                        | 0                                 | 5                          |
|                | 2018 | 5                        | 4              | 0            | 0            | 0                        | 0                                 | 9                          |
|                | 2019 | 9                        | 0              | 1            | 0            | 0                        | 0                                 | 8                          |
| Ohio           | 2017 | 14                       | 6              | 0            | 0            | 0                        | 0                                 | 20                         |
|                | 2018 | 20                       | 2              | 0            | 0            | 0                        | 3                                 | 19                         |
|                | 2019 | 19                       | 4              | 1            | 0            | 0                        | 0                                 | 22                         |
| Oklahoma       | 2017 | 17                       | 5              | 0            | 0            | 0                        | 1                                 | 21                         |
|                | 2018 | 21                       | 3              | 0            | 1            | 0                        | 0                                 | 23                         |
|                | 2019 | 23                       | 4              | 0            | 2            | 0                        | 2                                 | 23                         |
| Oregon         | 2017 | 2                        | 0              | 0            | 0            | 0                        | 0                                 | 2                          |
|                | 2018 | 2                        | 0              | 0            | 0            | 0                        | 0                                 | 2                          |
|                | 2019 | 2                        | 1              | 0            | 0            | 0                        | 0                                 | 3                          |
| Pennsylvania   | 2017 | 7                        | 4              | 1            | 0            | 0                        | 0                                 | 10                         |
|                | 2018 | 10                       | 5              | 0            | 0            | 0                        | 2                                 | 13                         |
|                | 2019 | 13                       | 12             | 0            | 0            | 0                        | 0                                 | 25                         |
| Rhode Island   | 2017 | 0                        | 0              | 0            | 0            | 0                        | 0                                 | 0                          |
|                | 2018 | 0                        | 0              | 0            | 0            | 0                        | 0                                 | 0                          |
|                | 2019 | 0                        | 0              | 0            | 0            | 0                        | 0                                 | 0                          |
| South Carolina | 2017 | 1                        | 2              | 0            | 0            | 0                        | 0                                 | 3                          |
|                | 2018 | 3                        | 0              | 0            | 0            | 0                        | 0                                 | 3                          |
|                | 2019 | 3                        | 7              | 0            | 0            | 0                        | 0                                 | 10                         |
| Tennessee      | 2017 | 37                       | 15             | 6            | 0            | 0                        | 1                                 | 45                         |
|                | 2018 | 45                       | 7              | 0            | 2            | 0                        | 1                                 | 49                         |
|                | 2019 | 49                       | 9              | 1            | 1            | 0                        | 0                                 | 56                         |
| Texas          | 2017 | 93                       | 12             | 3            | 1            | 0                        | 3                                 | 98                         |
|                | 2018 | 98                       | 16             | 5            | 6            | 0                        | 8                                 | 95                         |
|                | 2019 | 95                       | 25             | 4            | 11           | 0                        | 1                                 | 104                        |
| Utah           | 2017 | 3                        | 1              | 1            | 0            | 0                        | 0                                 | 3                          |
|                | 2018 | 3                        | 2              | 0            | 0            | 0                        | 1                                 | 4                          |
|                | 2019 | 4                        | 1              | 0            | 0            | 0                        | 0                                 | 5                          |
| Vermont        | 2017 | 0                        | 1              | 0            | 0            | 0                        | 0                                 | 1                          |
|                | 2018 | 1                        | 0              | 1            | 0            | 0                        | 0                                 | 0                          |
|                | 2019 | 0                        | 0              | 0            | 0            | 0                        | 0                                 | 0                          |
| Virginia       | 2017 | 8                        | 3              | 0            | 0            | 0                        | 4                                 | 7                          |
|                | 2018 | 7                        | 1              | 0            | 0            | 0                        | 2                                 | 6                          |
|                | 2019 | 6                        | 1              | 0            | 0            | 0                        | 0                                 | 7                          |
| Washington     | 2017 | 65                       | 2              | 7            | 0            | 0                        | 2                                 | 58                         |

| State                | Year | Outlets at Start of Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations – Other Reasons | Outlets at End of the Year |
|----------------------|------|--------------------------|----------------|--------------|--------------|--------------------------|-----------------------------------|----------------------------|
|                      | 2018 | 58                       | 11             | 0            | 4            | 0                        | 6                                 | 59                         |
|                      | 2019 | 59                       | 3              | 2            | 3            | 0                        | 0                                 | 57                         |
| West Virginia        | 2017 | 0                        | 1              | 0            | 0            | 0                        | 0                                 | 1                          |
|                      | 2018 | 1                        | 1              | 0            | 0            | 0                        | 0                                 | 2                          |
|                      | 2019 | 2                        | 0              | 0            | 0            | 0                        | 0                                 | 2                          |
| Wisconsin            | 2017 | 4                        | 1              | 0            | 0            | 0                        | 0                                 | 5                          |
|                      | 2018 | 5                        | 1              | 0            | 0            | 0                        | 0                                 | 6                          |
|                      | 2019 | 6                        | 1              | 0            | 0            | 0                        | 0                                 | 7                          |
| District of Columbia | 2017 | 0                        | 0              | 0            | 0            | 0                        | 0                                 | 0                          |
|                      | 2018 | 0                        | 1              | 0            | 0            | 0                        | 0                                 | 1                          |
|                      | 2019 | 1                        | 0              | 0            | 0            | 0                        | 0                                 | 1                          |
| Total                | 2017 | 470                      | 161            | 49           | 2            | 0                        | 17                                | 563                        |
|                      | 2018 | 563                      | 143            | 11           | 13           | 0                        | 59                                | 623                        |
|                      | 2019 | 623                      | 179            | 28           | 30           | 0                        | 10                                | 734                        |

**Item 20 - Table No. 4**  
**Status of Company-Owned Outlets**  
**For Years ~~2016~~2017 to ~~2018~~2019**

Smile Source has no company-owned Dental Care Centers.

| State                 | Year               | Outlets at Start of Year | Outlets Opened | Outlets Reacquired from Franchisees | Outlets Closed | Outlets Sold to Franchisee | Outlets at End of the Year |
|-----------------------|--------------------|--------------------------|----------------|-------------------------------------|----------------|----------------------------|----------------------------|
| Totals for All States | <del>2017</del> 46 | 0                        | 0              | 0                                   | 0              | 0                          | 0                          |
|                       | <del>2018</del> 47 | 0                        | 0              | 0                                   | 0              | 0                          | 0                          |
|                       | <del>2019</del> 48 | 0                        | 0              | 0                                   | 0              | 0                          | 0                          |

**Item 20 - Table No. 5**  
**Projected New Franchised Outlets**  
**As of December 31, ~~2018~~2019**

| State      | Franchise Agreements Signed But Outlet Not Opened | Projected New Franchise Outlets In The Next Fiscal Year | Projected New Company-Owned Outlets in the Next Fiscal Year |
|------------|---------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------|
| Alabama    | 0                                                 | 3                                                       | 0                                                           |
| Alaska     | 0                                                 | <del>0</del> 2                                          | 0                                                           |
| Arizona    | 0                                                 | 7                                                       | 0                                                           |
| Arkansas   | 0                                                 | 8                                                       | 0                                                           |
| California | 0                                                 | 10                                                      | 0                                                           |
| Colorado   | 0                                                 | 6                                                       | 0                                                           |

| State          | Franchise Agreements Signed But Outlet Not Opened | Projected New Franchise Outlets In The Next Fiscal Year | Projected New Company-Owned Outlets in the Next Fiscal Year |
|----------------|---------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------|
| Connecticut    | 0                                                 | 4                                                       | 0                                                           |
| Delaware       | 0                                                 | 03                                                      | 0                                                           |
| Florida        | 0                                                 | 15                                                      | 0                                                           |
| Georgia        | 0                                                 | 6                                                       | 0                                                           |
| Hawaii         | 0                                                 | 2                                                       | 0                                                           |
| Idaho          | 0                                                 | 3                                                       | 0                                                           |
| Illinois       | 0                                                 | 10                                                      | 0                                                           |
| Indiana        | 0                                                 | 10                                                      | 0                                                           |
| Iowa           | 0                                                 | 4                                                       | 0                                                           |
| Kansas         | 0                                                 | 6                                                       | 0                                                           |
| Kentucky       | 0                                                 | 2                                                       | 0                                                           |
| Louisiana      | 0                                                 | 4                                                       | 0                                                           |
| Maine          | 0                                                 | 1                                                       | 0                                                           |
| Maryland       | 0                                                 | 6                                                       | 0                                                           |
| Massachusetts  | 0                                                 | 6                                                       | 0                                                           |
| Michigan       | 0                                                 | 4                                                       | 0                                                           |
| Minnesota      | 0                                                 | 5                                                       | 0                                                           |
| Mississippi    | 0                                                 | 8                                                       | 0                                                           |
| Missouri       | 0                                                 | 1                                                       | 0                                                           |
| Montana        | 0                                                 | 0                                                       | 0                                                           |
| Nebraska       | 0                                                 | 2                                                       | 0                                                           |
| Nevada         | 0                                                 | 2                                                       | 0                                                           |
| New Hampshire  | 0                                                 | 1                                                       | 0                                                           |
| New Jersey     | 0                                                 | 4                                                       | 0                                                           |
| New Mexico     | 0                                                 | 0                                                       | 0                                                           |
| New York       | 0                                                 | 2                                                       | 0                                                           |
| North Carolina | 0                                                 | 2                                                       | 0                                                           |
| North Dakota   | 0                                                 | 0                                                       | 0                                                           |
| Ohio           | 0                                                 | 4                                                       | 0                                                           |
| Oklahoma       | 0                                                 | 4                                                       | 0                                                           |
| Oregon         | 0                                                 | 2                                                       | 0                                                           |
| Pennsylvania   | 0                                                 | 3                                                       | 0                                                           |
| Rhode Island   | 0                                                 | 0                                                       | 0                                                           |
| South Carolina | 0                                                 | 2                                                       | 0                                                           |
| South Dakota   | 0                                                 | 0                                                       | 0                                                           |
| Tennessee      | 0                                                 | 3                                                       | 0                                                           |
| Texas          | 0                                                 | 4                                                       | 0                                                           |
| Utah           | 0                                                 | 2                                                       | 0                                                           |

| <b>State</b>         | <b>Franchise Agreements<br/>Signed But Outlet Not<br/>Opened</b> | <b>Projected New<br/>Franchise Outlets In<br/>The Next Fiscal Year</b> | <b>Projected New<br/>Company-Owned<br/>Outlets in the Next<br/>Fiscal Year</b> |
|----------------------|------------------------------------------------------------------|------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| Vermont              | 0                                                                | 0                                                                      | 0                                                                              |
| Virginia             | 0                                                                | 2                                                                      | 0                                                                              |
| Washington           | 0                                                                | 4                                                                      | 0                                                                              |
| West Virginia        | 0                                                                | 0                                                                      | 0                                                                              |
| Wisconsin            | 0                                                                | 0                                                                      | 0                                                                              |
| Wyoming              | 0                                                                | 0                                                                      | 0                                                                              |
| District of Columbia | 0                                                                | 0                                                                      | 0                                                                              |
| <b>Total</b>         | <b>0</b>                                                         | <b>174</b>                                                             | <b>0</b>                                                                       |

| <u>State</u>          | <u>Franchise Agreements Signed But Outlet Not Opened</u> | <u>Projected New Franchise Outlet In The Next Fiscal Year</u> | <u>Projected New Company-Owned Outlet in the Next Fiscal Year</u> |
|-----------------------|----------------------------------------------------------|---------------------------------------------------------------|-------------------------------------------------------------------|
| <u>Alabama</u>        | <u>0</u>                                                 | <u>3</u>                                                      | <u>0</u>                                                          |
| <u>Alaska</u>         | <u>0</u>                                                 | <u>2</u>                                                      | <u>0</u>                                                          |
| <u>Arizona</u>        | <u>0</u>                                                 | <u>7</u>                                                      | <u>0</u>                                                          |
| <u>Arkansas</u>       | <u>0</u>                                                 | <u>8</u>                                                      | <u>0</u>                                                          |
| <u>California</u>     | <u>0</u>                                                 | <u>10</u>                                                     | <u>0</u>                                                          |
| <u>Colorado</u>       | <u>0</u>                                                 | <u>6</u>                                                      | <u>0</u>                                                          |
| <u>Connecticut</u>    | <u>0</u>                                                 | <u>4</u>                                                      | <u>0</u>                                                          |
| <u>Delaware</u>       | <u>0</u>                                                 | <u>3</u>                                                      | <u>0</u>                                                          |
| <u>Florida</u>        | <u>0</u>                                                 | <u>15</u>                                                     | <u>0</u>                                                          |
| <u>Georgia</u>        | <u>0</u>                                                 | <u>6</u>                                                      | <u>0</u>                                                          |
| <u>Hawaii</u>         | <u>0</u>                                                 | <u>2</u>                                                      | <u>0</u>                                                          |
| <u>Idaho</u>          | <u>0</u>                                                 | <u>3</u>                                                      | <u>0</u>                                                          |
| <u>Illinois</u>       | <u>0</u>                                                 | <u>10</u>                                                     | <u>0</u>                                                          |
| <u>Indiana</u>        | <u>0</u>                                                 | <u>10</u>                                                     | <u>0</u>                                                          |
| <u>Iowa</u>           | <u>0</u>                                                 | <u>4</u>                                                      | <u>0</u>                                                          |
| <u>Kansas</u>         | <u>0</u>                                                 | <u>6</u>                                                      | <u>0</u>                                                          |
| <u>Kentucky</u>       | <u>0</u>                                                 | <u>2</u>                                                      | <u>0</u>                                                          |
| <u>Louisiana</u>      | <u>0</u>                                                 | <u>4</u>                                                      | <u>0</u>                                                          |
| <u>Maine</u>          | <u>0</u>                                                 | <u>1</u>                                                      | <u>0</u>                                                          |
| <u>Maryland</u>       | <u>0</u>                                                 | <u>6</u>                                                      | <u>0</u>                                                          |
| <u>Massachusetts</u>  | <u>0</u>                                                 | <u>6</u>                                                      | <u>0</u>                                                          |
| <u>Michigan</u>       | <u>0</u>                                                 | <u>4</u>                                                      | <u>0</u>                                                          |
| <u>Minnesota</u>      | <u>0</u>                                                 | <u>5</u>                                                      | <u>0</u>                                                          |
| <u>Mississippi</u>    | <u>0</u>                                                 | <u>8</u>                                                      | <u>0</u>                                                          |
| <u>Missouri</u>       | <u>0</u>                                                 | <u>1</u>                                                      | <u>0</u>                                                          |
| <u>Montana</u>        | <u>0</u>                                                 | <u>0</u>                                                      | <u>0</u>                                                          |
| <u>Nebraska</u>       | <u>0</u>                                                 | <u>2</u>                                                      | <u>0</u>                                                          |
| <u>Nevada</u>         | <u>0</u>                                                 | <u>2</u>                                                      | <u>0</u>                                                          |
| <u>New Hampshire</u>  | <u>0</u>                                                 | <u>1</u>                                                      | <u>0</u>                                                          |
| <u>New Jersey</u>     | <u>0</u>                                                 | <u>4</u>                                                      | <u>0</u>                                                          |
| <u>New Mexico</u>     | <u>0</u>                                                 | <u>0</u>                                                      | <u>0</u>                                                          |
| <u>New York</u>       | <u>0</u>                                                 | <u>2</u>                                                      | <u>0</u>                                                          |
| <u>North Carolina</u> | <u>0</u>                                                 | <u>2</u>                                                      | <u>0</u>                                                          |
| <u>North Dakota</u>   | <u>0</u>                                                 | <u>0</u>                                                      | <u>0</u>                                                          |
| <u>Ohio</u>           | <u>0</u>                                                 | <u>4</u>                                                      | <u>0</u>                                                          |
| <u>Oklahoma</u>       | <u>0</u>                                                 | <u>4</u>                                                      | <u>0</u>                                                          |
| <u>Oregon</u>         | <u>0</u>                                                 | <u>2</u>                                                      | <u>0</u>                                                          |
| <u>Pennsylvania</u>   | <u>0</u>                                                 | <u>3</u>                                                      | <u>0</u>                                                          |
| <u>Rhode Island</u>   | <u>0</u>                                                 | <u>0</u>                                                      | <u>0</u>                                                          |

|                             |                 |                   |                 |
|-----------------------------|-----------------|-------------------|-----------------|
| <u>South Carolina</u>       | <u>0</u>        | <u>2</u>          | <u>0</u>        |
| <u>South Dakota</u>         | <u>0</u>        | <u>0</u>          | <u>0</u>        |
| <u>Tennessee</u>            | <u>0</u>        | <u>3</u>          | <u>0</u>        |
| <u>Texas</u>                | <u>0</u>        | <u>4</u>          | <u>0</u>        |
| <u>Utah</u>                 | <u>0</u>        | <u>2</u>          | <u>0</u>        |
| <u>Vermont</u>              | <u>0</u>        | <u>0</u>          | <u>0</u>        |
| <u>Virginia</u>             | <u>0</u>        | <u>2</u>          | <u>0</u>        |
| <u>Washington</u>           | <u>0</u>        | <u>4</u>          | <u>0</u>        |
| <u>West Virginia</u>        | <u>0</u>        | <u>1</u>          | <u>0</u>        |
| <u>Wisconsin</u>            | <u>0</u>        | <u>0</u>          | <u>0</u>        |
| <u>Wyoming</u>              | <u>0</u>        | <u>0</u>          | <u>0</u>        |
| <u>District of Columbia</u> | <u>0</u>        | <u>0</u>          | <u>0</u>        |
| <b><u>Total</u></b>         | <b><u>0</u></b> | <b><u>180</u></b> | <b><u>0</u></b> |

Exhibit H to this disclosure document is a list of all Smile Source franchisees in the U.S.A. as of December 31, 2018~~9~~ and the addresses and telephone numbers of their Dental Care Centers.

Exhibit I to this disclosure document is a list of every Smile Source franchisee who had an outlet terminated, cancelled, not renewed, or who otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during calendar year 2018~~9~~, or who has not communicated with Smile Source within 10 weeks of the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last 3 fiscal years, we have not signed any confidentiality clauses with current franchisees which would restrict them from speaking openly with you about their experience with Smile Source. In some instances, former franchisees have signed provisions restricting their ability to speak openly about their experience with Smile Source. You may wish to speak with current and former franchisees, but be aware that not all former franchisees will be able to communicate with you.

We have not created or sponsored any trademark-specific franchisee organizations associated with the franchise system, and no independent franchisee organizations have asked to be included in this disclosure document.

## ITEM 21 FINANCIAL STATEMENTS

Exhibit C to this disclosure document contains the Independent Auditor's Report and Financial Statements of Smile Source Marketing, Inc. as of December 31, ~~2019~~2018, ~~2018~~2017 and ~~2017~~2016, including the related Balance Sheets, and the Statements of Operations, Stockholder's Equity and Cash Flows for the years then ended, and the related notes to the financial statements.

Our separate financial statements as of December 31, ~~2019~~2018, ~~2018~~2017 and ~~2017~~2016 are not included in this disclosure document. Should we fail to fulfill our duties and obligations to our franchisees under their franchise agreements, however, Smile Source Marketing, Inc. absolutely and unconditionally guarantees to assume those duties and obligations. A copy of Smile Source Marketing, Inc.'s Guarantee of Performance is included in this disclosure document as Exhibit D.

## ITEM 22 CONTRACTS

The following contracts are Exhibits to this disclosure document:

- Exhibit E-1 Smile Source Franchise Agreement (including Special Release of Claims)
- Exhibit E-2 Addendum to Franchise Agreement
- Exhibit F Guaranty of Franchise Agreement
- Exhibit G Nondisclosure Agreement to Protect Release of Confidential Information

**ITEM 23**  
**RECEIPTS**

At the end of this disclosure document are two detachable pages acknowledging your receipt of the disclosure document. You keep one copy and return the other to Smile Source.

# **EXHIBIT A**

## **LIST OF STATE FRANCHISE LAW ADMINISTRATORS**

### **CALIFORNIA**

Commissioner of Business Oversight  
Department of Business Oversight  
320 West 4<sup>th</sup> Street, Suite 750  
Los Angeles, California 90013-2344  
(213) 576-7500  
(866) 275-2677

### **HAWAII**

Commissioner of Securities  
Department of Commerce & Consumer Affairs  
335 Merchant Street, Room 205  
Honolulu, Hawaii 96813  
(808) 586-2722

### **ILLINOIS**

Chief  
Franchise Bureau  
Office of Attorney General  
500 South Second Street  
Springfield, Illinois 62701  
(217) 782-1090

### **INDIANA**

Franchise Section  
Indiana Securities Division  
302 West Washington Street, Room E-111  
Indianapolis, Indiana 46204  
(317) 232-6681  
(317) 233-3675

### **MARYLAND**

Office of the Attorney General  
Securities Division  
200 St. Paul Place  
Baltimore, Maryland 21202  
(410) 576-6360

### **MICHIGAN**

Franchise Administrator  
Consumer Protection Division  
Antitrust and Franchise Unit  
Michigan Department of Attorney General  
G. Mennen Williams Building, 7<sup>th</sup> Floor  
525 W. Ottawa Street  
Lansing, Michigan 48909  
(517) 373-1110

### **MINNESOTA**

Commissioner of Commerce  
Minnesota Department of Commerce  
85 Seventh Place East, Suite 500  
St. Paul, Minnesota 55101  
(651) 296-4026

### **NEW YORK**

NYS Department of Law  
Investor Protection Bureau  
28 Liberty St. 21<sup>st</sup> Floor  
New York, New York 10005  
(212) 416-8236

### **NORTH DAKOTA**

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

### **RHODE ISLAND**

Director of Business Regulation  
Securities Division  
John O. Pastore Complex  
1511 Pontiac Avenue, Building 69-1  
Cranston, Rhode Island 02920  
(401) 462-9587

### **SOUTH DAKOTA**

Director  
Department of Labor and Regulation  
Division of Insurance  
Securities Regulation  
124 S Euclid, Suite 104  
Pierre, South Dakota 57501-3185  
(605) 773-3563

### **VIRGINIA**

Chief Examiner  
State Corporation Commission  
1300 E. Main Street, Ninth Floor  
Richmond, Virginia 23219  
(804) 371-9051

### **WASHINGTON**

Director of Department of Financial Institutions  
Securities Division  
150 Israel Rd SW  
Tumwater, Washington 98501  
(360) 902-8760

### **WISCONSIN**

Franchise Administrator  
Securities and Franchise Registration  
Wisconsin Securities Commission  
201 W. Washington Ave., Suite 500  
Madison, Wisconsin 53703  
(608) 261-9555

## **EXHIBIT B**

### **LIST OF AGENTS FOR SERVICE OF PROCESS**

#### **CALIFORNIA**

Commissioner of Business Oversight  
1515 K Street, Suite 200  
Sacramento, California 95814

#### **HAWAII**

Commissioner of Securities  
Business Registration Division  
335 Merchant Street, Room 205  
Honolulu, Hawaii 96813

#### **ILLINOIS**

Illinois Attorney General Office  
500 South Second Street  
Springfield, Illinois 62701

#### **INDIANA**

Indiana Secretary of State  
200 West Washington Street, Room 201  
Indianapolis, Indiana 46204

#### **MARYLAND**

Maryland Securities Commissioner  
200 Saint Paul Place  
Baltimore, Maryland 21202-2020

#### **MINNESOTA**

Commissioner of Commerce  
State of Minnesota  
Department of Commerce  
Registration Division  
85 Seventh Place East, Suite 500  
St. Paul, Minnesota 55101

#### **NEW YORK**

New York Secretary of State  
99 Washington Avenue  
Albany, NY 12231  
518-473-2492

#### **NORTH DAKOTA**

Securities Commissioner  
North Dakota Securities Department  
600 East Boulevard Avenue  
State Capitol, Fifth Floor, Dept. 414  
Bismarck, North Dakota 58505-0510

#### **RHODE ISLAND**

Director of Business Regulation  
Securities Division  
John O. Pastore Complex  
1511 Pontiac Avenue, Building 69-1  
Cranston, Rhode Island 02920

#### **SOUTH DAKOTA**

Director  
Department of Labor and Regulation  
Division of Insurance  
Securities Regulation  
124 S. Euclid, Suite 104  
Pierre, South Dakota 57501-3185

#### **VIRGINIA**

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

#### **WASHINGTON**

Director of Department of Financial Institutions  
Securities Division  
150 Israel Rd SW  
Tumwater, Washington 98501  
(360) 902-8760

#### **WISCONSIN**

Commissioner of Securities  
Office of Commissioner of Securities  
201 W. Washington Ave.,  
Madison, Wisconsin 53703

**Smile Source Marketing, Inc.**  
Independent Auditor's Report and Financial Statements  
December 31, 2019, 2018 and 2017



**Smile Source Marketing, Inc.**  
**December 31, 2019, 2018 and 2017**

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**Financial Statements**

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## Independent Auditor's Report

Stockholder  
Smile Source Marketing, Inc.  
Kingwood, Texas

We have audited the accompanying financial statements of Smile Source Marketing, Inc., which comprise the balance sheets as of December 31, 2019, 2018 and 2017, and the related statements of operations, stockholder's equity and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Smile Source Marketing, Inc., as of December 31, 2019, 2018 and 2017, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*BKD, LLP*

Houston, Texas  
April 3, 2020

# Smile Source Marketing, Inc.

## Balance Sheets

December 31, 2019, 2018 and 2017

|                                                                                                         | 2019              | 2018              | 2017              |
|---------------------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|
| <b>Assets</b>                                                                                           |                   |                   |                   |
| Cash                                                                                                    | \$ 315,079        | \$ 280,086        | \$ 250,822        |
| Accounts receivable, net of allowance<br>2019 - \$60,015; 2018 - \$85,999; 2017 - \$0                   | 5,427             | 21,540            | 148,428           |
| Total assets                                                                                            | <u>\$ 320,506</u> | <u>\$ 301,626</u> | <u>\$ 399,250</u> |
| <b>Liabilities and Stockholder's Equity</b>                                                             |                   |                   |                   |
| <b>Liabilities</b>                                                                                      |                   |                   |                   |
| Due to Parent                                                                                           | \$ 176,173        | \$ 120,731        | \$ 111,486        |
| Deferred revenues                                                                                       | -                 | 22,833            | 66,987            |
| Total liabilities                                                                                       | <u>176,173</u>    | <u>143,564</u>    | <u>178,473</u>    |
| <b>Stockholder's Equity</b>                                                                             |                   |                   |                   |
| Capital stock, \$1.00 par value; authorized<br>1,000,000 shares, issued and outstanding<br>1,000 shares | 1,000             | 1,000             | 1,000             |
| Additional paid-in capital                                                                              | 200,000           | 200,000           | 200,000           |
| Retained earnings (deficit)                                                                             | <u>(56,667)</u>   | <u>(42,938)</u>   | <u>19,777</u>     |
| Total stockholder's equity                                                                              | <u>144,333</u>    | <u>158,062</u>    | <u>220,777</u>    |
| Total liabilities and stockholder's equity                                                              | <u>\$ 320,506</u> | <u>\$ 301,626</u> | <u>\$ 399,250</u> |

**Smile Source Marketing, Inc.**  
**Statements of Operations**  
**Years Ended December 31, 2019, 2018 and 2017**

|                                      | <b>2019</b>               | <b>2018</b>               | <b>2017</b>        |
|--------------------------------------|---------------------------|---------------------------|--------------------|
| <b>Revenue, Marketing Group Fees</b> | <u>\$ 19,414</u>          | <u>\$ 89,820</u>          | <u>\$ 131,214</u>  |
| <b>Cost of Operations</b>            |                           |                           |                    |
| Advertising                          | 59,127                    | 66,536                    | 131,214            |
| Bad debt expense (recoveries)        | <u>(25,984)</u>           | <u>85,999</u>             | <u>-</u>           |
| Total cost of operations             | <u>33,143</u>             | <u>152,535</u>            | <u>131,214</u>     |
| <b>Net Income (Loss)</b>             | <u><u>\$ (13,729)</u></u> | <u><u>\$ (62,715)</u></u> | <u><u>\$ 0</u></u> |

**Smile Source Marketing, Inc.**  
**Statements of Stockholder's Equity**  
**Years Ended December 31, 2019, 2018 and 2017**

|                                          | <u>2019</u>       | <u>2018</u>       | <u>2017</u>       |
|------------------------------------------|-------------------|-------------------|-------------------|
| <b>Stockholder's Equity, January 1</b>   | \$ 158,062        | \$ 220,777        | \$ 220,777        |
| Net income (loss)                        | <u>(13,729)</u>   | <u>(62,715)</u>   | <u>-</u>          |
| <b>Stockholder's Equity, December 31</b> | <u>\$ 144,333</u> | <u>\$ 158,062</u> | <u>\$ 220,777</u> |

**Smile Source Marketing, Inc.**  
**Statements of Cash Flows**  
**Years Ended December 31, 2019, 2018 and 2017**

|                                            | <b>2019</b>              | <b>2018</b>              | <b>2017</b>              |
|--------------------------------------------|--------------------------|--------------------------|--------------------------|
| <b>Operating Activities</b>                |                          |                          |                          |
| Net income (loss)                          | \$ (13,729)              | \$ (62,715)              | \$ -                     |
| Item not requiring cash - bad debt expense | -                        | 85,999                   | -                        |
| Changes in:                                |                          |                          |                          |
| Accounts receivable                        | 16,113                   | 40,889                   | (148,428)                |
| Due to Parent, net                         | 55,442                   | 9,245                    | 112,346                  |
| Deferred revenues                          | (22,833)                 | (44,154)                 | 66,987                   |
| Net cash provided by operating activities  | <u>34,993</u>            | <u>29,264</u>            | <u>30,905</u>            |
| <b>Increase in Cash</b>                    | 34,993                   | 29,264                   | 30,905                   |
| <b>Cash, Beginning of Year</b>             | <u>280,086</u>           | <u>250,822</u>           | <u>219,917</u>           |
| <b>Cash, End of Year</b>                   | <u><u>\$ 315,079</u></u> | <u><u>\$ 280,086</u></u> | <u><u>\$ 250,822</u></u> |

# **Smile Source Marketing, Inc.**

## **Notes to Financial Statements**

**December 31, 2019, 2018 and 2017**

### **Note 1: Nature of Operations and Summary of Significant Accounting Policies**

#### ***Nature of Operations***

Smile Source Marketing, Inc., a Texas Corporation (the Company), was formed in 2006, and is owned 100 percent by Smile Source L.P. (the Parent). SSH Corporation, a Delaware Corporation (SSH), owns 100 percent of the limited partnership interest of the Parent.

The Company is engaged in developing marketing and advertising programs on behalf of the Parent's franchisee marketing groups who elect to participate.

The Parent provides certain services for accounting, legal and information technology for the Company. In addition, the Company's expenses are primarily paid by the Parent and the Company reimburses these expenses on a periodic basis. There is no overhead allocated or charged by the Parent for these services.

#### ***Use of Estimates***

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

#### ***Accounts Receivable***

Accounts receivable are stated at the amount of consideration from customers of which the Company has an unconditional right to receive, plus any accrued and unpaid interest. The Company provides an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions.

Accounts receivable are due upon receipt after the issuance of the invoice. A late charge amount of \$25 will be incurred on the 5<sup>th</sup> day following the due date. In addition, accounts that remain unpaid after the 90<sup>th</sup> day following the due date will bear interest at 1 percent per month. Accounts past due more than 365 days are considered delinquent. Delinquent receivables are written off based on individual credit evaluation and specific circumstances of the customer.

During the years ended December 31, 2019, 2018 and 2017, impairment losses on doubtful accounts receivable, where collectibility is not reasonably assured, were \$0, \$85,999 and \$0, respectively.

#### ***Guarantees***

The Company provides a guarantee of performance with its Parent to guarantee the duties and obligations of its Parent under the Parent's franchise agreements.

# **Smile Source Marketing, Inc.**

## **Notes to Financial Statements**

**December 31, 2019, 2018 and 2017**

### ***Revenue Recognition and Deferred Revenues***

The Company receives from the Parent's franchisees who elect, a fee as stipulated in a marketing agreement. The Company utilizes the fees to fund marketing and advertising programs on behalf of the franchise marketing groups. The Company recognizes revenues for such fees once it has incurred a third-party liability to pay for advertising or marketing costs.

Excess fees received or receivable are recorded as deferred revenue and recognized over the periods to which the fees relate. The Company returns excess funds to the marketing groups not expended within the specific period agreed to with the marketing groups.

### ***Income Taxes***

The Company files consolidated income tax returns with its Parent, which has chosen to not allocate income tax expense (benefit) to the Company.

### ***Reclassifications***

Certain reclassifications have been made to the 2018 financial statements to conform to the 2019 financial statement presentation. These reclassifications had no effect on net earnings.

## **Note 2: Revenue from Contracts with Customers**

### ***Change in Accounting Principle***

In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers* (Topic 606), that replaces existing revenue recognition guidance. The new standard requires companies to recognize revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, Topic 606 requires disclosures of the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The Company adopted this standard on January 1, 2019, using the modified retrospective approach. The Company applied the new standard to all contracts not complete at the date of adoption. The Company's adoption of Topic 606 did not result in a change to the timing of revenue recognition.

### ***Performance Obligations***

Revenue is measured as the amount of consideration the Company expects to receive in exchange for arranging advertising and marketing services to customers. The Company recognizes revenue when performance obligations under the terms of contracts with its customers are satisfied, which occurs when the Company has incurred a third-party liability to pay for advertising and marketing costs.

# **Smile Source Marketing, Inc.**

## **Notes to Financial Statements**

**December 31, 2019, 2018 and 2017**

### ***Significant Judgments***

The Company recognizes revenue over time as advertising and marketing services are provided toward satisfying the performance obligations of each contract. The Company measures a contract's progress on the basis of the costs incurred.

### ***Accounting Policies and Practical Expedients Elected***

For significant financing components, the Company elected a practical expedient, which allows an entity to recognize the promised amount of consideration without adjusting for the time value of money if the contract has a duration of one year or less. As the Company's contracts are typically less than one year in length and do not have significant financing components, the Company does not present revenue on a present value basis.

### **Note 3: Subsequent Events**

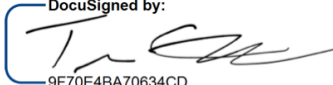
Subsequent events have been evaluated through April 3, 2020, which is the date the financial statements were available to be issued.

**EXHIBIT D**  
**GUARANTEE OF PERFORMANCE**

For value received, Smile Source Marketing, Inc., a Texas corporation (the “Guarantor”), located at 23824 Highway 59 North, Kingwood, Texas 77339, absolutely and unconditionally guarantees to assume the duties and obligations of Smile Source L.P., located at 23824 Highway 59 North, Kingwood, Texas 77339 (the “Franchisor”), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2019 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Kingwood, Texas on the 3rd day of April, 2020.

**GUARANTOR:**  
Smile Source Marketing, Inc.,  
a Texas Corporation

By:  9F70E4BA70634CD...  
Name: Trevor Maurer  
Title: President and CEO  
Date Executed: March 23, 2020



# FRANCHISE AGREEMENT

BETWEEN

SMILE SOURCE L.P.

AND

«COMP LEGAL NAME»

DBA: «DBA NAME»

«COMP ADDRESS L1», «COMP ADDRESS L2»

«COMP CITY», «COMP ST» «COMP ZIP»

# FRANCHISE AGREEMENT

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# FRANCHISE AGREEMENT

This Franchise Agreement ("Agreement") is made and entered into by and between Smile Source L.P., a Texas limited partnership ("Franchisor"), and «Comp Legal Name», a «St of Incorp» «Corp Type», doing business as «DBA Name», whose mailing address is «Comp Mail Address L1», «Comp Mail Address L2», «Comp Mail City», «Comp Mail ST» «Comp Mail Zip», and whose Federal Employer Identification Number is «Tax ID».

## RECITALS

A. Franchisor desires to promote the independent practice of dentistry through a network of independently owned and operated dental care offices ("Network").

B. Franchisor, as a result of the expenditure of time, skill, effort and money, has developed a distinctive method of (i) facilitating the exchange of information on best practices among independent dentists and dental industry experts regarding the management, operation, and promotion of a dental care office; (ii) arranging for price reductions (including discounts and rebates) from vendors supplying dental and other products and related services based on the nationwide buying power of the Network; (iii) advertising, promotional and marketing programs, including the promotion and sale of dental related products and services; and (iv) offering programs relating to (i), (ii) and (iii) above (the foregoing distinctive methods, proprietary know-how, and trade secrets in (i), (ii), (iii) and (iv) are collectively referred to as the "System").

C. Franchisor has acquired exclusive rights in various service marks, trademarks, symbols, slogans, emblems, logos indicia, designs, and other distinguishing characteristics that may promote the members of the SMILE SOURCE® Network (individually a "Name" and "Mark" and collectively the "Names and Marks"), including, among others, the Mark SMILE SOURCE®, added to the principal register of the United States Patent and Trademark Office, registration number 3839406, in international class 44 on August 24, 2010.

D. Franchisee (defined in Section 17.01), would like to select from the benefits and programs available to the Network as part of the System and to use certain designated Names and Marks to promote Franchisee's practice as an independently owned and operated practice under the SMILE SOURCE® Name, to the extent allowed under State laws and regulations, or if not permitted by State laws and regulations to operate under the SMILE SOURCE® Name, to operate as a "Member of the SMILE SOURCE® Network."

E. Franchisee understands and acknowledges the importance of high standards of quality, appearance and service in a dental care office and the necessity of operating Franchisee's office in a manner that enhances the goodwill associated with the Names and Marks.

NOW, THEREFORE, Franchisor and Franchisee (individually, a "Party" and collectively, the "Parties"), in consideration of the above and the mutual covenants and agreements contained in this Agreement, the receipt and sufficiency of which are acknowledged as valuable consideration, mutually agree as follows:

## ARTICLE 1. ISSUANCE OF FRANCHISE

**1.01 Grant of Franchise.** Franchisor grants to Franchisee a franchise to use the specified Names and Marks and to participate in the programs and benefits available to the Network in the management and operation of Franchisee's independently owned and operated dental care office ("Office"), subject to the terms and conditions of this Agreement, at a single location ("Designated Location") described in Section 1.04. To the extent allowed by State laws and regulations, Franchisee agrees to operate the Office at the Designated Location under the SMILE SOURCE® Name, or if not

permitted by State laws and regulations to do so, to operate as a “Member of the SMILE SOURCE® Network,” as provided in Section 5.09.

**1.02 Option for Additional Franchised Location(s).** If this is Franchisee’s first franchise with Franchisor, Franchisor grants to Franchisee (or an affiliate of Franchisee controlled and operated by the same Owners as those of Franchisee), a nontransferable option to enter into a franchise agreement for two (2) additional dental offices, under Franchisor’s then current form of franchise agreement, modified to provide that the required royalty will be the same as that specified under this Agreement. This option may be exercised only when Franchisee is not in default of this Agreement or any other agreement between Franchisee and Franchisor, its subsidiaries or affiliates. The additional dental office(s) may be located inside or outside the Territory granted in this Agreement, subject to Franchisor’s prior written approval, and Franchisor’s approval of the location(s) will be in the same manner as for a change in the Designated Location, as provided in Section 1.04. For this Agreement, “controlled” means that fifty percent (50%) or more of the beneficial ownership interest in the additional dental office is the same as that of the Franchisee and “Owner” and “Owners” mean the shareholder(s), member(s), general partner(s), limited partner(s) or anyone else who owns an equity interest in Franchisee.

**1.03 Territory.** Franchisee expressly agrees this franchise relates solely to one Designated Location within the geographic territory (“Territory”) specified in Exhibit A to this Agreement and that the granting of this franchise is expressly subject to all terms and conditions in this Agreement. Provided Franchisee is not in default of the terms and conditions of this Agreement after written notice and beyond any applicable cure period in Article 10 and except as otherwise provided in this Agreement, Franchisor will not establish, nor franchise anyone other than Franchisee to establish a dental care office, providing general dentistry services, using the System under the Names and Marks in the Territory without the written consent of Franchisee. However, if Franchisee defaults in the terms and conditions in this Agreement and the default continues after written notice from Franchisor and beyond any applicable cure period in Article 10, and Franchisor elects not to terminate this Agreement, then, during the remainder of the Initial Term (defined in Section 3.01) and any renewal terms, Franchisor will not be prohibited from ~~(i) establishing or franchising other franchisees to establish an dental care office, providing general dentistry services, using the System under the Names and Marks in the Territory, and (ii) granting associate memberships in the Territory,~~ even if the default is subsequently cured. Franchisor will not be prohibited from establishing or franchising other franchisees to establish a dental care office using the System under the Names and Marks in the Territory, ~~and granting associate memberships in the Territory,~~ upon the expiration of the Initial Term or any renewal terms, even if Franchisor accepts a Royalty payment from Franchisee after the Initial Term or any renewal terms have expired and even if Franchisor has not announced the termination of this Agreement to the vendors in the Cooperative Buying Program described in Article 6.

Franchisor retains the right to grant franchises to an affiliate of Franchisor or to others to use the System under the Name and Marks in dental care offices anywhere outside the Territory. Franchisor also retains the right to grant franchises to dental specialists (oral surgeons, endodontists, orthodontists, pedodontists, periodontists, prosthodontists and other certified or accredited dental specialists) to use the System under the Name and Marks in dental care offices anywhere inside the Territory. Franchisor and its affiliates each retain the right to establish franchise networks and grant franchises, under other names and marks, inside or outside the Territory, and to grant ~~associate memberships~~ Membership Agreements for General Members, as defined in Section 17.01, in the Network inside or outside the Territory ~~outside the Territory and, with the prior written consent of Franchisee, inside the Territory.~~

Franchisor, other franchisees of the SMILE SOURCE® Network and ~~associate members~~ General Members of the Network may conduct general advertising, direct and indirect sales, marketing and

promotional programs anywhere within the Territory, as permitted by state law.

**1.04 Sole Designated Location; Relocation.** The Designated Location will be at: «*Comp Address L1*», «*Comp Address L2*», «*Comp City*», «*Comp County*» County, «*Comp ST*» «*Comp Zip*».

Before Franchisee may change the location of its franchised Office, the address of a new Designated Location must be designated in writing and approved by Franchisor. Franchisor will not withhold its consent to relocation within the Territory unless it believes, in its sole discretion, that the proposed new location might have an unreasonably adverse effect on another current or prospective SMILE SOURCE® franchisee or damage the goodwill associated with the Names and Marks. Franchisor's consent to any change, whether inside or outside the Territory, may be conditioned upon Franchisee entering into an amendment to this Agreement to modify the Territory. Franchisor will consider an amendment to the Territory to allow relocation outside the original Territory only if, in the Franchisor's sole discretion: (i) the amended Territory does not extend into another current or prospective franchisee's Territory or Franchisor obtains the other current or prospective franchisee's prior written consent and (ii) amending the Territory would not interfere with any pending grant of a franchise to another dentist. Any amendment to the Territory pursuant to this Section to allow relocation outside the original Territory must be signed by Franchisor and Franchisee. If Franchisee changes the location of its franchised Office without obtaining Franchisor's prior written consent, Franchisor may: (i) terminate this Agreement as provided in Article 10 or (ii) modify the Territory by written notice to Franchisee.

## **ARTICLE 2. RELATIONSHIP BETWEEN FRANCHISOR AND FRANCHISEE**

**2.01 Independent Entity.** Franchisee is an independent contractor and, except as expressly provided for in this Agreement, is solely responsible for the direction and control of the Office and operations. Franchisee may not (i) make any contract, warranty, or representation which creates any obligation for Franchisor or its affiliates or which creates an agency (actual or apparent), employment or partnership relationship, or (ii) act for or on behalf of Franchisor or its affiliates. In all dealings with third parties including, without limitation, employees, vendors, patients, and customers, Franchisee will disclose in a manner acceptable to Franchisor that Franchisee is an independent entity operating the Office under a franchise granted by Franchisor. Nothing in this Agreement is intended by the Parties to create a fiduciary relationship between them nor to constitute Franchisee as an agent, legal representative, subsidiary, joint venturer, partner, co-owner, tenant, employee, or servant of Franchisor for any purpose. Franchisor may act as an agent for Franchisee in certain circumstances, including, but not limited to, Franchisor's negotiation of pricing terms of goods and services offered to Franchisee under the Cooperative Buying Program.

**2.02 Practice of Dentistry.** Franchisee and the Owner(s) are responsible for all business and management decisions regarding the Franchisee's Office. Franchisor will not interfere with Franchisee's or any Owner's professional judgment in any manner and Franchisee acknowledges Franchisor is not, in any way, engaging in the corporate practice of medicine or dentistry. Franchisor will not assert any ownership in Franchisee's dental practice, patient medical records, or medical equipment. Franchisee and the Owner(s) will be fully responsible for all aspects of Franchisee's dental practice, including the selection of employees, contractors, inventory and medical equipment, coding and billing procedures, decisions regarding any patient's need for referral to other health care practitioners, and Franchisee's hours of practice.

## **ARTICLE 3. TERM AND RENEWAL**

**3.01 Initial Term.** The initial term of this Agreement («Initial Term») will commence on «*Start Date*» («Start Date») and, except as otherwise provided in this Agreement, will expire at the end of the sixtieth (60<sup>th</sup>) full calendar month following the Start Date.

**3.02 Renewal Option.** Franchisee may renew this franchise for one or more consecutive sixty (60) month terms, unless before the end of the expiring term Franchisor has announced a decision to: (i) stop franchising; or (ii) withdraw from doing business in the geographic market in which the Office is located. Franchisor may require Franchisee to satisfy any or all of the following requirements as a condition of continuing the franchise relationship for a renewal term:

**3.02.1 No Default.** Neither Franchisee nor any Owner or affiliate of Franchisee are in default of any provision of this Agreement or any other agreement between Franchisee or any Owner or affiliate of Franchisee and Franchisor, its subsidiaries, and affiliates. Franchisee has not been delinquent in the submission of monthly sales reports or payment of monthly Royalty fees more than once during any twelve (12) month period during the expiring term. Franchisee and its Owners and affiliates have substantially complied with all terms and conditions of all written agreements with Franchisor during the expiring term of this Agreement.

**3.02.2 Payment of All Sums Due.** Franchisee and its Owners and affiliates have satisfied all monetary Obligations, as defined in Section 4.01, owed to Franchisor and its parent, subsidiaries and affiliates and have timely met those Obligations throughout the expiring term.

**3.02.3 Renewal Application.** Franchisee has submitted a renewal application to Franchisor not less than three (3) full calendar months prior to the end of the expiring term.

**3.02.4 Signing of Renewal Documents.** At Franchisor's sole option, Franchisee will either: (i) sign an extension of this Agreement; or (ii) within thirty (30) days after receipt of the new form of franchise agreement from Franchisor, but no sooner than fourteen (14) full calendar days after receipt of the disclosure document and no sooner than seven (7) full calendar days after receipt of the renewal franchise agreement, sign Franchisor's then-current franchise agreement with all supplemental documents in the forms attached to the franchise agreement or disclosure document. If the Royalty rate stated in the then-current form of franchise agreement differs from the Royalty rate under this Agreement, the new franchise agreement will be amended to provide that the Royalty rate under this Agreement remains in effect. All other terms of this Agreement may change in the new franchise agreement, including but not limited to the definition of the Territory. Under either clause (i) or clause (ii), each of Franchisee's Owners, as defined in Section 1.02 above and listed in Section 17.16 below, will sign the agreements Franchisor requires of Owners at that time.

**3.02.5 Signing of Special Release of Claims.** Franchisee and each of its Owners will sign a special release of claims, similar to the form of Exhibit C to this Agreement.

**3.03 Acceptance of Payment from Holdover Franchisee.** Franchisor's acceptance of a Royalty payment from Franchisee after the term of this Agreement has expired does not constitute a waiver of the conditions listed in Section 3.02 nor Franchisor's agreement to a renewal term, even if Franchisor has not announced the expiration of this Agreement to the vendors in the Cooperative Buying Program.

#### **ARTICLE 4. MONETARY OBLIGATIONS OF FRANCHISEE**

Franchisee will make the following payments in immediately accessible funds to Franchisor:

**4.01 Royalty.** Beginning on the Start Date, and continuing throughout the Initial Term and any renewal term of this Agreement, Franchisee must pay, without demand, to Franchisor a monthly royalty ("Royalty") equal to the lesser of (i) two percent (2%) of the Gross Receipts (as defined in this Section) of the Office; or (ii) if applicable, the Monthly Royalty Cap (as defined in this Section).

The term "Gross Receipts" means all amounts received by the Office minus "Allowable Sales Deductions" consisting of sales taxes and other similar taxes collected from patients or customers on the

amount of sales transactions, reimbursements to insurance carriers and governmental agencies for overpayments, cash refunds to patients or customers and money lost on returned checks.

The term “Monthly Royalty Cap” means Two Thousand Seven Hundred Fifty Dollars (\$2,750.00). Franchisee, however, will be eligible for the Monthly Royalty Cap only if the following requirements are satisfied:

(a) Franchisor receives Franchisee’s written notice asserting eligibility for the Monthly Royalty Cap, provided any such eligibility may not be for a date that is more than twelve (12) months before the date of Franchisee’s written notice; and

(b) If Franchisee’s eligibility for the Monthly Royalty Cap is first effective for any month other than the first month of the Initial Term or any renewal term(s), Franchisee must sign a renewal Franchise Agreement with a Start Date of the first day of the month in which Franchisee is first eligible for the Monthly Royalty Cap; and

(c) Franchisee must report the Gross Receipts and Allowable Sales Deductions for the Office stated in this Agreement separate from any other dental office of the Franchisee; and

(d) Franchisee’s monthly Gross Receipts and Allowable Sales Deductions report and the related Royalty payment for the Office must not be delinquent under Section 4.02.

If Franchisee is delinquent in reporting and/or paying the Royalty in any month during a Contract Year, as defined in this Section, then the Monthly Royalty Cap will not apply for the entire Contract Year and Franchisee must pay Royalty for the entire Contract Year based on the percentage of Gross Receipts stated in this Section. The term “Contract Year” means the twelve (12) month period commencing on the Start Date and each subsequent (12) month period during the Initial Term and any renewal term(s).

Provided Franchisee meets the requirements of subparagraphs (a), (b), (c) and (d) of this Section, in every month of the applicable Contract Year, the Royalty payable for the last month of that Contract Year, will be computed as follows:

(i) The total Royalty amount for the Contract Year based on the percentage of Gross Receipts stated in this Section will be computed (the “Annual Royalty Amount”).

(ii) If the Annual Royalty Amount is equal to or greater than \$33,000, then the Royalty payable for the last month of that Contract Year will be \$33,000 minus the total Royalty payments made by Franchisee for the first eleven (11) months of that Contract Year.

(iii) If the Annual Royalty Amount is less than \$33,000, then the Royalty payable for the last month of that Contract Year will be the Annual Royalty Amount minus the total Royalty payments made by Franchisee for the first eleven (11) months of that Contract Year.

The Royalty has been priced to provide to Franchisor compensation commensurate with the value of the franchise to Franchisee and services Franchisor furnishes to Franchisee.

If applicable law does not permit amounts received for dental services to be included in the calculation of Gross Receipts to compute and pay the Royalty, then the term “Gross Receipts” will not include receipts from those services; and the Gross Receipts as calculated will be multiplied by two (2) to calculate the Royalty (the “Alternate Royalty Computation Method”). If a legal determination is made by a government or regulatory authority with jurisdiction over this Agreement or by Franchisor, upon advice of counsel, that the current method of calculating the Royalty, including the Alternate Royalty Computation Method, does not conform to current law, then Franchisor and Franchisee agree to negotiate in good faith another fee arrangement that would conform to the law and provide equivalent economic value to the Franchisor. If the Parties do not so agree within ninety (90) days after notice by Franchisor

that a new agreement regarding fees is necessary, this Agreement will terminate, in Franchisor's sole discretion, immediately upon written notice by Franchisor to Franchisee. All post-termination obligations of the Parties will remain in effect.

The term "Obligation(s)" means (i) all amounts Franchisee owes to Franchisor from time to time under this Agreement (including but not limited to Royalty payments and marketing fees) and under any other agreement between Franchisee and Franchisor and its subsidiaries and affiliates; and (ii) the reasonable costs and expenses that Franchisor incurs to collect or attempt to collect amounts due from Franchisee.

**4.02 Payment and Reporting Method and Due Date.** Royalty payments are delinquent if not received by Franchisor by the forty-fifth (45th) day following the last day of the calendar month for which payment is being made. Franchisee must submit a certified statement of Gross Receipts and Allowable Sales Deductions, in the form and manner prescribed by Franchisor, in conjunction with each Royalty payment. For all amounts payable to Franchisor, Franchisee must use the payment method(s) that Franchisor designates from time-to-time. If Franchisor accepts payment by check or credit card, Franchisor may impose reasonable service fees for processing payment. If Franchisor requires payment by electronic funds transfer, Franchisee must designate an account at a commercial bank (the "Account") and furnish the bank with authorizations, as necessary, to permit Franchisor to make withdrawals from the Account by electronic funds transfer. Franchisee agrees to maintain sufficient funds in the Account to cover the amounts payable to Franchisor. If funds in the Account are insufficient to cover the amounts payable at the time Franchisor initiates an electronic funds transfer, the amount of the shortfall will be deemed overdue.

**4.03 Late Fees and Interest on Late Payments.** If any payment to Franchisor is overdue, Franchisee must pay, in addition to the overdue amount, a late charge of Twenty-Five Dollars (\$25.00). In addition to the late charge, any payment by Franchisee that Franchisor does not receive in the full amount, by the end of the 90<sup>th</sup> day following the date due, will bear interest at one percent (1%) per month or at the highest rate allowed by law on the date when payment is due, whichever is less, and interest will be charged retroactively to the due date for that payment. Any payment Franchisee tenders to Franchisor that is returned or not honored by the institution on which it is drawn will not be considered as having been received. If any payment is returned or not honored by the institution on which it is drawn, the Royalty, late charges, and interest due to Franchisor will be based on the date good funds are then deposited to replace the dishonored payment. Franchisee must pay Franchisor \$35.00 for each payment Franchisee tenders to Franchisor that is returned or not honored by the institution on which it is drawn.

Franchisor charges a late charge and interest on late payments to partially compensate itself for loss of use of the funds and for internal administrative costs resulting from late payment that would otherwise be difficult to measure precisely. Franchisor's imposition of these charges is not a waiver of Franchisor's right to be paid on time.

**4.04 Application of Payments.** Franchisor may apply any payment Franchisee makes to Franchisor, at Franchisor's option, to any past due amounts Franchisee owes Franchisor, including late charges, interest and returned check fees, regardless of how Franchisee indicates the payment should be applied. Franchisor may deduct any past-due amounts owed by Franchisee to Franchisor, or any affiliate or subsidiary of Franchisor, from any rebates Franchisor would otherwise distribute to Franchisee under the Cooperative Buying Program. If Franchisee owes any past due amounts to Franchisor when Franchisor or any affiliate or subsidiary of Franchisor owes any amount to Franchisee, then Franchisor may pay or may cause its affiliate or subsidiary to pay those amounts to Franchisor instead of to Franchisee. Deduction of past-due amounts under the foregoing provision does not constitute a waiver of Franchisor's right to be paid on time.

**4.05 Suspension of Services.** If Franchisor has given Franchisee notice of a default under this Agreement, Franchisor may suspend any or all of Franchisor's services and support, including Franchisee's participation in all or any part of the Cooperative Buying Program or other programs offered by Franchisor, until Franchisee cures the default. Any suspension of services will not constitute a termination of this Agreement by Franchisor and does not constitute a waiver of Franchisor's right to be paid on time.

**4.06 Rebates.** If Franchisee does not renew this Agreement, as provided in Section 3.02, Franchisor will retain all rebates Franchisor receives that are based on Franchisee's purchases after the term of this Agreement has expired. If Franchisee subsequently renews this Agreement, as provided in Section 3.02, within six (6) months of Franchisee's renewal date, Franchisor will pay (subject to Section 4.04) all retained rebates to Franchisee. If Franchisee does not renew this Agreement within 6 months of Franchisee's renewal date, Franchisee will forfeit all rebates retained by Franchisor.

**4.07 No Inducement of Prohibited Conduct.** The Royalty payable by Franchisee under this Agreement is in consideration of the services, support, and programs provided by Franchisor under this Agreement. No part of the Royalty is intended to induce Franchisor or any other individual or entity to engage in conduct that is prohibited under the federal health care program anti-kickback statute, 42 U.S.C. § 1320a-7b(b) (the "Anti-Kickback Statute"), or any of its state law counterparts.

**4.08 Fair Market Value and Commercial Reasonableness.** The Parties hereby acknowledge and agree that the Royalty payable by Franchisee under this Agreement is the product of bona fide, arm's-length negotiations and, to the best of the Parties' knowledge, represents a commercially reasonable and fair market value payment for the services furnished by Franchisor under this Agreement, without taking into account, in the aggregate or otherwise, the volume or value of federal health care program business (as such term is defined in 42 U.S.C. § 1320a-7b(f)) or any other business generated by the Parties for one another.

## **ARTICLE 5. OTHER OBLIGATIONS OF FRANCHISEE**

In addition to the monetary Obligations of Franchisee in Article 4, Franchisee will discharge the following duties and comply with the following requirements during the term of this Agreement:

**5.01 Advertising and Marketing.** All advertising and promotion that Franchisee undertakes for the Office must be completely truthful, conform to the highest standard of ethical advertising and comply with applicable laws and regulations. Franchisee must submit to Franchisor copies of all forms of promotional and advertising materials containing the Names and Marks that Franchisee proposes to use, except materials wholly prepared by Franchisor or its affiliates, at least two weeks before the proof approval deadline. Franchisor will review the materials within a reasonable time and will promptly notify Franchisee whether Franchisor approves or rejects them. Franchisor may not withhold Franchisor's approval unreasonably. Even if Franchisor approves specified materials, Franchisor may later withdraw Franchisor's approval if Franchisor reasonably believes it is necessary to eliminate misleading or unethical features of the advertising or because the Names and Marks have changed. Franchisee is not restricted from advertising or promoting its practice without Franchisor's prior written approval if the advertising contains none of the Names and Marks, but all advertising and promotion must meet the standards stated in the first sentence of this Section.

If Franchisee desires to use any promotional and advertising material(s) wholly developed or prepared by Franchisor or its affiliates, Franchisee may do so without obtaining Franchisor's prior approval, provided all of Franchisor's instructions pertaining to those promotional and advertising materials are followed.

Franchisee agrees that the promotional and advertising material(s) developed or prepared by Franchisor for promoting the Names and Marks and the members of the Network includes copyrighted material or other types of proprietary information (“Marketing Materials”). Franchisee understands and agrees that all Marketing Materials, in whatever form, and all copies and excerpts, will be the sole property of Franchisor, subject only to the right of Franchisee to use the Marketing Materials during the term of this Agreement.

**5.02 Insurance.** Franchisee must carry and maintain in full force and effect, with an insurer or insurers acceptable to Franchisor, the following insurance coverage:

- (a) Professional errors and omissions insurance with an insurer and in form and substance reasonably acceptable to Franchisor, in the minimum amounts of \$1,000,000 per occurrence and \$2,000,000 annual aggregate.
- (b) Product liability insurance in the minimum amounts of \$1,000,000 per occurrence and \$2,000,000 annual aggregate.
- (c) General liability insurance in the minimum amount of \$1,000,000.

Each of these insurance policies must include a provision that the policy cannot be canceled without thirty (30) days’ written notice to Franchisor. Franchisee must obtain all insurance policies from an insurance company of recognized responsibility with a rating of at least “AXII” by A.M. Best or a comparable rating by another rating agency approved by Franchisor. All insurance policies must designate Franchisor as an additional named insured and be satisfactory to Franchisor in form, substance, and coverage. Franchisee must deliver a certificate of the issuing insurance company evidencing each policy to Franchisor upon signing this Agreement and then when the policy is renewed or changed.

**5.03 Professional Status and Requirements.** Franchisee represents that the Office will offer one or both of the following dental services, (i) professional examinations to diagnose and treat routine dental conditions or (ii) professional examinations to diagnose and provide dental implants, cosmetic and orthodontic elective treatments, or any combination of such dental services. During the term of this Agreement, Franchisee will be a dentist licensed to practice within the state where the Office is located (or a professional corporation or other legal entity owned by licensed dentist(s)). To the extent required by State law and ethical codes, Franchisee or its Owner(s) must supervise the Office.

**5.04 Compliance with Laws.** Franchisee will operate and conduct the Office in full compliance with all laws, ordinances, rules, regulations, codes, and other requirements imposed by Federal, State, County or Municipal governments and other governmental or quasi-governmental or administrative entities. Franchisee will obtain all permits, licenses, and other consents necessary for the operation of the Office. Franchisee will promptly provide to Franchisor documentation and further assurances of its compliance with those requirements as Franchisor may reasonably request from time to time. If the State Board of Dentistry or regulatory agency, or other professional State board or regulatory body, determines that any part of this Franchise Agreement may violate the State’s law(s), the Franchisee will not be bound by that section of this Franchise Agreement, however, Franchisor may elect to (i) remove the section from this Franchise Agreement, (ii) modify the section(s) so it will comply with the State’s law(s), or (iii) terminate this Franchise Agreement with no liability of Franchisor to Franchisee. Franchisor’s election under this Section 5.04 will be by written notice to Franchisee within ninety (90) days of written notice to Franchisor from Franchisee or the government agency that one or more sections may violate State law(s). Franchisee and the guarantors of this Agreement agree to waive and release Franchisor from any and all claims, demands, charges and causes of action, arising out of any section or sections of this Franchise Agreement which may now be or may in the future become in violation of State law(s) or regulations.

**5.05 Costs of Construction.** Franchisee will bear the entire cost of construction and completion of the premises for the Office, including, without limitation, the cost of labor, financing, utilities, equipment, furniture, furnishings, inventory and supplies.

**5.06 Maintenance.** Franchisee agrees to keep the Office premises, equipment and furnishings clean and in excellent repair.

**5.07 Payment of Indebtedness.** Franchisee must pay promptly when due all obligations to vendors in the Cooperative Buying Program and all taxes and obligations that Franchisee incurs in the operation of its business, including obligations to its landlord.

**5.08 Financial Information and Reports.** Franchisee will furnish to Franchisor financial information and reports as Franchisor may reasonably request for monitoring compliance by Franchisee with its Obligations under this Agreement. Franchisee will prepare or cause to be prepared such financial information and reports requested by Franchisor and will deliver the same to Franchisor within fifteen (15) days after receiving a request from Franchisor. The submission of financial information and reports is in addition to Franchisor's right to conduct a review under Article 13 below.

**5.09 Use of Names and Marks.** Franchisee agrees to use the Names and Marks in a manner that will inform the public that the Office is part of the SMILE SOURCE® Network. Franchisee may accomplish this through business procedures like answering the phone, advertising, marketing, promotional or display material, signs, stationery, office forms, and business cards. Franchisee agrees to follow any written guidelines Franchisor provides concerning the Names and Marks, including but not limited to those specified in Section 5.01. If Franchisee is prohibited by State laws and regulations from using the SMILE SOURCE® Name and the other Names and Marks at the Office, Franchisee agrees to use the statement "Member of the SMILE SOURCE® Network" in place of the Names and Marks, as provided in this Section.

**5.10 Practice Outside of Designated Location.** Throughout the Initial Term and any renewal term(s), Franchisee and each of the Owners of Franchisee agree they individually or collectively will not operate a separate and distinct dental office at any location inside or outside of the Territory unless Franchisee or a controlled affiliate of Franchisee has entered into a separate franchise agreement with Franchisor for the separate dental office to be part of the SMILE SOURCE® Network. If the additional dental office is within a territory assigned to a SMILE SOURCE® franchisee, Franchisor may either (i) waive the requirement for that office to join the Network as a franchisee or ~~associate member~~ General Member, or (ii) offer only an ~~associate membership~~ Agreement for Franchisee's separate dental office and the failure of the Franchisee to accept Franchisor's offer will be a breach of this Section. If Franchisor elects to waive the requirement for Franchisee's separate dental office to join the Network, then Franchisee and/or the Owners of Franchisee may operate that separate dental office, provided that the separate dental office name and/or office address will not appear with the Names and Marks nor be in any advertisement(s) containing all or any part of the Names and Marks or on any website, stationery or other business materials used for the Office. Furthermore, Franchisee's separate dental office will not be a member of the Network and will not participate in whole or part, directly or indirectly, in any benefits available to Franchisee, other franchisees or ~~associate members~~ General Members of the Network, including but not limited to any benefits available to Franchisee under any Cooperative Buying Program. If the SMILE SOURCE® franchisee agrees to share the territory for Franchisee's separate dental office or if the territory for Franchisee's separate dental office otherwise becomes available, thereafter, for assignment to Franchisee's separate dental office, then Franchisee agrees to enter into a separate franchise agreement (or at Franchisor's option, an ~~associate membership~~ Agreement) with Franchisor for Franchisee's separate dental office to be a part of the Network. Franchisee acknowledges that failure to

do so within sixty (60) days after that territory becomes available, or any other breach of this Section, will be adequate reason for Franchisor to terminate this Agreement under Section 10.01(v)(a).

## **ARTICLE 6.**

### **COOPERATIVE BUYING PROGRAM**

**6.01 Cooperative Buying Program.** Franchisor has established a cooperative buying program with various vendors of dental products and other business products, programs, and services used in the Network (collectively the “Cooperative Buying Program”). The Cooperative Buying Program provides Franchisee the opportunity to purchase and/or use such products, programs, and services at discounted prices (including rebates) only for the Designation Location listed in Section 1.04 above. Franchisee may participate in the Cooperative Buying Program beginning on the Effective Date, but nothing in this Agreement or any vendor agreement or program in the Cooperative Buying Program will, in any way, obligate Franchisee to purchase, license, or lease any product or service. To avoid any confusion, although Franchisee hereby authorizes Franchisor to act as its authorized group purchasing organization, Franchisee does not have to make use of the Cooperative Buying Program. Franchisee understands and agrees that (i) vendor agreements and programs in the Cooperative Buying Program may be removed or changed from time-to-time in Franchisor's sole discretion, and (ii) new vendor agreements and programs may be added from time-to-time, also in the sole discretion of Franchisor. Franchisee agrees that to the extent it purchases products or services under the Cooperative Buying Program, it will do so for its own use at the Office and for sale to patients at the Office. Franchisor does not guaranty that Franchisee can participate in all aspects of the Cooperative Buying Program. Toward that end, Franchisee understands and agrees that vendors sell under terms and conditions established by the vendor, that vendor may decide not to sell products or services to Franchisee and that Franchisee's participation in the Cooperative Buying Program is subject to suspension as provided in Section 4.05.

Franchisee specifically agrees that all products and services purchased under the Cooperative Buying Program will only be used and/or sold at the Office at the Designated Location (or through the Office at the Designated Location if sold via the internet) and will not be sold to anyone other than the general public in the ordinary course of business at the Office. All amounts received from the sale of products and services purchased under the Cooperative Buying Program must be included in Gross Receipts as provided in Section 4.01.

**6.02 Administrative Fees.** Although Franchisor does not designate required or approved vendors, Franchisee understands, acknowledges, and agrees that some of the vendors with which Franchisor has or will negotiate agreements may pay Franchisor administrative fees based on Franchisee's purchases, if any, under such vendor agreements (“Administrative Fees”). To the extent that vendors that participate in the Cooperative Buying Program pay Franchisor an Administrative Fee, those Fees are fixed at three percent (3%) or less of the purchase price of the goods and services provided by that vendor, except as set forth on Exhibit E of this Agreement. Exhibit E is incorporated into this Agreement by reference and may be amended from time-to-time by Franchisor in its sole discretion either by sending Franchisee a revised Exhibit E by any form of mail (including electronic mail) and/or posting the revised Exhibit E on the vendor page of the Smile Source member portal. By participating in the Cooperative Buying Program, Franchisee consents and agrees that each of the vendors participating in the Cooperative Buying Program may disclose to Franchisor the details of vendor's transactions with Franchisee and Franchisee's Office including any other information that Member has disclosed to the vendor. In connection with the Cooperative Buying Program, Franchisee understands, acknowledges, and agrees that Franchisor may enter into service agreements with various vendors, under which Franchisor will perform or provide certain marketing and promotional services (including, but not limited to, booth space at the annual meeting, magazine and/or newsletter sponsorships, and website banners) to those

vendors in return for fair market value fees. Franchisee agrees that all details and information relating to the Cooperative Buying Program and all data from Cooperative Buying Program transactions are the confidential and proprietary information of the Franchisor and are provided to the Franchisee subject to the confidentiality provisions of Section 9.06.

**6.03 Compliance with Laws.** In conducting and participating in the Cooperative Buying Program the Parties agree to comply with all applicable federal and state laws and regulations, including, without limitation, the health care fraud and abuse laws, including the Anti-Kickback Statute. The Parties intend for the terms of this Agreement to meet the discount and group purchasing organizations safe harbors to the Anti-Kickback Statute [42 C.F.R. §§ 1001.952 (h) and (j)], as amended from time to time. The Parties enter into this Agreement with the intent of conducting their relationship and implementing the agreements contained herein in full compliance with the Anti-Kickback Law. Regardless of any contrary provisions of this Agreement, neither Party will intentionally conduct itself under the terms of this Agreement in a manner that would constitute a violation of the Anti-Kickback Statute.

Franchisee understands and acknowledges that it may be required, pursuant to applicable federal or state laws or regulations, including, but not limited to, the Anti-Kickback Statute, or pursuant to its contractual arrangements with third party payers, to fully and accurately report and disclose the net purchase price (as that term is defined below) of all products and services it purchases through the Cooperative Buying Program. Toward that end, Franchisee covenants and agrees that it will:

(a) fully and accurately report and disclose, to the relevant government authority, health care plan or program, or third party payer, the net purchase price for all products and services it purchases and/or receives from a vendor under the Cooperative Buying Program; and

(b) provide such further pricing information as may be requested by the relevant government authority, health care plan or program, or third party payer.

For purposes of this Section 6.03, the term "net purchase price" means the net discounted price that Franchisee pays for a product or service (i.e., the purchase price minus all price reductions, including discounts, rebates and free or discounted items or services such as, by way of example, free product sample voucher redemptions).

Franchisee may wish to consult its legal advisers regarding how and when to calculate, report and disclose its net purchase prices under the Cooperative Buying Program, including whether and how invoice discounts should be allocated among the products that Franchisee purchases under the Cooperative Buying Program.

## **ARTICLE 7.**

### **OTHER OBLIGATIONS OF FRANCHISOR**

**7.01 Consultation and Services.** Beginning on the Effective Date, Franchisor will provide consultation and advice, individually or on a group basis, to Franchisee in the management and promotion of the Office. Franchisee will decide whether to follow Franchisor's advice in Franchisee's sole discretion. This consultation and advice may be provided, at Franchisor's election, in bulletins, newsletters or other written materials, by postings on a web site, by telephone or personal consultations at the offices of Franchisor or the Designated Location, at monthly, quarterly or annual meetings of members of the Network, or by any other means that current technology makes possible. Franchisor will also facilitate the exchange of practice development ideas between the members of the Network and others whose expertise may benefit the members of the Network.

**7.02 Advertising and Promotional Material.** Franchisor may provide for Franchisee's use a limited amount of advertising and promotional material and services, which may include video and/or

audio recordings, forms and templates, copy-ready print advertising materials, and miscellaneous point-of-sale items. Any of those materials may be provided in digital form. Franchisee must pay reproduction costs if it uses these materials.

**7.03 Administrator.** Franchisor, in its sole discretion, may employ the services of an administrator or other third party(ies) to fulfill, for Franchisor, any of the obligations of Franchisor in this Agreement.

## **ARTICLE 8. TRANSFER OF INTEREST BY FRANCHISEE**

**8.01 Purpose and Definitions.** Franchisor seeks to retain and grow its membership, but understands that there may be a future need by Franchisee or the Owner(s) to transfer ownership. Accordingly, this Article allows for ownership changes while also assuring Franchisor that the Office will remain an independent, privately owned dental practice. In this Article, the term “Transfer” means to pledge, hypothecate, assign, give, sell, convey or otherwise transfer, voluntarily or by operation of law (for example, through divorce, new marriage or bankruptcy) (i) all or any part of Franchisee’s interest in this Agreement; (ii) any direct or indirect ownership interest in Franchisee; or (iii) substantially all of the assets of the Office. The term “Control Transfer” means any Transfer which would result in a change in control of Franchisee or in Franchisee’s or any Owner’s control of the Office. The term “control” means having direct or indirect power to cause direction of the daily management or policies of Franchisee or the Office.

**8.02 Permitted Transfers.** Franchisor consents in advance to and waives its right of first refusal (referenced in Section 8.08 below) for the following Transfers, provided (1) Franchisee gives Franchisor written notice of the Transfer at least thirty (30) days in advance; and (2) the Transfer fully complies with all statutes, laws and ordinances of the State in which the Office is located:

(a) If there is more than one Owner, and the Transfer is from one or more Owners to one or more of the other Owners; or

(b) The Transfer is to a licensed dentist who has been an employee of Franchisee for at least three (3) full calendar months, or to an entity wholly owned by a licensed dentist who has been an employee of Franchisee for at least three (3) full calendar months; provided, however, that the number of months that an employee has worked for Franchisee prior to the Start Date will be counted as months worked for Franchisee for this subsection (b); or

(c) The Transfer is to the spouse of an Owner, to a person of lineal or collateral consanguinity to an Owner, to an entity wholly owned by the spouse of an Owner, or to an entity wholly owned by a person of lineal or collateral consanguinity to an Owner, provided the transferee is otherwise qualified as a franchisee under this Agreement; or

(d) If there is more than one Owner, and the Transfer is by an Owner to another person or entity approved by the non-transferring Owner, provided the Transfer is for 50% or less in ownership interest of Franchisee and the Office, and provided further this subsection (d) may be used for only one (1) Transfer; or

(e) If Franchisee is a natural person and the Transfer is by Franchisee to a legal entity in which Franchisee owns and controls a majority interest and in which any other Owners of that entity have been approved in writing by Franchisor.

**8.03 Transfers Requiring Consent.** For any proposed Transfer that is not listed in Section 8.02, the transferor may complete the proposed Transfer only after giving Franchisor advance notice as provided in Section 8.04 and Franchisor does not disapprove as noted in Section 8.05 below.

**8.04 Advance Notice.** Franchisee must give Franchisor written notice at least sixty (60) days before the effective date of any proposed Control Transfer and at least thirty (30) days before the effective date of any other proposed Transfer. The notice must include all details of the proposed terms of Transfer, including but not limited to a complete copy of the documents and information provided by Franchisee and/or the Owner(s) to the proposed transferee and a copy of the documents and information provided by the proposed transferee to Franchisee and/or the Owner(s). Failure or delay in giving notice of a proposed Transfer will not deprive Franchisor of any of its rights in this Article 8.

**8.05 Reasons for Disapproval.** Franchisor may disapprove a proposed Transfer if, in its sole discretion, the proposed transferee is a person or entity which does not meet Franchisor's then-current qualifications for new SMILE SOURCE® franchise applicants or ~~associate~~general membership in the Network or is a competitor of Franchisor or the Network. If Franchisor does not notify Franchisee that the Transfer is not approved within thirty (30) days after it receives the Transfer notice from Franchisee and all other information required by Section 8.04, the Transfer will be deemed approved, subject to satisfaction of the conditions in Section 8.06.

**8.06 Transfer Requirements.** If Franchisor tentatively approves (or is deemed to have approved) a proposed Transfer under Section 8.05, the requirements for that Transfer are:

(a) For a Control Transfer, Franchisor has waived or declined to exercise its right of first refusal under Section 8.08;

(b) For a Control Transfer, signing and delivery by the transferee of either (i) Franchisor's then-current form of franchise agreement, for an initial term equal to the time remaining in the term of this Agreement as of the Transfer; or, at Franchisor's sole option (ii) a written assumption of this Agreement. If Franchisor elects clause (i) and the Royalty rate stated in the then-current form of franchise agreement differs from the Royalty rate under this Agreement, the new franchise agreement will be amended to provide the Royalty rate under this Agreement remains in effect. All other terms of this Agreement may change in the new franchise agreement, including but not limited to the definition of the Territory. All applicable supplemental agreements attached to the franchise agreement or disclosure document, including guaranties, must also be signed by the transferee or its owners.

(c) Signing by Franchisee and all Owners of a special release of claims, except claims based on representations made in any disclosure document furnished to Franchisee and non-waivable statutory claims, against Franchisor and Franchisor's Owners, subsidiaries, affiliates, agents and employees in the form of Exhibit C to this Agreement.

(d) Payment of all of Franchisee's Obligations to Franchisor and Franchisor's subsidiaries and affiliates, including, but not limited to, all Royalties based on Gross Receipts through the date when the Transfer takes effect.

(e) Cure of any other defaults under this Agreement and any other agreement(s) between Franchisor or its subsidiaries and affiliates and Franchisee and its affiliates.

If Franchisee does not complete the approved Transfer within ninety (90) days after Franchisor's approval, or if there are material changes in the terms of the Transfer, Franchisor's approval will be void and Franchisee must once again comply with all applicable provisions of this Article 8 for the proposed Transfer.

**8.07 Transfer Upon Death, Disability or Mental Incompetency.** Transfers upon death, disability or mental incompetency will be subject to the same conditions as any other proposed Transfer. If the heirs, legatees or personal administrator of any person who held an interest subject to the restrictions

of this Article 8 fail to comply with all the requirements of this Article 8, then the executor, administrator, or personal representative of the deceased, disabled or incompetent Franchisee or Owner (provided adequate provision has been made for operation of the Office and the estate of Franchisee or Owner has assumed in writing the deceased, disabled or incompetent individual's Obligations under this Agreement) will have six (6) months from receipt of notice of Franchisor's disapproval of the heirs, legatees or personal representative to dispose of the individual's interest in Franchisee or the franchised Office, subject to Section 5.04 and to all terms and conditions for Transfer in this Agreement.

**8.08 Franchisor's Right of First Refusal on Certain Control Transfers.** For any proposed Control Transfer that is not within Section 8.02, Franchisor will have the right to match the purchase price offered by the proposed transferee and to substitute Franchisor as the buyer in the transaction. Any "no shop" or similar commitment by Franchisee and/or the Owners to any third party will not apply to Franchisor's rights under this Section. Franchisor may assign its right of first refusal to someone else either before or after Franchisor exercises the right. Franchisee must provide a true and complete copy of the term sheet, letter of intent, proposed purchase agreement, assignment document, description of financing or other contingencies, and any other documents reasonably necessary to support a prudent business decision on whether to exercise the right of first refusal. Franchisor must give written notice of its intent to purchase within thirty (30) days after Franchisor receives all information Franchisee is required to provide. Franchisor need not match non-price terms offered by the proposed transferee (such as post-closing employment terms, non-compete terms, escrow amounts and time periods, etc.), provided Franchisor offers reasonably equivalent economic value overall. If the prospective transferee's purchase price includes any non-cash consideration (e.g., equipment or real estate), Franchisor may substitute the reasonable equivalent in cash. Franchisor and Franchisee will jointly name an independent appraiser if they cannot agree on the reasonable equivalent in cash within a reasonable time. The independent appraiser's determination will be binding, and Franchisor and Franchisee will each pay half of the cost of the independent appraiser. Franchisor will have thirty (30) days after receipt of the appraiser's determination to decide whether to proceed with the purchase.

(a) If Franchisor exercises its right of first refusal, the closing will take place within sixty (60) days unless the Parties mutually agree to a later closing date. Franchisor will be entitled to all customary representations and warranties received by the buyer in similar transactions, including, without limitation, representations and warranties as to ownership, condition of and title to assets, liens and encumbrances on the assets, validity of contracts and agreements, and seller's contingent and other liabilities affecting the assets.

(b) If Franchisor elects not to exercise its rights under this Section, the transferor may complete the proposed Control Transfer after complying with Section 8.06, provided the final sale price is not less than the price at which Franchisor was entitled to purchase. If Franchisor determines that the final sale price is less than the price at which Franchisor was entitled to purchase, Franchisor may refuse to consent to the Transfer. Closing of the Transfer must occur within 60 calendar days of Franchisor's election not to exercise its rights. If closing does not occur within the 60-day period, the third party's offer will be treated as a new offer subject to Franchisor's rights in this Section.

**8.09 No Waiver.** Franchisor's approval (or deemed approval) of a Transfer will not constitute a waiver of any claims Franchisor may have against the transferor, nor will it be deemed a waiver of Franchisor's right to demand full compliance with the terms of this Agreement by the transferee.

## **ARTICLE 9. PRESERVATION OF NAMES AND MARKS**

**9.01 Franchisor's Title.** Except for the franchise granted in this Agreement to Franchisee of

the right to use the Names and Marks as provided in this Agreement, nothing in this Agreement may be construed as an assignment or grant to the Franchisee of any right, title or interest in or to the Names and Marks. Franchisee expressly acknowledges Franchisor's rights in the Names and Marks and agrees not to contest, directly or indirectly, (i) Franchisor's ownership, title, right, or interest in the Names and Marks; (ii) the validity of this franchise; or (iii) Franchisor's right to register, use, or franchise others to use the Names and Marks.

**9.02 Franchisee's Use.** Franchisee will use the Marks only for the operation of the Office at the Designated Location during the term of this Agreement.

**9.03 Notice of Registration.** Franchisee agrees that, in each instance where the Names and Marks or the words "Member of the SMILE SOURCE® Network" are used by Franchisee, that use will include the "®" symbol for statutory notice of ownership.

**9.04 Quality of Services and Products.** Franchisee agrees that the services and products it provides will be of high standards, style, appearance and quality as to be adequate and suited to the protection and enhancement of the Names and Marks and the Network.

**9.05 Conflicts with Franchisor.** Franchisee and Franchisee's Owners agree they will not apply for any copyright, trademark or patent protection which could affect Franchisor's ownership and/or use of the Names and Marks, nor file any document with any governmental authority or take any action which could affect Franchisor's ownership and/or use of the Names and Marks nor will Franchisee assist anyone else in so doing.

**9.06 Confidential Information.** Franchisee and Franchisee's Owners acknowledge and agree that all aspects of the System, including but not limited to all details and information relating to Franchisor's services, programs, the Cooperative Buying Program, all data from Cooperative Buying Program transactions and other information, knowledge, or know-how received by Franchisee from access to the System and the Network, as provided in this Agreement, is the confidential and proprietary information ("Confidential Information") of Franchisor. Franchisee and Franchisee's Owners agree that the Confidential Information will be used only for the management and operation of the Office during the term of this Agreement and for no other purpose.

Throughout the term of this Agreement and for three (3) years following the nonrenewal, termination or Transfer of this Agreement or the Office, Franchisee and Franchisee's Owners:

(a) agree that the Confidential Information will not be used for the negotiation of special pricing and/or purchase concessions from any vendor, whether that vendor is participating in the Cooperative Buying Program or not; and

(b) will take reasonable steps to ensure all Confidential Information is kept confidential; provided, however, that during the term of this Agreement, Confidential Information may be disclosed to those Owners and employees of Franchisee who critically need to know that Confidential Information in relation to the management and operation of the Office, on the condition each Owner or employee is informed by Franchisee of the confidential and proprietary nature of that Confidential Information and of the confidentiality undertakings of this Agreement and agrees to be bound by the terms of this Section.

Franchisee and its Owners will be responsible for any breach of this Section 9.06 by Franchisee's employees or agents. The term "reasonable steps" means the steps that Franchisee and its Owners take to protect its and their own, similar confidential and proprietary information, which will not be less than a reasonable standard of care.

**9.07 Unauthorized Use by Third Parties.** Franchisee must notify Franchisor immediately in writing if Franchisee learns of any unauthorized use of all or any part of Franchisor's System or the Names

and Marks. Franchisee must promptly notify Franchisor in writing of any claim, demand, or suit against Franchisee or against its Owners for their use of the System or the Names and Marks. In any action or proceeding arising from or for that claim, demand, or suit, Franchisor may select legal counsel and may control the proceedings.

**9.08 Change in Marks.** Franchisor may change the Names and Marks and the specifications for their use upon reasonable notice to Franchisee. Franchisee must promptly conform, at Franchisee's own expense, to those changes.

## **ARTICLE 10. TERMINATION OF AGREEMENT**

**10.01 Events Permitting Termination.** This Agreement may be terminated prior to the expiration of the Initial Term or any renewal term only in the following manner and for the following reasons:

- (i) Upon the mutual written agreement of Franchisor and Franchisee.
- (ii) In the Initial Term only, by Franchisee effective any day during the nineteenth (19th) full calendar month of the Initial Term; provided Franchisee gives Franchisor written notice, in the form of Exhibit D to this Agreement, that is received by Franchisor at least ninety (90) days before the effective date of that termination. However, if Franchisee fails to pay all amounts due and owing by Franchisee under this Agreement, through the effective date of that termination, including but not limited to all Royalty fees, late fees and interest, or, if Franchisee fails to satisfy the conditions stated in the written notice in the form of Exhibit D to this Agreement, then that termination by Franchisee under this subparagraph will be null and void and this Agreement will continue throughout the remainder of the Initial Term, as otherwise provided in this Agreement.
- (iii) By Franchisee if Franchisor fails to perform any material obligation or to comply with any material requirement imposed on it by this Agreement; provided however, that Franchisee promptly gives Franchisor written notice no later than one (1) year after the occurrence of that default enumerating all alleged deficiencies and Franchisor does not cure the default within sixty (60) days after it receives the notice from Franchisee (failure to give notice will constitute a waiver of that alleged default).
- (iv) By Franchisor if Franchisee fails, refuses, or neglects (a) to pay promptly any amounts owed to Franchisor or its subsidiaries or affiliates when due, and that failure continues for fifteen (15) days after receipt of written notice from Franchisor, or (b) to submit the financial information or other reports required by Franchisor under this Agreement or by any other agreement between Franchisee and any subsidiary or affiliate of Franchisor, or makes any false statements in connection therewith, and that failure continues for fifteen (15) days after receipt of written notice from Franchisor.
- (v) By Franchisor if any of the following events occur; provided, however, that Franchisor gives Franchisee written notice of that event setting forth the basis and Franchisee does not cure that event within sixty (60) days after it receives notice from Franchisor:
  - (a) Franchisee (except as otherwise provided in subsection (iv) of this Section) fails to perform any other obligation or comply with any other requirement imposed on it by this Agreement.
  - (b) Franchisee permits a final judgment exceeding five thousand dollars (\$5,000) to remain unsatisfied and of record for over thirty (30) days after that judgment is rendered and levied against Franchisee.

- (c) A final judgment is entered in a suit against Franchisee to foreclose any lien or mortgage relating to any indebtedness of Franchisee for the Office.
- (d) Any loss or suspension of the dentist's professional license by any person performing services at the Office or the failure of Franchisee to secure and maintain all other licenses, permits and certificates necessary for Franchisee's operation of the Office or as otherwise required by this Agreement.
- (vi) By Franchisor (in Franchisor's sole discretion), upon written notice to Franchisee and with no cure rights, if any of the following events occur:
  - (a) Franchisee or any of the Owners, by act or omission, materially and substantially impairs the goodwill associated with the business of Franchisor or its subsidiaries or affiliates or with the Name and Marks.
  - (b) Franchisee or any of its Owners has any direct or indirect interest in the ownership or operation of any business confusingly similar to the System or Network or that uses all or any part of the System or the Names and Marks without written authorization from Franchisor.
  - (c) Franchisee commits a default of this Agreement and Franchisor has twice previously given Franchisee written notice of the same type of default within the preceding twelve (12) months, whether or not Franchisee has cured the defaults.
  - (d) Franchisee acts without Franchisor's prior written approval or consent regarding a matter for which this Agreement expressly requires Franchisor's prior written approval or consent.
  - (e) Franchisee or any of its Owners breach the confidentiality provisions stated in Section 9.06.
  - (f) Any proceeding is instituted by or against Franchisee by a court of competent jurisdiction which seeks (i) to adjudicate Franchisee a bankrupt or insolvent, (ii) the liquidation, winding up or reorganization of Franchisee under any law relating to bankruptcy, insolvency or reorganization, or (iii) the entry of an order to appoint a receiver of Franchisee, and the proceeding is not dismissed or stayed within sixty (60) days after its commencement.
  - (g) Franchisee is required, under a final order of any court or governmental agency or department, to cease or materially restrict the operation of the Office due to violating any statute, ordinance, rule or regulation imposed by any governmental entity.
  - (h) Franchisee has not, as of the one hundred eightieth (180th) day after the Start Date, opened the Office or Franchisee closes the Office and the Office remains closed for a period over thirty (30) days.
  - (i) Franchisee or any of its Owners assign or attempt to assign any rights or delegate any duties under this Agreement without first obtaining Franchisor's prior written consent to a corresponding assignment of this Agreement or in any other manner not authorized by this Agreement.
  - (j) Franchisee or any of its Owners conduct a Transfer, as defined in Article 8, without first obtaining Franchisor's written consent to that Transfer.
  - (k) Any administrative, investigative, judicial or other similar action or proceeding is

commenced by or with any Federal, State or local dental licensing agency or board empowered to monitor or regulate compliance with the statutes, rules, regulations and codes of professional ethics governing the dental industry against Franchisee or its licensed dental personnel, and that action or proceeding is not dismissed or stayed within sixty (60) days after its commencement.

- (l) Franchisee or any of its licensed dental personnel is convicted in a court of competent jurisdiction of an offense, substantially related to the Office, punishable by a term of imprisonment over one year; or Franchisee or any of its licensed dental personnel enters a plea of guilty or no contest to a charge it/he/she committed that offense.
- (m) Franchisee or any of its Owners (except as otherwise provided in subsection (iv) of this Section) willfully falsifies any other record or report required to be submitted to Franchisor under this Agreement or any other related Agreement or document.
- (n) Franchisee or any of its Owners are excluded from participation in any federal health care program, or debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency.

**10.02 Effect on Other Agreements.** If Franchisee is in default of its Obligations beyond any applicable cure period specified in Section 10.01 and Franchisor terminates this Agreement, Franchisor, at its option, may elect to terminate any other agreement between Franchisor (including Franchisor's subsidiaries and affiliates) and Franchisee relating to: (i) the Office and (ii) any one or more other dental office(s) and/or franchised offices of the Franchisee or subsidiaries or affiliates of Franchisee. Termination will be effective immediately upon receipt of notice by Franchisee, and Franchisee will then be obligated to comply with Article 11 regarding the terminated Office and other dental office(s).

## **ARTICLE 11.**

### **OCCURRENCES UPON EXPIRATION, NON-RENEWAL OR TERMINATION**

On expiration or termination of this Agreement or an approved Transfer of the Office, Franchisee and the Owners of Franchisee will promptly take the following actions:

- (a) immediately and permanently cease using the System and the Names and Marks in all forms of media, including but not limited to websites and all forms of social media, and not use similar or confusingly similar trade names, trademarks, service marks, logotypes or other commercial symbols;
- (b) discontinue representing itself as a franchisee of the System and the Names and Marks and a member of the Network;
- (c) pay all amounts due and owing to Franchisor through the date of expiration, Transfer or termination, including but not limited to its pro rata share of accrued costs of any advertisements or promotional materials developed or placed by Franchisor or its subsidiaries or affiliates for Franchisee prior to the termination, even if it continues after the termination date;
- (d) return all Confidential Information and Marketing Materials in Franchisee's actual or constructive possession received during the term of the Agreement;
- (e) cease holding itself out to the public as a present or former franchisee or operator of a dental care establishment under the System and the Names and Marks, as a member of the Network, or in any way associated therewith;
- (f) prevent, at Franchisee's expense, the operation of any business at the location of the Office by Franchisee or others in violation of this Article 11, including, without limitation,

removal of all distinctive signs and emblems, and removal all references to Franchisor, the System and the Names and Marks from Franchisee's websites, social media platforms, or directories of any kind;

(g) if any of the telephone numbers for the Office are listed under the Names and Marks or the Network in any white or yellow page directory or other marketing or advertisements wholly or partially paid for by a local marketing group, Franchisee may continue to use the current telephone numbers for the Office but only if Franchisee continues to timely pay to Franchisor, Franchisee's pro-rata share of those white or yellow page directory or other marketing or advertisement charges;

(h) take action to cancel any assumed names, internet domain names, email addresses or equivalent registration(s) or social media or mobile network identifiers that contain(s) all or any part of the Names and Marks or any variation or any other service mark or trademark of Franchisor, and Franchisee will furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within ten (10) days after termination or expiration of this Agreement or Transfer of this Agreement or the Office;

(i) notify every vendor from whom Franchisee has obtained any purchase discounts and/or price concessions in the Cooperative Buying Program and every payer under any insurance plan or managed care program in which Franchisee participates as a contracted provider, that Franchisee is no longer a member of the Network; and

(j) if Franchisor terminates this Agreement under subparagraph (iv), (v) or (vi) of Section 10.01, or Franchisee terminates or repudiates this Agreement (except under subparagraph (ii) or (iii) of Section 10.01), Franchisee must pay Franchisor within thirty (30) days following the date of termination, as liquidated damages ("Liquidated Damages"), an amount equal to the accrued Royalties during the immediately preceding twenty-four (24) full calendar months or the number of months remaining in the term of this Agreement at the date of termination, whichever is less. If Franchisee has been operating under this Agreement for less than twenty-four (24) months, then the amount will be the average monthly Royalty since the Start Date multiplied by twenty-four (24). Franchisee will also pay any taxes assessed on the payment. Regardless of the above computation, Liquidated Damages will not be less than one thousand dollars (\$1,000.00) per month. Liquidated Damages are paid in place of Franchisor's claim for lost future Royalties under this Agreement. Franchisor's right to receive other amounts due under this Agreement is not affected. If this Agreement is terminated because of either Party's material default, the rights described in this Section may not be the injured Party's exclusive remedies, but will instead supplement any other equitable or legal remedies available.

## **ARTICLE 12. INDEMNIFICATION BY FRANCHISEE**

**Franchisee agrees to indemnify, defend and hold harmless Franchisor, its officers, directors, shareholders, employees, agents, heirs, successors, assigns, and representatives (collectively, "Related Persons") against any and all claims, suits, losses, judgments, damages, and liabilities, including but not limited to malpractice of Franchisee or Franchisee's officers, directors, shareholders, or employees or the negligence of Franchisee, Franchisor, or Related Persons, including the cost of any investigation, legal, and other expenses in connection with and any amount paid in settlement of any claim, action, suit, or proceeding (collectively called "Claims") to which Franchisor or the Related Persons may become subject, but only if those Claims:**

**(a) arise out of or are based upon any facts and circumstances relating, directly or indirectly, to Franchisee's operations and business activities, or**

**(b) arise out of or are in connection with:**

- (i) any allegedly unauthorized use by Franchisee of the System or the Names and Marks;**
- (ii) allegedly defective products;**
- (iii) alleged professional errors or omissions of Franchisee or Franchisee's officers, directors, shareholders, employees, agents or contractors; or**
- (iv) any breach of this Agreement by Franchisee.**

**This right to indemnification is in addition to any other rights or remedies available to Franchisor, including the right to sue Franchisee for a misrepresentation, breach of warranty, or breach of covenant under this Agreement. If Franchisor is made a party to a legal proceeding in connection with Franchisee's acts or omissions, Franchisor may hire counsel to protect Franchisor's interests and bill Franchisee for all expenses and fees Franchisor incurs. Franchisee must promptly reimburse Franchisor for those expenses and fees.**

### **ARTICLE 13. FINANCIAL REVIEW RIGHTS**

In addition to its right to request financial information under Section 5.08 above, Franchisor may review Franchisee's books and records, including Franchisee's tax returns and financial data, including such information stored on Franchisee's business computer system, during normal working hours, to ensure Franchisee's compliance with its Obligations under this Agreement. Franchisee must take all commercially reasonable steps to exclude from the review process information considered "protected health information" under the Health Insurance Portability and Accountability Act. If Franchisor determines it is not commercially reasonable for Franchisee to exclude the protected health information, Franchisor and/or its reviewer must sign and deliver business associate agreement(s), as required by law, before conducting the review. Any review will be at Franchisor's sole cost and expense, unless the results of the review show that, during the review period, Franchisee understated its Gross Receipts by more than the lesser of thirty thousand dollars (\$30,000) or five percent (5%) of its actual Gross Receipts as revealed by the review, in which case Franchisee will, in addition to paying all delinquent Royalty fees, including interest, reimburse Franchisor for all costs and expenses of the review. If Franchisee fails to provide Franchisor with the requested financial information by the due date specified by Franchisor, Franchisor may send a person to the Office, during normal business hours, to inspect, review and photocopy the requested financial information and Franchisee will, in addition to paying all delinquent Royalty fees, including interest, reimburse Franchisor for all costs and expenses of the review. If Franchisee contests the findings by Franchisor in its review, Franchisee will hire, at Franchisee's sole cost and expense, an independent, certified public accountant acceptable to Franchisor to review Franchisee's books and records, and Franchisor agrees to be bound by that review. Franchisor further agrees that any certified public accounting firm of nationally recognized standing will be acceptable to it.

### **ARTICLE 14. DISPUTE RESOLUTION**

#### **14.01 Negotiation and Mediation.**

**14.01.1 Agreement to Use Procedures.** Franchisor, Franchisee and the Owners and guarantors of the Franchisee have reached this Agreement in good faith and in the belief it is mutually advantageous to them. In the same spirit of cooperation, they pledge to resolve any dispute without litigation or arbitration. Subject to Section 14.01.3, they agree that, if any dispute arises between them, before beginning any legal action or arbitration to interpret or enforce this Agreement, they will first attempt to negotiate a settlement and, if either Party files a mediation

proceeding, they agree to participate in the mediation. Good faith participation in these procedures to the greatest extent reasonably possible is a precondition to maintaining any legal action or arbitration to interpret or enforce this Agreement.

**14.01.2 Initiation of Procedures.** The Party that initiates these procedures (“Initiating Party”) must give written notice to the other Party, describing the dispute, specifying the Initiating Party’s claim for relief, and identifying one or more people with authority to settle the dispute for him, her, or it. The Party receiving the notice (“Responding Party”) has ten (10) days within which to designate by written notice to the Initiating Party one or more people with authority to settle the dispute on the Responding Party’s behalf. These people are called the “Authorized People.”

**14.01.3 Direct Negotiations.** The Authorized People may investigate the dispute as they consider appropriate, but agree to meet in person, by prearranged teleconference, or by video conference within fourteen (14) days from the Initiating Party’s written notice to discuss resolution of the dispute. The Authorized People may meet at any times and places and as often as they agree. Each Party will pay its own costs for these negotiations.

**14.01.4 Mediation.** If the dispute has not been resolved within thirty (30) days after the initial meeting, either Party may, at its option, begin mediation procedures. Mediation will be conducted in Harris County, Texas by and under the mediation rules of a dispute resolution organization which Franchisor, in its sole discretion, designates (“ADR Organization”). Franchisor will pay the mediator’s fee for the first four (4) hours of mediation. After that, the Parties will equally share the costs of mediation, other than their own attorney fees.

**14.02 Arbitration.** Except as provided in Section 14.03, any dispute relating to this Agreement or the relationship between Franchisor and Franchisee and the Owners, if not settled by negotiation or mediation, must be determined by arbitration under the rules for commercial arbitration of the ADR Organization, as varied by the express provisions of this Agreement. Any issue regarding arbitrability of a claim or the enforcement of this Article will be governed by the Federal Arbitration Act and the federal common law of arbitration. Franchisor and Franchisee will designate their selection of a single neutral arbitrator, from among those suggested arbitrators identified by the ADR Organization. If the Parties have not submitted their selection of arbitrators in order of preference from among the list provided by the ADR Organization, timely within the period designated by the ADR Organization, the arbitrator will be appointed by the ADR Organization. Unless otherwise agreed by the Parties, all arbitration proceedings will be held in Harris County, Texas. Discovery will be to the extent permitted by the designated arbitrator. If proper notice of any hearing has been given, the arbitrator will have full power to take evidence or to perform any other acts to arbitrate the matter absent any Party who fails to appear and may, if appropriate, decide the matter on documents only. The Parties to this Agreement waive the making of a record, written or recorded, of any and all arbitration proceedings. An arbitration proceeding under this Agreement will be conducted on an individual (not a class-wide) basis and may not be consolidated with any other arbitration proceedings to which Franchisor is a party. The arbitrator will base his or her decision and award on the terms and conditions of this Agreement and the law, common and statutory, governing this Agreement. The award may include money damages (including Liquidated Damages as provided in Section 11(j)), specific performance and injunctive relief, and the arbitrator may award the prevailing party (as determined by the arbitrator) part or all of its reasonable costs and attorneys’ fees for the proceeding; however, the arbitrator is not empowered to award punitive, exemplary, or other consequential damages. The arbitrator will issue a written, reasoned decision containing findings of fact and conclusions of law and explaining the manner in which any awarded damages are calculated. The arbitrator will not have authority to extend, modify or suspend any of the terms of this Agreement. A

request for arbitration will not operate to stay, postpone or rescind the effectiveness of a demand for performance or a notice of termination or of non-renewal of this Agreement. The arbitrator may award interest from the date of any damages for breach or other violation of this Agreement, until paid in full, at a rate to be fixed by the arbitrator, but in no event less than 12% per annum or the maximum rate permitted by law, whichever is less. The decision and award of the arbitrator will be conclusive and binding upon all Parties to the arbitration. Judgment upon any award(s) rendered by the arbitrator may be entered in any court having jurisdiction. Each party waives any objection it may have to venue in those courts, waives any claim the proceedings have been brought in an inconvenient forum, and waives the right to assert that the court does not have jurisdiction over the Party. If the award is upheld by a court of competent jurisdiction in a proceeding by either Party to enforce the award or to challenge the award, the Party challenging the award or resisting its enforcement must pay, to the extent permitted by law, all reasonable costs, legal fees, and expenses incurred by the Party defending the award or seeking its enforcement, with interest on the award from its issuance as determined by the court.

**14.03 Exceptions.** Notwithstanding Sections 14.01 and 14.02:

(a) Nothing in this Agreement will bar either Party's right to obtain preliminary injunctive relief in court against any conduct or threatened conduct that causes or will cause it loss or damages pending arbitration of a covered dispute under Section 14.02, under the usual equity rules, including the rules for obtaining restraining orders and preliminary injunctions.

(b) Nothing in this Agreement will be deemed to bar Franchisor or Franchisee from seeking declaratory relief or preliminary and permanent injunctive relief and/or damages in court regarding: (i) the ownership, validity, use, misuse or infringement of the Names and Marks or other intellectual property of Franchisor; (ii) actual or threatened disclosure or misuse of Confidential Information or trade secrets; or (iii) enforcement of Franchisee's post-termination obligations in Article 11.

(c) Nothing in this Agreement precludes Franchisor or Franchisee from bringing collection proceedings before the courts designated in Section 14.04 if a Party is over sixty (60) days late in paying any sums due under this Agreement or any other agreement between Franchisee and Franchisor or its subsidiaries or affiliates.

**14.04 Jurisdiction and Venue.** For any litigation permitted by this Agreement, Franchisor, Franchisee and the guarantors consent to personal and subject matter jurisdiction and venue in the State and Federal Courts having power and authority within or including Harris or Montgomery County, Texas. Jurisdiction and venue in these courts will be exclusive except with respect to enforcement of an arbitration award as provided in Section 14.02. Nothing will be deemed to bar either Franchisor's or Franchisee's right to remove proceedings from State to Federal Court. The Parties waive all objections to personal jurisdiction and venue of the ADR Organization and the foregoing courts to carry out this Article.

**14.05 Governing Law.** This Agreement is governed by and will be interpreted under the laws of the State where the Office is located, except that: (i) the arbitration clause (Section 14.02) will be exclusively governed by and construed according to the Federal Arbitration Act, and (ii) trademark rights will be governed by and construed according to the Lanham Act.

**14.06 Waiver of Exemplary Damages.** The Parties waive to the fullest extent permitted by law any right to or claim of any punitive, exemplary, multiple, or consequential damages against the other, except that (a) Franchisor does not waive its right to: (i) Liquidated Damages under Section 11(j); (ii) any damages permitted by the Lanham Act; or (iii) indemnification under Article 12 for any such damages claimed or awarded against Franchisor or Related Persons; and (b) neither Party waives its right to seek reimbursement of attorneys' fees and costs as provided in this Agreement.

**14.07 Remedies Nonexclusive.** Except as expressly provided in this Article 14, no right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is exclusive of any other right or remedy under this Agreement or by law or equity provided or permitted, but each will be cumulative of every other right or remedy.

**14.08 Attorney's Fees.** In any litigation under Section 14.03, the prevailing party (as determined by the court) will be entitled to recover its reasonable attorneys' fees and other costs incurred for the proceeding.

#### **ARTICLE 15. NOTICES AND OTHER COMMUNICATIONS**

All notices, requests or other communications required or permitted under this Agreement:

- (a) must be in writing; and
- (b) will be given and deemed to have been served if (i) delivered in person to the address set forth below for the Party to whom the notice is given; or (ii) placed in the United States certified mail, postage prepaid, return receipt requested, addressed to that Party at their address as set forth below (which will be deemed given on the earlier of 3 business days after being so mailed, the date of actual receipt, or the date delivery is refused); or (iii) deposited into the custody of a nationally recognized overnight courier service for overnight delivery, addressed to that Party at their address set forth below (which will be deemed given on the earlier of the next business day following the deposit, the date of actual receipt, or the date delivery is refused); or (iv) telecopied, emailed with pdf attachment or sent by other form of electronic transmission to that Party, provided the sending Party has received confirmation that the telecopy or electronic transmission has been successfully transmitted and, in addition, a copy of the notice is sent by one other form of delivery provided above.

The addresses and telecopier numbers of the Parties are:

Franchisor: Smile Source L.P.  
23824 Highway 59 North  
Kingwood, Texas 77339  
Telephone: (281) 359-2344  
Fax: (281) 661-1071  
Email: Legal@SmileSource.com

Franchisee: «Comp Legal Name»  
(Franchisee's Legal Name)  
«DBA Name»  
(Doing Business As)  
«Comp Address L1», «Comp Address L2»  
(Street Address)  
«Comp City», «Comp ST» «Comp Zip»  
(City, State & Zip Code)  
«Comp Mail Address L1», «Comp Mail Address L2»  
(Mailing Address, if different)  
«Comp Mail City», «Comp Mail ST» «Comp Mail Zip»  
(City, State & Zip Code)  
Telephone: «Comp Phone»  
Fax: «Comp Fax»  
Email: «Comp Email Address»

Any Party may change its address for notices by giving written notice of that change of address to the other Party as specified in this Article 15. Notices will be deemed given when sent under this Article 15.

## **ARTICLE 16. ACKNOWLEDGMENTS**

**16.01 Independent Investigation.** Franchisee acknowledges that Franchisee has conducted an independent investigation of the business franchised by this Agreement, and recognizes that the business venture contemplated by this Agreement involves business risks and its success will be dependent, in a significant part, upon the individual ability of Franchisee and/or its Owners. Franchisor expressly disclaims making, and Franchisee acknowledges that no claims of success have been made to it prior to signing this Agreement and that Franchisee has not received, any warranty or guarantee, express or implied, on the potential volume or profits of the business venture contemplated by this Agreement or on the suitability of the Designated Location for the Office; provided, however, that nothing in this or any related agreement disclaims the written representations Franchisor made in the Franchise Disclosure Document that Franchisor delivered to Franchisee. Franchisee acknowledges that Franchisor's approval of Franchisee's Designated Location and/or the Office does not constitute recommendation or endorsement of the location of the Office, nor any assurance by Franchisor that the operation of a dental care center at the Designated Location will be successful or profitable.

**16.02 Receipt of Documents.** Franchisee acknowledges that Franchisor or its agent has provided Franchisee with a Franchise Disclosure Document not later than the earlier of fourteen (14) calendar days before the execution of this Agreement, or fourteen (14) calendar days before any payment of any consideration to Franchisor for this sale of a franchise. Franchisee further acknowledges that Franchisee has read that Franchise Disclosure Document and understands its contents. Franchisee further acknowledges that Franchisor has provided Franchisee with a copy of this Agreement and all related documents containing all material terms, at least seven (7) calendar days prior to Franchisee's execution of this Agreement.

Franchisee acknowledges it has had ample opportunity to consult with its own attorneys, accountants and other advisors and that the attorneys for Franchisor have not advised or represented Franchisee regarding this Agreement or the relationship created. Franchisee, together with its advisers, has sufficient knowledge and experience in financial and business matters to make an informed investment decision regarding the franchise.

**16.03 Organization of Franchisee.** If Franchisee is a corporation or any other authorized legal entity, Franchisee represents, warrants and covenants that:

- (a) Franchisee is duly organized and validly existing under the laws of the State of its formation.
- (b) Franchisee is duly qualified and authorized to do business in each jurisdiction in which its business activities, or the nature of properties owned by it, may require qualification.
- (c) Franchisee's corporate charter, written partnership agreement or other organizational documents provide that the activities of Franchisee are confined exclusively to the operation of the Office under the System, unless otherwise consented to in writing by Franchisor.
- (d) The signing and delivery of this Agreement and the transactions contemplated by it are within Franchisee's lawful power.

**16.04 Other Acknowledgments.** Franchisee does not know of any representations by Franchisor or its officers, directors, shareholders, employees, agents or servants, about the business contemplated by this Agreement that are contrary to this Agreement or the Franchise Disclosure Document. Franchisee

represents, as an inducement to Franchisor's entry into this Agreement, that neither Franchisee nor any of the Owners have made any misrepresentations in obtaining this Agreement.

Franchisee knows that other present or future franchisees of Franchisor may join and operate under different agreement(s), and consequently that Franchisor's obligations and rights regarding its various franchisees may differ materially in certain circumstances.

## ARTICLE 17. GENERAL PROVISIONS

**17.01 Definition of "Franchisee" and "General Member".** Unless otherwise specified, the term "Franchisee" as used in this Agreement will include the individual signatories to this Agreement; or, if Franchisee is an entity, those other persons whose names and signatures appear below and who by their execution of this Agreement agree to be personally and individually bound by all the terms by this Agreement. Unless otherwise specified, the terms "General Member" and, collectively, "General Members," as used in this Agreement will include a dentist or dental entity who signs a membership agreement ("Membership Agreement") to participate in the Network and System without the right to use the Names and Marks in any manner.

**17.02 Exclusion.** Each party represents and warrants that it has not been excluded from participation in any federal health care program, or debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency. Throughout this Agreement, the term "federal health care program" has the meaning set forth at 42 U.S.C. § 1320a-7b(f) and includes such programs as Medicare, Medicaid, military health care programs such as TRICARE (formerly known as CHAMPUS) and certain other government funded health care programs and plans. Each party agrees that it shall promptly notify the other parties in the event such party is excluded from participation in, or is otherwise unable to participate in, any federal health care program, or debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency, during the Term of this Agreement.

**17.03 Entire and Only Agreement.** This Agreement, all exhibits to this Agreement and all ancillary agreements executed contemporaneously with this Agreement constitute the entire agreement between the Parties referring to the matter of this Agreement and supersede all prior negotiations, understandings, representations, and agreements; provided, however, that nothing in this or any related agreement disclaims the written representations Franchisor made in the Franchise Disclosure Document that Franchisor delivered to Franchisee. Franchisee acknowledges Franchisee is entering into this Agreement, and all ancillary agreements executed contemporaneously with this Agreement, because of Franchisee's own independent investigation of the System and the Network and not because of any representations about Franchisor, the System or the Network made by Franchisor's shareholders, officers, directors, employees, agents, representatives, independent contractors or franchisees contrary to the terms in this Agreement or of any prospectus, disclosure document or other similar document required or permitted to be given to Franchisee under applicable law.

**17.04 Amendments.** Except as provided in Section 6.02 or otherwise provided in this Agreement, no alterations, modifications, amendments or changes in this Agreement will be effective or binding upon any Party, unless the same are in writing and executed by an authorized representative of both Franchisor and Franchisee.

**17.05 Severability.** Except as provided to the contrary, each section, part, term and/or provision will be severable; and if any section, part, term or provision is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, will not impair the operation of, or have any other effect upon, other sections, parts, terms and/or

provisions of this Agreement as may remain otherwise intelligible, and the latter will continue to be given full force and effect and bind the Parties; and except for Franchisor's election rights under Section 5.04, the invalid sections, parts, terms and/or provisions will be deemed not to be a part of this Agreement.

**17.06 Approvals in Writing.** Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee will make a timely written request to Franchisor for approval or consent, and that approval or consent will be obtained in writing. Franchisor agrees to respond in a timely fashion whenever Franchisee makes a timely written request for Franchisor's prior approval or consent. Approvals given by Franchisor in this Agreement will not constitute a waiver of Franchisor's rights or Franchisee's duties under any provision.

**17.07 No Warranties by Franchisor.** Except as otherwise provided in any written agreement between Franchisor and Franchisee, Franchisor makes no warranties or guarantees upon which Franchisee may rely. Franchisor assumes no liability or obligation to Franchisee by providing any waiver, approval, consent, suggestion or consultation to or with Franchisee for this Agreement, or by any delay or denial of any request for such waiver, approval, consent suggestion or consultation.

**17.08 No Waiver.** No failure of a Party to exercise any power reserved to it by this Agreement, or to insist upon strict compliance by the other Party with any obligation or condition, and no custom or practice of the Parties at variance with the terms, will constitute a waiver of that Party's right to demand exact compliance with this Agreement. Waiver by a Party of any default by the other Party will not affect or impair that Party's right regarding any subsequent default of the same, similar, or different nature; nor will any delay, forbearance, or omission of a Party to exercise any power or right arising out of any breach or default by the other Party of the terms, provisions, or covenants of this Agreement, affect or impair that Party's right to exercise the same.

**17.09 Waiver of Consumer Rights and Remedies.** To the extent permitted by law, Franchisee expressly waives every one of its rights and remedies arising under the Deceptive Trade Practices-Consumer Protection Act, Section 17.41 et seq., Texas Business and Commerce Code (other than Section 17.555), a law that gives consumers special rights and protections. After consultation with an attorney of Franchisee's own selection, Franchisee does voluntarily consent to this waiver. Franchisee represents and warrants it has knowledge and experience in financial and business matters that enables it to evaluate the merits and risks of the transactions contemplated by this Agreement and that it is not in a significant disparate bargaining position vis-à-vis Franchisor at the time of entering into this Agreement.

**17.10 Survival.** The provisions of this Agreement as they relate to matters, events, or conditions occurring or existing prior to the expiration, termination, non-renewal or Transfer of this Agreement will survive the expiration, termination, non-renewal or Transfer of this Agreement. Further, Article 9 (Preservation of Names and Marks), Article 11 (Occurrences on Expiration, Non-Renewal or Termination), Article 12 (Indemnification by Franchisee), Article 13 (Financial Review Rights), Article 14 (Dispute Resolution), and Section 14.08 (Attorney Fees) will survive the expiration, termination, non-renewal or Transfer of this Agreement.

**17.11 No Third Party Beneficiaries.** Notwithstanding anything to the contrary, nothing in this Agreement is intended, nor will be deemed, to confer upon any person or legal entity other than Franchisor or Franchisee and their respective successors and assigns as contemplated by Article 8, any rights or remedies under or by this Agreement.

**17.12 Assignment by Franchisor.** Franchisor may assign this Agreement or any rights or obligations created by it without Franchisee's consent upon the following conditions: (i) Franchisor reasonably believes that the assignee can perform Franchisor's obligations under this Agreement and

(ii) the assignee expressly agrees in writing to assume Franchisor's obligations under this Agreement.

**17.13 Time is of the Essence.** Time is of the essence in all matters relating to every provision of this Agreement.

**17.14 Gender and Number.** Any reference in this Agreement to the masculine, feminine or neuter gender includes the other genders, and any reference to the singular or plural number includes the other number.

**17.15 Captions.** The Captions in this Agreement are for reference only and will not affect the meaning, interpretation or scope of this Agreement.

**17.16 Guaranty.** Franchisee and all Owners must approve this Agreement and sign separately written guaranties of Franchisee's payments and performance in the form of Exhibit B to this Agreement. Franchisee represents and warrants that all Owners of Franchisee on the Effective Date are shown below and that Franchisee and the Owners will notify Franchisor, as provided in Article 8, of any proposed change in the Owners of Franchisee after the Effective Date.

«TableStart:CompOwner1»«Dr FName 1» «Dr MName 1» «Dr LName 1»«TableEnd:CompOwner1»

**17.17 Electronic Signing and Delivery.** Whenever the written consent of any Party to this agreement is required by this Agreement, any written consent or signature page signed and transmitted by electronic means, by facsimile machine, or by scanning and transmission in PDF format by email is treated as an original document. The handwritten or electronic signature of any Party on a faxed or scanned and emailed document is considered as an original signature, and the document transmitted is considered to have the same binding effect as an original signature on an original document. No Party to this Agreement may challenge the authenticity of any document signed and delivered in compliance with this Section solely based on the method by which a document has been transmitted.

IN WITNESS WHEREOF, the Parties to this Agreement have signed this document on the dates below their signatures, in multiple counterparts, each of which will be an original for all purposes. The term of this Agreement and the period on which Royalties are assessed will begin on the Start Date specified in Section 3.01. If it has been signed and delivered by Franchisee, this Agreement will become legally binding on the date below the signature of Franchisor's signatory (the "Effective Date").

**FRANCHISOR:**  
Smile Source L.P.

**FRANCHISEE:**  
«COMP LEGAL NAME»

By: SMILE SOURCE MANAGEMENT L.L.C.,  
General Partner of SMILE SOURCE L.P.

By: \_\_\_\_\_  
Name: Trevor Maurer  
Title: President and CEO  
Effective Date: \_\_\_\_\_

By: «TableStart:CompOwner 2»\_\_\_\_\_  
Name: «Dr FName 2» «Dr MName2» «Dr LName2», «Mbr Cred 2»  
Title: «Owner Title 2»  
Date Signed: «TableEnd:CompOwner 2»\_\_\_\_\_

## **EXHIBIT A TERRITORY**

The Territory is the area within the centerlines of the following highways, streets and boundary lines, as they exist on the Effective Date of this Franchise Agreement:

«Territory Desc»

**Note:** The above Territory applies only to the Designated Location stated in Section 1.04 of this Franchise Agreement. If Franchisee has one or more additional approved location(s), the territory for each additional approved location must be specified in a separate franchise agreement for each additional approved location.

**EXHIBIT B**  
**GUARANTY OF FRANCHISE AGREEMENT**

In consideration of, and as an inducement to, the signing and delivery of the Franchise Agreement (“Agreement”) with a Start Date of \_\_\_\_\_, 20\_\_\_\_, by and between Smile Source L.P., a Texas limited partnership (“Franchisor”), and \_\_\_\_\_, a \_\_\_\_\_, (“Franchisee”), each of the undersigned (each a “Guarantor”) guarantees unto Franchisor that the Franchisee will perform during the term of the Agreement every covenant, payment, agreement and undertaking by Franchisee contained and set forth in the Agreement. Capitalized terms not defined in this Guaranty have the same meaning as in the Franchise Agreement.

**1. Guarantee of Payment Obligations**

(a) Franchisor, its successors and assigns, may from time to time, without notice to the undersigned (i) resort to the undersigned for payment of the liabilities and obligations of Franchisee to Franchisor (the “Liabilities”), whether or not Franchisor or its successors have proceeded against any other of the undersigned or any party primarily or secondarily liable on the Liabilities, (ii) release or compromise any liability of the undersigned or any liability of any party or parties primarily or secondarily liable on the Liabilities, and (iii) extend, renew or credit the Liabilities for any period (whether or not longer than the original period); (iv) alter, amend or exchange the Liabilities; or (v) give any other form of indulgence, whether under the Agreement or not.

(b) Notwithstanding Paragraph 1(a):

(i) With respect to Franchisee’s obligation to pay Royalties to Franchisor under Article 4 of the Agreement, with respect to the Office, the dollar liability of each Guarantor will not exceed \$15,000; and

(ii) If Franchisee has obtained insurance as set out in Section 5.02 of the Agreement and has named Franchisor as an additional named insured, then, with respect to Franchisee’s obligation to indemnify Franchisor, its officers, directors, shareholders, employees, agents, heirs, successors, assigns, and representatives under Article 12 of the Agreement, the liability of each Guarantor will be limited to amounts not covered by applicable insurance issued to Franchisee (e.g., as a result of a deductible, stop loss retention, or liability in excess of policy limits). This paragraph is not intended to, and will not be construed to, impose any limit on Franchisee’s liability for the indemnity obligations under the Agreement.

**2. Other Obligations**

The undersigned agrees to comply with and abide by all covenants and provisions of the Agreement, as they relate to the Owners of Franchisee, to the same extent as and for the same time as Franchisee must comply with and abide by those covenants and provisions, including but not limited to the covenants and provisions of Section 5.03 (Professional Status and Requirements), Section 5.10 (Practice Outside of Designated Location), Article 8 (Transfer of Interest by Franchisee), Section 9.06 (Confidential Information), Article 11 (Occurrences Upon Expiration, Non-Renewal or Termination) and Article 14 (Dispute Resolution). These obligations of the undersigned will survive any expiration or termination of the Agreement or this Guaranty. Nothing in this Guaranty: (i) limits a person’s liability under or otherwise affects any separate non-compete, confidentiality, or other written agreement executed in a personal capacity by any Guarantor in favor of Franchisor; or (ii) precludes Franchisor from seeking injunctive or other equitable relief against a Guarantor.

3. **Waivers**

The undersigned waives presentment, demand, notice of dishonor, protest, nonpayment and all other notices, including without limitation: notice of acceptance, notice of all contracts and commitments; notice of the existence or creation of any liabilities under the Agreement and of the amount and terms thereof; and notice of all defaults, disputes or controversies between Franchisee and Franchisor resulting from the Agreement or otherwise, and the settlement, compromise or adjustment thereof.

4. **Enforcement Costs**

The undersigned agrees to pay all expenses paid or incurred by Franchisor in enforcing the Agreement and this Guaranty against Franchisee and against the undersigned and in collecting or attempting to collect any amounts due by Franchisee or the undersigned, including reasonable attorneys' fees if enforcement or collection is by or through an attorney-at-law.

5. **Continuing Effect**

Any waiver, extension of time or other indulgence granted from time to time by Franchisor, its agents, its successors or assigns, regarding the Agreement, will in no way modify or amend this Guaranty, which will be continuing, absolute, unconditional and irrevocable.

6. **Joint and Several Liability**

If more than one person signs this Guaranty, the term "the undersigned," as used herein will refer to each person, and the liability of each of the undersigned will be joint and several and primary.

7. **Survival of Obligations**

Upon the death of a Guarantor, the Guarantor's estate will be bound by this Guaranty, but only for obligations existing at the time of death. The obligations of the surviving Guarantors will continue in full force and effect.

GUARANTOR:

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

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

GUARANTOR:

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

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

**EXHIBIT C**  
**SPECIAL RELEASE OF CLAIMS**

This SPECIAL RELEASE OF CLAIMS ("Release") is entered into by and between Smile Source L.P., a Texas Limited Partnership ("Franchisor"), and \_\_\_\_\_, a \_\_\_\_\_ ("Franchisee"). Franchisor and Franchisee are collectively referred to as Parties.

WHEREAS, Franchisor and Franchisee have entered into a Franchise Agreement, with a Start Date of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ ("Franchise Agreement") for the franchised dental care center at \_\_\_\_\_; and

WHEREAS, Franchisee desires to renew or Transfer the Franchise Agreement;

NOW, THEREFORE, as a material inducement for Franchisor to renew or Transfer the Franchise Agreement and in accordance with Article 3 of the Franchise Agreement and in consideration of the mutual promises herein contained and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by all Parties; the undersigned Parties **RELEASE AND FOREVER DISCHARGE**, and by these presents do for Franchisee and Guarantor(s), and for their respective heirs, executors, legal representatives, administrators, agents, successors and assigns, **RELEASE AND FOREVER DISCHARGE** Franchisor, its parent, subsidiaries, affiliates and their officers, directors, attorneys, shareholders, and employees, in their corporate and individual capacities, including, without limitation, claims arising under Federal, State, and local laws, rules, and ordinances arising out of, or connected with, performing the Franchise Agreement or any other agreement between Franchisor and Franchisor's subsidiaries and affiliates and Franchisee prior to the effective date stated below.

This Release will not apply to (i) claims arising out of representations made by Franchisor in any franchise disclosure document furnished to Franchisee for the Franchise Agreement; or (ii) non-waivable statutory claims.

It is further understood and agreed there are no promises of any additional payments or of any further benefits to be received by Franchisee from Franchisor, its employees, agents, successors, assigns and/or affiliates other than the consideration recited.

It is acknowledged, agreed and understood we have read this Special Release of Claims and it is a complete, written statement of the terms and conditions of the Special Release of Claims.

*(Signatures on next page.)*

IN WITNESS WHEREOF, the Parties to this Special Release of Claims have signed this document on the dates below their signatures, in multiple counterparts, each of which will be an original for all purposes and will be effective as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**FRANCHISOR:**

SMILE SOURCE L.P.

By: SMILE SOURCE MANAGEMENT L.L.C.,  
General Partner of SMILE SOURCE L.P.

By: \_\_\_\_\_  
Name: Trevor Maurer  
Title: President and CEO  
Date Executed: \_\_\_\_\_

**FRANCHISEE:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Executed: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Executed: \_\_\_\_\_

**GUARANTOR(S):**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Date Executed: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Date Executed: \_\_\_\_\_

**EXHIBIT D**  
**NOTICE OF ELECTION TO OPT OUT OF FRANCHISE AGREEMENT**

This Notice of Election to Opt Out of Franchise Agreement (“Notice”) is provided by the undersigned (“Franchisee”) to Smile Source L.P. (“Franchisor”) as provided in Section 10.01(ii) of the Smile Source Franchise Agreement, with a Start Date of \_\_\_\_\_, 20\_\_\_\_, for the franchised Office at \_\_\_\_\_, (“Franchise Agreement”). Capitalized terms not defined in this Agreement have the same meaning as in the Franchise Agreement.

**CONDITIONS FOR OPT OUT OF FRANCHISE AGREEMENT**

Franchisee agrees that the following conditions must be satisfied by Franchisee for the opt out of the Franchise Agreement to be effective. Franchisee also agrees that if every condition stated in this Notice is not timely satisfied by Franchisee, Franchisee may not opt out of the Franchise Agreement and the Franchise Agreement will continue for the remainder of the Initial Term.

1. Franchisee is electing to opt out of the Franchise Agreement effective \_\_\_\_\_, 20\_\_\_\_ (“Opt Out Date”), which is a date within the 19th full calendar month of the Initial Term of the Franchise Agreement.
2. This Notice must be given by Franchisee to Franchisor under the notice provisions in Article 15 of the Franchise Agreement.
3. Substitutions for this form of Notice will not constitute a valid notice under Section 10.01(ii) of the Franchise Agreement.
4. This Notice must be received by Franchisor at least ninety (90) days before the Opt Out Date.
5. Franchisee must identify, below or on an attachment to this Notice, the specific reason(s) why Franchisee is electing to opt out of the Franchise Agreement.

Reason(s): \_\_\_\_\_  
\_\_\_\_\_

6. Franchisee must pay all money owed to Franchisor or to any subsidiary or affiliate of Franchisor by the Opt Out Date and must timely pay the monthly Royalty, together with the sales report, for the final two (2) months of the term within forty-five (45) days after the end of the respective month, as provided in the Franchise Agreement.
7. Franchisee must return to Franchisor all Confidential Information, as defined in the Franchise Agreement, received during the term of the Franchise Agreement.
8. Franchisee must not hold itself out to the public as a present or former franchisee or operator of a dental care establishment under the Smile Source Names and Marks, as a member of the Smile Source Network, or in any way associated with the Smile Source.
9. Franchisee must notify every vendor, from whom Franchisee has obtained any price reductions (including purchase discounts and rebates) and also every payer under any insurance plan or managed care program in which Franchisee participates as a contracted provider, advising them that Franchisee is no longer a member of the Smile Source Network and is no longer entitled to any purchase discounts and/or price concessions available to members of the Smile Source Network or a provider in the Smile Source Network.
10. Franchisee must fully and timely comply with all terms and conditions of the Franchise Agreement relating to a former franchisee’s obligations following a termination of the Franchise Agreement, including but not limited to Article 11 and Section 17.10 of the Franchise Agreement.

### CONDITIONS FOR CLEAR CONFIDENCE CLAUSE

In addition to satisfaction of the above requirements for the opt out of the Franchise Agreement to be effective, Franchisee agrees that the following conditions must have been satisfied during the Test Period, to the reasonable satisfaction of Franchisor, in order for Franchisee to be qualified for Franchisor's Clear Confidence Clause

1. Franchisee has not have been and is not now in default, whether cured or not, of the Franchise Agreement or any other agreement between Franchisee and Franchisor or its subsidiaries and affiliates and has timely paid each month all Royalty fees together with the applicable monthly sales report.
2. Franchisee must have attended at least one (1) Smile Source Exchange conference in its entirety.
3. Franchisee must have attended at least two (2) of Franchisor's local, regional and/or state franchisee meetings that include Franchisee's Office Territory.

### ACKNOWLEDGMENTS

By signing and sending this Notice to Franchisor and provided Franchisee fully complies with the conditions stated above, Franchisee acknowledges that effective the Opt Out Date, the Franchise Agreement will be terminated and Franchisee will be removed from all Smile Source pricing, promotions, and exclusive programs, which include but are not limited to:

- |                                      |                                                                                 |
|--------------------------------------|---------------------------------------------------------------------------------|
| • Invoice Discounts                  | • Trade Area Demographic Profile Information                                    |
| • Statement Credits                  | • Future Potential Managed Care Agreements                                      |
| • Exclusive Rebates                  | • Annual Service Agreements                                                     |
| • Reduced and Free Shipping Programs | • Local Smile Source Marketing Campaigns                                        |
| • Credit Card Processing Savings     | • Product returns after exit date may not reflect Smile Source discount pricing |
| • Protected Trade Area Investment    |                                                                                 |

IN WITNESS WHEREOF, Franchisee has signed this Notice of Election to Opt Out of Franchise Agreement on the date stated below.

### FRANCHISEE:

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

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

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

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

**FRANCHISOR'S ACKNOWLEDGMENT OF RECEIPT:**

Method of delivery of Notice (*check one*):

- ☐ Personal Delivery by \_\_\_\_\_  
☐ U.S. Certified Mail  
No: \_\_\_\_\_  
☐ Overnight Courier by \_\_\_\_\_  
No: \_\_\_\_\_

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

Printed Name: \_\_\_\_\_

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

**EXHIBIT E**  
**ADMINISTRATIVE FEE EXCEPTIONS**

## EXHIBIT E-2

### ADDENDUM TO FRANCHISE AGREEMENT

In accordance with Section 17.04 of the Franchise Agreement with a Start Date of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between \_\_\_\_\_, of \_\_\_\_\_, and Smile Source L.P., a Texas Limited Partnership, of 23824 Highway 59 North, Kingwood, Texas 77339, (the "Franchise Agreement"), certain provisions of the Franchise Agreement are hereby amended as follows:

#### **Section 4.01 of the Franchise Agreement is hereby amended to read in its entirety as follows:**

**4.01 Royalty.** Beginning on the Start Date, and continuing throughout the Initial Term and any renewal term of this Agreement, Franchisee must pay, without demand, to Franchisor a monthly royalty ("Royalty") equal to the lesser of (i) \_\_\_\_ percent (\_\_\_\_%) of the Gross Receipts (as defined in this Section) of the Office or (ii) if applicable, the Monthly Royalty Cap (as defined in this Section).

The term "Gross Receipts" means all amounts received by the Office minus "Allowable Sales Deductions" consisting of sales taxes and other similar taxes collected from patients or customers on the amount of sales transactions, reimbursements to insurance carriers and governmental agencies for overpayments, cash refunds to patients or customers and money lost on returned checks.

The term "Monthly Royalty Cap" means Two Thousand Seven Hundred Fifty Dollars (\$2,750.00). Franchisee, however, will be eligible for the Monthly Royalty Cap only if the following requirements are satisfied:

- (a) Franchisor receives Franchisee's written notice asserting eligibility for the Monthly Royalty Cap, provided any such eligibility may not be for a date that is more than twelve (12) months before the date of Franchisee's written notice; and
- (b) If Franchisee's eligibility for the Monthly Royalty Cap is first effective for any month other than the first month of the Initial Term or any renewal term(s), Franchisee must sign a renewal Franchise Agreement with a Start Date of the first day of the month in which Franchisee is first eligible for the Monthly Royalty Cap; and
- (c) Franchisee must report the Gross Receipts and Allowable Sales Deductions for the Office stated in this Agreement separate from any other dental office of the Franchisee; and
- (d) Franchisee's monthly Gross Receipts and Allowable Sales Deductions report and the related Royalty payment for the Office must not be delinquent under Section 4.02.

If Franchisee is delinquent in reporting and/or paying the Royalty in any month during a Contract Year, as defined in this Section, then the Monthly Royalty Cap will not apply for the entire Contract Year and Franchisee must pay Royalty for the entire Contract Year based on the percentage of Gross Receipts stated in this Section. The term "Contract Year" means the twelve (12) month period commencing on the Start Date and each subsequent (12) month period during the Initial Term and any renewal term(s).

Provided Franchisee meets the requirements of subparagraphs (a), (b), (c) and (d) of this Section, in every month of the applicable Contract Year, the Royalty payable for the last month of that Contract Year, will be computed as follows:

- (i) The total Royalty amount for the Contract Year based on the percentage of Gross Receipts stated in this Section will be computed (the "Annual Royalty Amount").
- (ii) If the Annual Royalty Amount is equal to or greater than \$33,000, then the Royalty

payable for the last month of that Contract Year will be \$33,000 minus the total Royalty payments made by Franchisee for the first eleven (11) months of that Contract Year.

(iii) If the Annual Royalty Amount is less than \$33,000, then the Royalty payable for the last month of that Contract Year will be the Annual Royalty Amount minus the total Royalty payments made by Franchisee for the first eleven (11) months of that Contract Year.

The Royalty has been priced to provide to Franchisor compensation commensurate with the value of the franchise to Franchisee and services Franchisor furnishes to Franchisee.

If applicable law does not permit amounts received for dental services to be included in the calculation of Gross Receipts to compute and pay the Royalty, then the term “Gross Receipts” will not include receipts from those services; and the Gross Receipts as calculated will be multiplied by two (2) to calculate the Royalty (the “Alternate Royalty Computation Method”).

If a legal determination is made by a government or regulatory authority with jurisdiction over this Agreement or by Franchisor, upon advice of counsel, that the current method of calculating the Royalty, including the Alternate Royalty Computation Method, does not conform to current law, then Franchisor and Franchisee agree to negotiate in good faith another fee arrangement that would conform to the law and provide equivalent economic value to the Franchisor. If the Parties do not so agree within ninety (90) days after notice by Franchisor that a new agreement regarding fees is necessary, this Agreement will terminate, in Franchisor’s sole discretion, immediately upon written notice by Franchisor to Franchisee. All post-termination obligations of the Parties will remain in effect.

The term “Obligation(s)” means (i) all amounts Franchisee owes to Franchisor from time to time under this Agreement (including but not limited to Royalty payments and marketing fees) and under any other agreement between Franchisee and Franchisor and its subsidiaries and affiliates; and (ii) the reasonable costs and expenses that Franchisor incurs to collect or attempt to collect amounts due from Franchisee.

If this Agreement is terminated by Franchisee during the nineteenth (19th) full calendar month of the Initial Term, as provided in subsection (ii) of Section 10.01 of this Agreement, Franchisee may be qualified for a refund of Royalty fees paid during the first eighteen (18) months of the Initial Term (the “Test Period”). The requirements for a Royalty refund for the Test Period are as follows:

- (a) Franchisor has received Franchisee’s properly completed Notice of Election to Opt Out of Franchise Agreement (see Exhibit D in Franchise Agreement) at least ninety (90) days before the requested opt out date.
- (b) Franchisee has not been and is not then in default, whether cured or not, of this Agreement or any other agreement between Franchisee and Franchisor or its subsidiaries and affiliates and has timely paid each month all Royalty fees with the applicable monthly sales report.
- (c) Franchisee has attended at least one (1) Smile Source Exchange conference in its entirety.
- (d) Franchisee has attended at least two (2) of our local, regional and/or state franchisee meetings that include your Office Territory.

If the Franchisee has satisfied all of the above requirements to the reasonable satisfaction of Franchisor, then the Franchisee will be qualified for a partial refund of Royalty fees paid during the Text Period. The portion of the Royalty fees to be refunded to the Franchisee will be the difference between the total Royalty fees paid by Franchisee to Franchisor for the Test Period less any discounts and rebates

received by Franchisee from dental supply purchases and dental lab purchases, under the respective Smile Source vendor program, during the Test Period.

The Royalty refund will be paid by the Franchisor to the Franchisee in a timely manner following the receipt by Franchisor from Franchisee, within ninety (90) days following the Opt Out Date, all information necessary for the proper computation of the amount of the Royalty refund.

### **Ratification of Franchise Agreement**

In every other respect, Franchisor and Franchisee hereby ratify and confirm the Franchise Agreement and that the Franchise Agreement will remain in full force and effect, as amended by this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum to Franchise Agreement on the dates below their signatures, in multiple counterparts, each of which will be an original for all purposes. If it has been signed and delivered by Franchisee, this Addendum will become legally binding on the date below the signature of Franchisor's signatory (the "Effective Date").

**FRANCHISOR:**  
SMILE SOURCE L.P.

**FRANCHISEE:**

By: SMILE SOURCE MANAGEMENT L.L.C.,  
General Partner of SMILE SOURCE L.P.

By: \_\_\_\_\_  
Name: Trevor Maurer  
Title: President and CEO  
Effective Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Executed: \_\_\_\_\_

## EXHIBIT F

### GUARANTY OF FRANCHISE AGREEMENT

In consideration of, and as an inducement to, the signing and delivery of the Franchise Agreement (“Agreement”) with a Start Date of \_\_\_\_\_, 20\_\_\_\_, by and between Smile Source L.P., a Texas limited partnership (“Franchisor”), and \_\_\_\_\_, a \_\_\_\_\_, (“Franchisee”), each of the undersigned (each a “Guarantor”) guarantees unto Franchisor that the Franchisee will perform during the term of the Agreement every covenant, payment, agreement and undertaking by Franchisee contained and set forth in the Agreement. Capitalized terms not defined in this Guaranty have the same meaning as in the Franchise Agreement.

#### 1. **Guarantee of Payment Obligations**

(a) Franchisor, its successors and assigns, may from time to time, without notice to the undersigned (i) resort to the undersigned for payment of the liabilities and obligations of Franchisee to Franchisor (the “Liabilities”), whether or not Franchisor or its successors have proceeded against any other of the undersigned or any party primarily or secondarily liable on the Liabilities, (ii) release or compromise any liability of the undersigned or any liability of any party or parties primarily or secondarily liable on the Liabilities, and (iii) extend, renew or credit the Liabilities for any period (whether or not longer than the original period); (iv) alter, amend or exchange the Liabilities; or (v) give any other form of indulgence, whether under the Agreement or not.

(b) Notwithstanding Paragraph 1(a):

(i) With respect to Franchisee’s obligation to pay Royalties to Franchisor under Article 4 of the Agreement, with respect to the Office, the dollar liability of each Guarantor will not exceed \$15,000; and

(ii) If Franchisee has obtained insurance as set out in Section 5.02 of the Agreement and has named Franchisor as an additional named insured, then, with respect to Franchisee’s obligation to indemnify Franchisor, its officers, directors, shareholders, employees, agents, heirs, successors, assigns, and representatives under Article 12 of the Agreement, the liability of each Guarantor will be limited to amounts not covered by applicable insurance issued to Franchisee (e.g., as a result of a deductible, stop loss retention, or liability in excess of policy limits). This paragraph is not intended to, and will not be construed to, impose any limit on Franchisee’s liability for the indemnity obligations under the Agreement.

#### 2. **Other Obligations**

The undersigned agrees to comply with and abide by all covenants and provisions of the Agreement, as they relate to the Owners of Franchisee, to the same extent as and for the same time as Franchisee must comply with and abide by those covenants and provisions, including but not limited to the covenants and provisions of Section 5.03 (Professional Status and Requirements), Section 5.10 (Practice Outside of Designated Location), Article 8 (Transfer of Interest by Franchisee), Section 9.06 (Confidential Information), Article 11 (Occurrences Upon Expiration, Non-Renewal or Termination) and Article 14 (Dispute Resolution). These obligations of the undersigned will survive any expiration or termination of the Agreement or this Guaranty. Nothing in this Guaranty: (i) limits a person’s liability under or otherwise affects any separate non-compete, confidentiality, or other written agreement executed in a personal capacity by any Guarantor in favor of Franchisor; or (ii) precludes Franchisor from seeking injunctive or other equitable relief against a Guarantor.

3. **Waivers**

The undersigned waives presentment, demand, notice of dishonor, protest, nonpayment and all other notices, including without limitation: notice of acceptance, notice of all contracts and commitments; notice of the existence or creation of any liabilities under the Agreement and of the amount and terms thereof; and notice of all defaults, disputes or controversies between Franchisee and Franchisor resulting from the Agreement or otherwise, and the settlement, compromise or adjustment thereof.

4. **Enforcement Costs**

The undersigned agrees to pay all expenses paid or incurred by Franchisor in enforcing the Agreement and this Guaranty against Franchisee and against the undersigned and in collecting or attempting to collect any amounts due by Franchisee or the undersigned, including reasonable attorneys' fees if enforcement or collection is by or through an attorney-at-law.

5. **Continuing Effect**

Any waiver, extension of time or other indulgence granted from time to time by Franchisor, its agents, its successors or assigns, regarding the Agreement, will in no way modify or amend this Guaranty, which will be continuing, absolute, unconditional and irrevocable.

6. **Joint and Several Liability**

If more than one person signs this Guaranty, the term "the undersigned," as used herein will refer to each person, and the liability of each of the undersigned will be joint and several and primary.

7. **Survival of Obligations**

Upon the death of a Guarantor, the Guarantor's estate will be bound by this Guaranty, but only for obligations existing at the time of death. The obligations of the surviving Guarantors will continue in full force and effect.

GUARANTOR:

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

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

GUARANTOR:

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

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

**EXHIBIT G**  
**NONDISCLOSURE AGREEMENT TO**  
**PROTECT RELEASE OF CONFIDENTIAL INFORMATION**

In the course of our forthcoming discussions, negotiations, and your investigation of the franchise opportunity being offered to you by Smile Source, we will reveal to you certain confidential and proprietary information of Smile Source and its subsidiaries and affiliates ("Confidential Information") as defined below. The Confidential Information is proprietary to Smile Source and has been developed and maintained at substantial cost to Smile Source. Disclosure of the Confidential Information to third parties could cause substantial and irreparable damage to Smile Source. In the interest of avoiding any misunderstandings about the basis on which Confidential Information is disclosed to you, we are requesting that you read and agree to the following terms.

As a material inducement for our agreement to disclose certain Confidential Information to you, you agree not to disclose any of the Confidential Information to any third party, other than your trusted advisor who agrees to be bound by the terms of this nondisclosure agreement, except as may be specifically authorized in writing by an officer of Smile Source. The Confidential Information in this context consists of the Disclosure Document and all attached exhibits, and further includes but is not limited to, the business organization and plan, contracts, agreements, customer lists, product pricing, managed care initiatives and other related business ideas and concepts of Smile Source and its subsidiaries and affiliates. You also agree to take reasonable steps to ensure that your employees, representatives, and agents do not disclose any Confidential Information to any other persons. The term "reasonable steps" means the steps that you take to protect your own, similar confidential and proprietary information, which will not be less than a reasonable standard of care.

You agree that the Confidential Information will not be used for any purpose other than determining whether to become affiliated with the Smile Source franchise network. On termination or expiration of our discussions, you shall surrender to Smile Source all originals and all copies of Confidential Information in your possession and will refrain from the further use and disclosure, in any manner, of any Confidential Information.

If these terms are acceptable to you, please sign this agreement below where indicated. Thank you for your cooperation in this matter.

**ACCEPTED AND AGREED**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

**Exhibit H**  
**List of Smiles Source Franchisees**  
**as of December 31, 2019**

| Office ID | Office State | Office City   | Office Address                        | Office Zipcode | Office Phone   | Doctor No. 1        |
|-----------|--------------|---------------|---------------------------------------|----------------|----------------|---------------------|
| 914       | AK           | Anchorage     | 121 West Fireweed Lane #280           | 99503          | (907) 258-7060 | Scott Lyke          |
| 1012      | AK           | Anchorage     | 3501 Denali St. #302                  | 99503          | (907) 229-1990 | Pat Dorman          |
| 382       | AL           | Birmingham    | 2216 Old Springville Rd., Suite A     | 35215          | (205) 853-4600 | M. Reid Marshall    |
| 272       | AL           | Dothan        | 200 Parkwest Circle., Suite 1         | 36303          | (334) 446-3211 | Nathan Pfister      |
| 124       | AL           | Huntsville    | 204 Lowe Avenue SE, Suite 1           | 35801          | (256) 533-0051 | Sonja Gill          |
| 651       | AR           | Beebe         | 71 Hwy 64 W                           | 72012          | (501) 882-5491 | Robert Beavers      |
| 1048      | AR           | Bentonville   | 1001 Southeast 28th Street            | 72712          | (479) 271-9900 | John Curtis         |
| 173       | AR           | Bryant        | 3316 Highway 5 N., Suite 1            | 72019          | (501) 778-9222 | Clint Fulks         |
| 843       | AR           | Bryant        | 612 West Commerce, Suite 1            | 72022          | (501) 847-9191 | Alan Nguyen         |
| 592       | AR           | Fayetteville  | 2131 N. Crossover Blvd.               | 72703          | (479) 856-6610 | Angela Broomfield   |
| 990       | AR           | Fayetteville  | 152 East Appleby Road                 | 72703          | (479) 445-6884 | Nathaniel Behrents  |
| 1065      | AR           | Fayetteville  | 162 East Sunbridge Drive              | 72703          | (479) 521-4161 | Richard Roblee      |
| 508       | AR           | Fort Smith    | 2913 S. 74th St.                      | 72903          | (479) 484-5050 | W. Wesley Moore     |
| 351       | AR           | Hot Springs   | 2220 Malvern Avenue                   | 71901          | (501) 623-6132 | Brandon Kyle Benton |
| 587       | AR           | Hot Springs   | 1919 Malvern Ave                      | 71901          | (501) 781-0246 | Lance Porter        |
| 1001      | AR           | Hot Springs   | 1911 Malvern Ave., STE A              | 71901          | 501) 609-9196  | Stephen Harrison    |
| 409       | AR           | Jacksonville  | 815 Marshall Road                     | 72076          | (501) 982-4447 | Ted Pinney          |
| 928       | AR           | Jonesboro     | 2800 Enterprise Cove                  | 72401          | (870) 972-8190 | Robert Kaloghirou   |
| 822       | AR           | Little Rock   | 209 South State street                | 72201          | (501) 375-0265 | William Knight      |
| 893       | AR           | Little Rock   | 10825 Kanis Road #500                 | 72211          | (501) 244-3500 | Matthew Bridwell    |
| 884       | AR           | Maumelle      | 1701 Club Manor Drive, Suite 4        | 72113          | (501) 851-1414 | Dustin Wallace      |
| 991       | AR           | Rogers        | 5305 Village Parkway Suite 12         | 72758          | (479) 445-6884 | Nathaniel Behrents  |
| 386       | AZ           | Glendale      | 11851 N. 51st Ave., Suite 120         | 85304          | (623) 419-5683 | Kelvin Ngo          |
| 403       | AZ           | Glendale      | 5664 West Bell Road                   | 85308          | (602) 978-3500 | Ryan Arthurs        |
| 471       | AZ           | Glendale      | 18555 N. 79th Ave., #A-104            | 85308          | (623) 878-6333 | John Upton          |
| 32        | AZ           | Goodyear      | 14940 West Indian School Rd           | 85395          | (623) 536-6789 | Daniel Wolter       |
| 472       | AZ           | Sedona        | 6446 SR 179, VOC                      | 86351          | (928) 202-4467 | John Upton          |
| 404       | AZ           | Sun City West | 13925 W. Meeker Blvd., Suite A        | 85375          | (623) 537-5327 | Ryan Arthurs        |
| 360       | AZ           | Tempe         | 420 W. Warner Rd., Suite 101          | 85284          | (480) 894-8101 | Trent Smallwood     |
| 528       | CA           | Beverly Hills | 8920 Wilshire Blvd., Suite 701        | 90211          | (310) 652-8383 | Kevin Frawley       |
| 550       | CA           | Camarillo     | 445 Rosewood Ave, Suite P             | 93010          | (805) 388-3319 | Michael Potts       |
| 267       | CA           | Greenbrae     | 1000 S. Eliseo Dr., Suite 202         | 94904          | (415) 461-3141 | Eric Zaremski       |
| 268       | CA           | Irvine        | 15785 Laguna Canyon Rd., Suite 200    | 92618          | (949) 551-5902 | Scott Rice          |
| 1022      | CA           | Irvine        | 1400 Reynolds Avenue, #110            | 92614          | (949) 508-2626 | Robert Perry        |
| 344       | CA           | Ladera Ranch  | 777 Corporate Dr., Suite 100          | 92694          | (949) 347-5521 | Lincoln Parker      |
| 166       | CA           | Laguna Niguel | 30131 Town Center Drive, Suite 220    | 92677          | (949) 770-7686 | William Gregg       |
| 551       | CA           | Livermore     | 1018 Murrieta Blvd. Suite B           | 94550          | (925) 273-7650 | Joseph Hwang        |
| 507       | CA           | Los Angeles   | 2990 S. Sepulveda Blvd., Ste. 204     | 90064          | (310) 477-1081 | Les Latner          |
| 1062      | CA           | Los Angeles   | 1826 West 7th Street                  | 90057          | (213) 484-6660 | Dan Benyamini       |
| 312       | CA           | Los Gatos     | 15951 Los Gatos Blvd., Suite 8        | 95032          | (408) 402-0900 | Gregory Sawyer      |
| 488       | CA           | Moorpark      | 4217 Tierra Rejada Rd.                | 93021          | (805) 243-3999 | Zachary Potts       |
| 976       | CA           | Moreno Valley | 12721 Moreno Beach Drive              | 92555          | (951) 330-3251 | Robert Houchin      |
| 720       | CA           | Murrieta      | 25109 Jefferson Ave., Suite #225      | 92562          | (951) 225-4664 | Michael Wasemiller  |
| 753       | CA           | Murrieta      | 29910 Murrieta Hot Springs Rd., Ste R | 92563          | (951) 677-9104 | Dhanesh Pore        |
| 562       | CA           | Oroville      | 2250 Myers Street                     | 95966          | (530) 533-7545 | Daniel Appel        |
| 269       | CA           | Rohnert Park  | 1330 Medical Center Dr., Suite 1      | 94928          | (707) 585-2555 | Wayne Sutton        |
| 362       | CA           | San Jose      | 1241 Meridian Ave.                    | 95125          | (408) 266-6144 | Sapana Kothary      |
| 594       | CA           | San Jose      | 5150 Graves Ave., Suite #11A          | 95129          | (408) 753-9955 | John Hao Rong       |
| 271       | CA           | Santa Barbara | 1511 State Street                     | 93101          | (805) 899-3600 | Mark Weiser         |
| 492       | CA           | Sunnyvale     | 895 E Fremont Ave #101                | 94087          | (408) 732-0220 | Dipa Mehta          |
| 663       | CA           | Temecula      | 29645 Rancho California Rd., Ste 118  | 92591-5284     | (951) 676-6600 | Richard Lindley     |
| 754       | CA           | Temecula      | 31205 Pauba Road, Ste 205             | 92592          | (951) 506-6870 | Dhanesh Pore        |
| 634       | CA           | Thousand Oaks | 394 Lombard St.                       | 91360          | (805) 379-5222 | Amy Nabi            |
| 1052      | CA           | Tustin        | 17501 Irvine Blvd Suite 101           | 92780          | (714) 835-4441 | Sheldon Lu          |

| Office ID | Office State | Office City      | Office Address                           | Office Zipcode | Office Phone   | Doctor No. 1        |
|-----------|--------------|------------------|------------------------------------------|----------------|----------------|---------------------|
| 446       | CA           | Walnut Creek     | 106 La Casa Via, Suite 280               | 94598          | (925) 932-2110 | Troy Schmedding     |
| 725       | CA           | Walnut Creek     | 2021 Ygnacio Valley Rd., Ste 401         | 94598          | (925) 933-6092 | Benjamin Tsaur      |
| 558       | CO           | Arvada           | 11890 W 64th Ave                         | 80004          | (303) 422-0094 | Mark Uremovich      |
| 506       | CO           | Aurora           | 2900 S. Peoria St, Unit C                | 80014          | (303) 751-3321 | Daniel Zeppelin     |
| 116       | CO           | Boulder          | 1200 Yarmouth Ave, Unit C-1C             | 80304          | (720) 440-9987 | Richard Abrams      |
| 716       | CO           | Boulder          | 2830 Valmont Rd                          | 80301          | (303) 444-3232 | Kyle Daniel         |
| 94        | CO           | Castle Rock      | 734 Wilcox Street, Suite 200             | 80109          | (303) 257-8237 | Vikash Kanchanlal   |
| 224       | CO           | Castle Rock      | 2356 Meadows Boulevard, Suite 170B       | 80109          | (303) 663-6030 | Michael Rowlette    |
| 498       | CO           | Castle Rock      | 4344 Woodlands Blvd., Suite 140          | 80104          | (303) 660-9333 | Jennifer Sibo       |
| 452       | CO           | Colorado Springs | 2435 Research Parkway, Suite 250         | 80920          | (719) 260-9000 | Chris Brady         |
| 500       | CO           | Colorado Springs | 5780 N. Carefree Circle, Suite 100       | 80917          | (719) 597-9737 | Paul Smith          |
| 443       | CO           | Denver           | 1164 Elati St.                           | 80204          | (303) 246-0100 | William Pains       |
| 449       | CO           | Denver           | 7060 E. Hampden Ave., Ste 101            | 80224          | (303) 758-2066 | Jacquelyn Cox       |
| 645       | CO           | Denver           | 1660 S. Albion St., Suite 715            | 80222          | (303) 758-4287 | Roy Theriot         |
| 706       | CO           | Denver           | 999 18th St., Suite 1350A                | 80202          | (303) 377-5337 | Gary Radz           |
| 844       | CO           | Denver           | 700 Broadway #1135                       | 80203          | (303) 832-4867 | Nick Poulos         |
| 667       | CO           | Lakewood         | 3190 S Wadsworth Blvd, Ste 300           | 80227          | (303) 988-9060 | Scott Greenhalgh    |
| 698       | CO           | Lakewood         | 3333 S. Wadsworth Blvd., Bldg D, Ste 309 | 80227          | (303) 988-6767 | Gregory Bauer       |
| 699       | CO           | Lakewood         | 7373 W. Jefferson Ave, Suite 204         | 80235          | (303) 988-7800 | Brennan Bonati      |
| 765       | CO           | Lakewood         | 12600 West Colfax Avenue Suite B-100     | 80215          | (303) 234-1349 | Kenneth Ostrov      |
| 190       | CO           | Littleton        | 7621-A Shaffer Pkwy                      | 80127          | (303) 972-2224 | Jon Caulfield       |
| 368       | CO           | Littleton        | 10268 W. Centennial Road, Suite 100      | 80127          | (303) 933-2066 | LeJon Carreon       |
| 381       | CO           | Littleton        | 5920 S. Estes St., Suite 200             | 80123          | (303) 988-6118 | Guy Grabiak         |
| 456       | CO           | Littleton        | 4260 S Wadsworth Blvd, Unit 100          | 80123          | (303) 988-4949 | Eileen McGinty      |
| 560       | CO           | Littleton        | 9137 S. Ridgeline Blvd., Suite 150       | 80129          | (303) 470-0017 | Lynelle Zabel       |
| 561       | CO           | Littleton        | 9102 W. Ken Caryl Ave., Suite 200        | 80128          | (303) 978-9572 | Thomas Froning      |
| 1023      | CO           | Littleton        | 2100 West Littleton Boulevard            | 80120          | (303) 798-4571 | Claire-Marie Bender |
| 30        | CO           | Longmont         | 1818 Mountain View Ave.                  | 80501          | (303) 651-3733 | Richard Abrams      |
| 1070      | CO           | Loveland         | 1524 West Eisenhower Boulevard           | 80537          | (970) 669-3967 | Alexandra Blomquist |
| 249       | CT           | Berlin           | 39 Webster Square Rd.                    | 06037          | (860) 828-3933 | Michael Maroon      |
| 276       | CT           | Bethel           | 76 Stony Hill Rd.                        | 06801          | (203) 408-3102 | Nicholas Borrello   |
| 635       | CT           | Burlington       | 8 Milford St.                            | 06013          | (860) 673-7155 | Bethaney Brenner    |
| 283       | CT           | Cromwell         | 26 Shunpike Road, Suite A                | 06416          | (860) 894-2933 | Michael Maroon      |
| 826       | CT           | Manchester       | 483 Middle Turnpike West, Suite 102      | 06040          | (860) 649-2272 | Ryaz Ansari         |
| 948       | CT           | Middlebury       | 1625 Straits Turnpike, #210              | 06762          | (203) 598-3889 | Arsalan Elahi       |
| 568       | CT           | Middletown       | 195 South Main Street                    | 06457          | (860) 346-2470 | Betsy Crosswell     |
| 597       | CT           | Vernon           | 281 Hartford Turnpike, Suite 105         | 06066          | (860) 871-2618 | Darryl Simms        |
| 787       | DC           | Washington       | 1010 Quincy Street Northeast             | 20017          | (202) 832-5766 | Cheryl Lee          |
| 186       | FL           | Bradenton        | 815 40th St. West                        | 34205          | (941) 896-3915 | Iyad Fakhouri       |
| 614       | FL           | Bradenton        | 6220 Manatee Ave West, Suite 401         | 34209          | (941) 792-3033 | Joel Alford         |
| 707       | FL           | Bradenton        | 6220 Manatee Ave West, Suite 101         | 34209          | (941) 792-0435 | José Goldberg       |
| 1005      | FL           | Cantonment       | 2350 Hwy 29                              | 32533          | (850) 968-2106 | Chris Campus        |
| 473       | FL           | Cooper City      | 9720 Stirling Road, Suite 211            | 33024          | (954) 437-6855 | Elizabeth Ziadie    |
| 1010      | FL           | Fort Myers       | 13691 Metro Parkway                      | 33912          | (239) 768-5900 | Adam Beno           |
| 729       | FL           | Ft. Lauderdale   | 800 E. Broward Blvd., Suite 706          | 33301          | (954) 522-3228 | Thomas McCawley     |
| 740       | FL           | Jacksonville     | 1677 Art Museum Drive                    | 32207          | (904) 396-4746 | Harion Beaver, III  |
| 232       | FL           | Largo            | 11450 Oakhurst Rd.                       | 33774          | (727) 595-4289 | James Carreiro      |
| 685       | FL           | Largo            | 2320 W. Bay Dr.                          | 33770          | (727) 518-6000 | Terry Hamblen       |
| 708       | FL           | Longboat Key     | 595 Bay Isle Rd., Suite 110              | 34228          | (941) 383-6400 | Michael O'Neil      |
| 477       | FL           | Miami            | 9275 SW 152nd Street                     | 33157          | (305) 235-3909 | Dolcie Chin         |
| 749       | FL           | Naples           | 501 Goodlette Rd. North, Suite B202      | 34102          | (239) 261-7291 | Dean Mourselas      |
| 735       | FL           | Orlando          | 112 S Lucerne Circle E                   | 32801          | (407) 425-4901 | Gustavo De Oliveira |
| 1004      | FL           | Pensacola        | 850 South Palafox Street, Unit 101-B     | 32502          | (850) 495-2999 | Chris Campus        |
| 1006      | FL           | Pensacola        | 12385 Sorrento Rd                        | 32507          | (850) 492-7647 | Chris Campus        |
| 658       | FL           | Sarasota         | 2191 Siesta Drive                        | 34239          | (941) 365-3377 | James Foley         |
| 436       | FL           | St. Petersburg   | 1 Progress Plaza, Suite 830              | 33701          | (727) 822-8101 | John Ferullo        |
| 686       | FL           | Sunrise          | 2500 University Drive, Suite 9           | 33322-3003     | (954) 741-8580 | William Zenga, Jr.  |
| 631       | FL           | Tampa            | 4014 W. Estrella St., Suite A            | 33629          | (813) 253-3679 | William Wang        |

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|-----------|--------------|--------------|--------------------------------------------|----------------|----------------|-----------------------|
| 788       | FL           | Tampa        | 6526 Gunn Highway                          | 33625          | (813) 616-5189 | Dennis Demirjian      |
| 789       | FL           | Tampa        | 3321 West Kennedy Blvd                     | 33609          | (813) 602-7014 | Dennis Demirjian      |
| 814       | FL           | Tampa        | 4302 Henderson Boulevard, Suite 117        | 33629          | (813) 839-2273 | Marnie Bauer          |
| 836       | FL           | Tampa        | 3614 Madaca Lane                           | 33618          | (813) 902-2449 | Elizabeth Dy          |
| 858       | FL           | Tampa        | 11123 Dale Mabry Highway                   | 33618          | (813) 855-2273 | Amy Creech-Gionis     |
| 859       | FL           | Tampa        | 11321 CountryWay Boulevard                 | 33626          | (813) 855-2273 | Amy Creech-Gionis     |
| 865       | FL           | Tampa        | 4306 West Kensington Avenue                | 33269          | (813) 356-0555 | Marnie Bauer          |
| 920       | FL           | Tampa        | 2333 West Cypress Street                   | 33609          | (813) 251-5740 | David Goldschein      |
| 1040      | FL           | Tampa        | 4614 South Ferdinand Avenue                | 33611          | (813) 451-6875 | Will Deliz            |
| 219       | GA           | Alpharetta   | 4205 North Point Pkwy, Building D          | 30022          | (678) 245-6816 | Brett Silverman       |
| 129       | GA           | Atlanta      | 1100 Peachtree St. NE, Suite 680           | 30309          | (404) 897-1699 | Berneer Dunson        |
| 137       | GA           | Atlanta      | 4840 Roswell Rd. NE, Ste A100              | 30342          | (404) 256-0009 | Wendell Campbell, III |
| 156       | GA           | Atlanta      | 2841 Greenbriar Parkway Southwest, Ste 306 | 30331          | (404) 344-5000 | Gloria Clarke         |
| 676       | GA           | Atlanta      | 1050 Marietta St NW, Unit A                | 30318          | (404) 549-5570 | Syretta Wells         |
| 677       | GA           | Atlanta      | 1833 Delowe Drive S.W.                     | 30311          | (404) 793-2570 | Syretta Wells         |
| 770       | GA           | Atlanta      | 6230 Old National Hwy                      | 30349          | (770) 994-7811 | Alfred Wyatt          |
| 777       | GA           | Atlanta      | 3730 Carmia Drive SW, Suite 170            | 30331          | (404) 349-7889 | Joseph Murray         |
| 896       | GA           | Atlanta      | 275 14th Street North West., Suite 100     | 30318          | (678) 901-9180 | Jason Eaglin          |
| 899       | GA           | Atlanta      | 2800 Palmview Court SouthWest              | 30331          | (678) 464-0109 | O'tisha Preston-Hill  |
| 929       | GA           | Atlanta      | 475 Bill Kennedy Way                       | 30316          | (404) 622-0622 | Genise Evans          |
| 1035      | GA           | Augusta      | 4045 Jimmie Dyess Parkway                  | 30909          | (706) 231-0170 | Tyjuan Williams       |
| 1066      | GA           | Augusta      | 3636 Wheeler Road                          | 30909          | (706) 869-9117 | Emmanuel Ngho         |
| 454       | GA           | Austell      | 1790 Mulkey Rd #4                          | 30106          | (770) 739-4400 | Arlita Jackson DMD    |
| 115       | GA           | Columbus     | 7189 Moon Road                             | 31909          | (706) 327-3364 | Joseph Narde          |
| 151       | GA           | Columbus     | 7407 North Lake Loop                       | 31909          | (706) 323-8811 | Matthew Adams         |
| 245       | GA           | Cumming      | 1024 Market Place Blvd.                    | 30041          | (770) 844-6771 | Page Barden           |
| 102       | GA           | Decatur      | 3660 Flat Shoals Road, Suite 100           | 30034          | (440) 334-9542 | Marc Roberts          |
| 273       | GA           | Decatur      | 3653 Flakes Mill Rd., Suite E              | 30034          | (770) 981-3006 | Anthony Parrish       |
| 432       | GA           | Decatur      | 3069 Clifton Springs Rd.                   | 30034          | (770) 593-3426 | Ida Lanier-Gregg      |
| 975       | GA           | Decatur      | 5992 Covington Highway                     | 30035          | (770) 322-3121 | Monica Jones          |
| 678       | GA           | Douglasville | 7191 Douglas Blvd., Suite A                | 30135          | (404) 549-5570 | Syretta Wells         |
| 774       | GA           | Duluth       | 3796 Satellite Boulevard, Suite 100        | 30096          | (770) 476-4140 | Ken Cheng             |
| 244       | GA           | Dunwoody     | 1719 Mt. Vernon Road                       | 30338          | (770) 394-4310 | Jeff Rodgers          |
| 778       | GA           | East Point   | 967 Cleveland Avenue                       | 30344          | (404) 762-5770 | Joseph Murray         |
| 894       | GA           | Fayetteville | 692 North Glynn Street, Suite S            | 30214          | (770) 716-2701 | Jason Eaglin          |
| 968       | GA           | Fayetteville | 565 East Lanier Avenue                     | 30214          | (678) 461-0188 | Kenneth Collins       |
| 1026      | GA           | Grayson      | 2219 Loganville Highway                    | 30017          | (678) 337-1800 | Alisa Nelson-Wade     |
| 1024      | GA           | Griffin      | 1528 Lucky Street                          | 30223          | (770) 227-0223 | Mark Martindale       |
| 960       | GA           | Hampton      | 11349 Tara Boulevard                       | 30228          | (678) 619-2388 | Adrienne Ammons       |
| 1019      | GA           | Jackson      | 178 Jackson Street                         | 30233          | (770) 866-2080 | David Jenkins         |
| 1055      | GA           | Jesup        | 135 Peachtree Street                       | 31545          | (912) 427-2660 | William Trout         |
| 897       | GA           | Johns Creek  | 6290 Abbotts Bridge Road., Suite 101       | 30097          | (770) 418-1771 | Jason Eaglin          |
| 895       | GA           | Jonesboro    | 248 Arrowhead Boulevard                    | 30236          | (770) 471-2333 | Jason Eaglin          |
| 165       | GA           | Kennesaw     | 2980 Lewis Street NW                       | 30144          | (770) 422-1554 | Bruce Hester          |
| 511       | GA           | Kennesaw     | 2430 Powell Place NW                       | 30144          | (770) 424-1705 | J. Lee Amason, Jr.    |
| 414       | GA           | Lithonia     | 2998 Turner Hill Road, Suite 100           | 30038          | (404) 289-7311 | Brian Buchanan        |
| 433       | GA           | Lithonia     | 3035 Panola Rd., Suite A                   | 30038          | (770) 593-3426 | Ida Lanier-Gregg      |
| 913       | GA           | Lithonia     | 8200 Mall Parkway, Suite B                 | 30038          | (770) 482-7400 | Jamal Duval           |
| 956       | GA           | Marietta     | 3535 Roswell Road, Suite 3                 | 30062          | (770) 627-5598 | Michael Thomas        |
| 764       | GA           | McDonough    | 70 Westridge Pkwy                          | 30253          | (770) 898-3192 | Jordan Brunson        |
| 965       | GA           | McDonough    | 1705 Highway 20 West, Suite 200            | 30253          | (770) 954-0072 | Rolin Desir           |
| 815       | GA           | Morrow       | 2339 Lake Harbin Road                      | 30260          | (770) 961-1222 | Darryal McCullough    |
| 194       | GA           | Newnan       | 2819 Highway 34 East                       | 30265          | (770) 254-8787 | Charles Cheney, III   |
| 121       | GA           | Palmetto     | 501 Park Street                            | 30268          | (770) 463-4541 | Jordan Brunson        |
| 241       | GA           | Peachtree    | 403 Highway 74 North, Suite A              | 30269          | (770) 631-3380 | David Boag            |
| 898       | GA           | Pooler       | 103 Park Avenue, Suite 200                 | 31322          | (912) 525-7777 | Robert Miller         |
| 995       | GA           | Pooler       | 145 Traders Way, Suite A                   | 31322          | (912) 748-4365 | Frank Scarbrough      |
| 1016      | GA           | Pooler       | 1000 Town Centre Boulevard                 | 31322          | (912) 507-5576 | Matthew Allen         |

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|-----------|--------------|-------------------|----------------------------------------------------|----------------|----------------|-----------------------|
| 1054      | GA           | Richmond Hill     | 10104 Ford Avenue                                  | 31324          | (912) 445-5337 | William Trout         |
| 996       | GA           | Rincon            | 613 Towne Park Drive West, Suite 301               | 31326          | (912) 748-4365 | Frank Scarbrough      |
| 233       | GA           | Riverdale         | 7557 Highway 85                                    | 30274          | (770) 996-8772 | Melissa Jones         |
| 871       | GA           | Savannah          | 901 East 66th Street                               | 31405          | (912) 525-7777 | Robert Miller         |
| 927       | GA           | Savannah          | 330 Hodgson Court                                  | 31406          | (912) 844-2324 | Blake Jones           |
| 952       | GA           | Savannah          | 1 Mall Terrace                                     | 31406          | (912) 352-7808 | Matthew Rosenthal     |
| 974       | GA           | Savannah          | 613 Stephenson Avenue, Suite 201                   | 31405          | (912) 353-9993 | Kamiti Harden         |
| 994       | GA           | Savannah          | 501 Eisenhower Drive                               | 31406          | (912) 354-1515 | Frank Scarbrough      |
| 1056      | GA           | Savannah          | 5209 Paulsen Street                                | 31405          | (912) 355-1512 | William Trout         |
| 1057      | GA           | Savannah          | 14045 Abercorn Street                              | 31419          | (912) 920-5577 | William Trout         |
| 1069      | GA           | Savannah          | 314 Stephenson Avenue                              | 31405          | (912) 355-2688 | Kim Turner            |
| 1077      | GA           | Savannah          | 911 East 67th Street                               | 31405          | (912) 547-7687 | J. Brian Baker        |
| 113       | GA           | Smyrna            | 3246 Atlanta Road SE, Suite B                      | 30080          | (770) 432-1344 | David Lamothe         |
| 138       | GA           | Smyrna            | 4687 South Atlanta Rd. SE, Suite 214               | 30080          | (404) 799-8499 | Amon Meadows          |
| 144       | GA           | Smyrna            | 4045 Orchard Road SE, Ste 300                      | 30080          | (770) 433-0445 | Clarence Addison, Jr. |
| 474       | GA           | Smyrna            | 3640 Highlands Pkwy SE                             | 30082          | (678) 888-5895 | Aja Nichols           |
| 136       | GA           | Stockbridge       | 299 Country Club Drive                             | 30281          | (770) 506-9818 | Sharcola Vaughn       |
| 977       | GA           | Stockbridge       | 239 Village Center Parkway, Suite 200              | 30281          | (678) 289-0382 | Ragan Faler           |
| 1044      | GA           | Stockbridge       | 5473 North Henry Boulevard                         | 30281          | (770) 474-0844 | David Murphy          |
| 128       | GA           | Stone Mountain    | 4687 Rockbridge Road, Ste 7                        | 30083          | (404) 296-9070 | Eric Jackson          |
| 632       | GA           | Stone Mountain    | 1147 S. Hairston Rd, Suite A                       | 30088          | (678) 515-4200 | Berneee Dunson        |
| 168       | GA           | Suwanee           | 1325 Satellite Blvd. NW, Building 1300, Suite 1304 | 30024          | (770) 497-9111 | Robert Finkel         |
| 780       | GA           | Tucker            | 4500 Hugh Howell Road                              | 30084          | (678) 534-0573 | Eric Washington       |
| 953       | GA           | Tucker            | 2256 Northlake Parkway, Suite 150                  | 30084          | (770) 934-5144 | Angela Wright         |
| 485       | GA           | Tyrone            | 1134 Senoia Road, Suite A-2                        | 30290          | (770) 964-9992 | Juliane Reynolds      |
| 962       | GA           | Warner Robins     | 110 Tommy Stalnaker Drive, Building B              | 31088          | (478) 333-6601 | Jamal Duval           |
| 1002      | GA           | Warner Robins     | 225 Carl Vinson Parkway                            | 31088          | (478) 923-0232 | Vin Bhasin            |
| 122       | GA           | Zebulon           | 15988 Barnesville Street                           | 30295          | (770) 567-8000 | Jordan Brunson        |
| 20        | HI           | Kailua            | 970 North Kalaheo Ave., Ste. A 101                 | 96734          | (808) 254-2339 | James Joseph Choy     |
| 19        | HI           | Kaneohe           | 45-1144 Kamehameha Highway, Suite 304              | 96744          | (808) 638-7883 | James Joseph Choy     |
| 425       | HI           | Kaunakakai        | 28 Kamoi Street, Suite 200                         | 96748          | (808) 553-5118 | Boki Chung            |
| 641       | IA           | Ames              | 137 Lynn Ave.                                      | 50014          | (515) 224-1330 | Steffany Mohan        |
| 942       | IA           | Des Moines        | 7506 Hickman Road                                  | 50324          | (515) 276-0202 | Steffany Mohan        |
| 1007      | IA           | Des Moines        | 2601 East 14th Street                              | 50316          | (515) 265-3796 | Steffany Mohan        |
| 963       | IA           | LeMars            | 827 Holton Drive                                   | 51031          | (712) 546-4556 | Greg Jeneary          |
| 642       | IA           | Urbandale         | 7901 Douglas Avenue                                | 50322          | (515) 276-7800 | Steffany Mohan        |
| 640       | IA           | West Des Moines   | 1089 Jordan Creek Parkway Suite 100                | 50266          | (515) 224-5999 | Steffany Mohan        |
| 718       | IA           | West Des Moines   | 4150 Westown Pkwy, Suite 301                       | 50266          | (515) 440-1224 | Jeffrey Sharpe        |
| 744       | IA           | West Des Moines   | 2829 Westown Pkwy, Suite 115                       | 50266          | (515) 223-4194 | Robert McNurlen       |
| 53        | ID           | Coeur d'Alene     | 1322 W. Kathleen Ave., Suite 1                     | 83815          | (208) 667-7461 | Kent McVey            |
| 644       | ID           | Coeur d'Alene     | 700 Ironwood Drive, Suite 366                      | 83814          | (208) 664-2160 | Kory Wilson           |
| 775       | ID           | Coeur d'Alene     | 1223 North Government Way                          | 83814          | (208) 664-9225 | Justin Rader          |
| 930       | ID           | Coeur d'Alene     | 509 West Hanley Avenue Suite 201                   | 83815          | (208) 667-5447 | Kirk Davidson         |
| 37        | ID           | Hayden Lake       | 1683 East Miles Avenue                             | 83835          | (208) 772-4066 | Kory Wilson           |
| 431       | ID           | Kellogg           | 302 E. Cameron Ave.                                | 83837          | (208) 786-7031 | Benjamin Luke Byrd    |
| 563       | ID           | Moscow            | 1215 E. 6th St.                                    | 83843          | (208) 882-6570 | Benjamin Bowen        |
| 74        | ID           | Post Falls        | 609 N. Calgary Ct., Suite 104                      | 83854          | (208) 777-1222 | Zachary Brumbach      |
| 742       | ID           | Post Falls        | 801 East Medical Court                             | 83854          | (208) 773-1559 | Kory Wilson           |
| 340       | IL           | Algonquin         | 1452 Merchant Dr.                                  | 60102          | (847) 854-7645 | Timothy Stirneman     |
| 773       | IL           | Arlington Heights | 300 East Northwest Highway                         | 60004          | (847) 398-0811 | Joseph Favia          |
| 510       | IL           | Berwyn            | 6901 W. Stanley Ave                                | 60402          | (708) 749-4080 | Timothy Walsh         |
| 424       | IL           | Chicago           | 1525 E. 53rd St., Suite 734                        | 60615          | (773) 643-6006 | Louis Kaufman         |
| 705       | IL           | Chicago           | 850 S. Wabash Ave., Suite 250                      | 60605          | (312) 663-1890 | Sheila Brown          |
| 1033      | IL           | Chicago           | 1858 West 35th Street                              | 60609          | (773) 247-5554 | Urvi Ganger           |
| 447       | IL           | Clarendon Hills   | 210 Burlington Ave.                                | 60514          | (630) 323-0380 | William Hamel         |
| 448       | IL           | Darien            | 6700 Route 83                                      | 60561          | (630) 789-0900 | Ronald Goers          |
| 426       | IL           | Evanston          | 1601 Sherman Ave., Ste 400                         | 60201          | (847) 328-1180 | Robert Krueger        |
| 590       | IL           | Geneva            | 477 S. 3rd Street, Suite 142                       | 60134          | (630) 599-7095 | Dean Park             |

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|-----------|--------------|-----------------|---------------------------------------------|----------------|----------------|-------------------------|
| 883       | IL           | Hoffman Estates | 2200 West Higgins Road, Suite 335           | 60169          | (847) 490-8708 | Jacqueline Niro-Kraemer |
| 548       | IL           | La Grange       | 47 S. 6th Ave., Suite F                     | 60525          | (708) 354-1335 | Carolyn Bronke Wind     |
| 771       | IL           | Norridge        | 4701 North Cumberland Avenue                | 60656          | (708) 452-1880 | Jake Whipple            |
| 772       | IL           | Northbrook      | 1775 Walters Avenue #110                    | 60062          | (708) 452-1880 | Jake Whipple            |
| 820       | IL           | Skokie          | 4711 Golf Road, Suite 711                   | 60076          | (847) 673-2455 | Sergio Rubinstein       |
| 710       | IN           | Avon            | 7393 Business Center Dr., Suite 400         | 46123          | (317) 272-3002 | Andrew Amborski         |
| 711       | IN           | Carmel          | 3965 W. 106th St., Suite 100                | 46032          | (317) 253-8631 | Nancy Halsema           |
| 600       | IN           | Indianapolis    | 7218 US HWY 31 S                            | 46227          | (317) 882-0227 | Ted Reese               |
| 613       | IN           | Indianapolis    | 8007 S. Meridian St, Building 4             | 46217          | (317) 888-8281 | Thomas Steckbeck        |
| 712       | IN           | Indianapolis    | 3091 E. 98th St., Suite 220                 | 46280          | (317) 581-0215 | John Hartman, II        |
| 713       | IN           | Indianapolis    | 9002 N, Meridian St., Ste 206               | 46260          | (317) 574-1138 | Gary Walton             |
| 688       | IN           | Kokomo          | 412 W. Walnut St                            | 46901          | (765) 452-4677 | Judith Culver           |
| 966       | IN           | Merrillville    | 6075 Cleveland Circle                       | 46410          | (219) 769-6316 | Chanbo Sim              |
| 1061      | IN           | Michiana        | 2424 East 5th Street                        | 46544          | (574) 259-1464 | Jeff Mader              |
| 624       | IN           | Monroeville     | 506 W. South Street                         | 46773          | (260) 623-6171 | Kenton Bailey           |
| 577       | IN           | Muncie          | 800 W. University Ave                       | 47303          | (765) 288-6121 | Richard Pyle            |
| 944       | IN           | Munster         | 619 Ridge Road                              | 46321          | (219) 836-1111 | Andy Koulitourides      |
| 759       | IN           | South Bend      | 17490 IN-23                                 | 46635          | (574) 271-9000 | Jeff Mader              |
| 538       | KS           | Hutchinson      | 1619 N. Lorraine Street                     | 67501          | (620) 663-5297 | Susan Evans             |
| 987       | KS           | Leawood         | 5201 College Boulevard, Suite 290           | 66211          | (913) 491-4900 | Jason Ciminieri         |
| 1047      | KS           | Lenexa          | 14922 West 87th Street                      | 66215          | (913) 322-2222 | Ric Crowder             |
| 257       | KS           | Marysville      | 1200 Broadway St.                           | 66508          | (785) 562-5529 | Brittany Owens-Goracke  |
| 909       | KS           | Olathe          | 751 North Mur-Len Rd.                       | 66062          | (913) 782-1330 | Nevin Waters            |
| 841       | KS           | Prairie Village | 3700 West 83rd Street, Suite 111            | 66208          | (913) 305-4355 | Grant Smith             |
| 910       | KS           | Stilwell        | 7404 West 199th Street                      | 66085          | (913) 782-1330 | Lindsay Waters Davidson |
| 939       | KS           | Topeka          | 2930 SW Wanamaker Drive, Suite 7            | 66614          | (785) 273-2922 | Jason Weber             |
| 988       | KS           | Wichita         | 1223 North Rock Road, Building F, Suite 100 | 67206          | (316) 687-0100 | Hal Hale                |
| 998       | KY           | Mt. Washington  | 209 High Pointe Ct.                         | 40047          | (606) 923-4632 | Jacob Masters           |
| 776       | KY           | Paducah         | 2830 Lone Oak Road, Suite 3                 | 42003          | (270) 554-0121 | William Hay             |
| 235       | LA           | Lafayette       | 420 Settlers Trace Blvd.                    | 70508          | (337) 234-3551 | Tony Soileau            |
| 486       | LA           | Mandeville      | 1002 Highway 59                             | 70448          | (985) 626-4807 | Emilie Schenck          |
| 745       | LA           | Metairie        | 5037 Veterans Blvd, Ste 3A                  | 70006          | (504) 455-6828 | Emilie Schenck          |
| 817       | LA           | Metairie        | 3939 North Causeway Boulevard, Suite 104    | 70002          | (504) 303-4049 | Gregg May               |
| 992       | LA           | Metairie        | 3401 West Esplanade Avenue S, Ste #2        | 70002          | (504) 301-3590 | Jeffrey Richardson      |
| 379       | LA           | New Iberia      | 1814 Center St.                             | 70560          | (337) 365-1512 | Harold Rider, III       |
| 746       | LA           | New Orleans     | 4304 S. Claiborne Ave.                      | 70125          | (504) 510-3133 | Emilie Schenck          |
| 793       | LA           | New Orleans     | 6120 Magazine Street                        | 70118          | (504) 891-7471 | Kristopher Rappold      |
| 831       | MA           | Attleboro Falls | 103 Commonwealth Avenue                     | 02763          | (508) 699-0449 | Mark Schenkman          |
| 1081      | MA           | Brookline       | 209 Harvard Street                          | 02446          | (617) 731-1200 | Nitin Khankari          |
| 578       | MA           | Chelmsford      | 13 Village Square                           | 01824          | (978) 256-6433 | Louis Stylos            |
| 549       | MA           | Mansfield       | 200 Chauncy St., Suite 212                  | 02048          | (508) 337-8555 | Raymond Martin          |
| 1036      | MA           | Medfield        | 266 Main Street, #14                        | 02052          | (508) 359-2900 | Mary DeMello            |
| 979       | MA           | Wellesley       | 70 Walnut Street, Suite 102                 | 02481          | (781) 237-3031 | Tina Wang               |
| 250       | MA           | Worcester       | 9 Linden St.                                | 01609          | (508) 753-3105 | Stanley Levenson        |
| 833       | MD           | Adelphi         | 7411 Riggs Road #326                        | 20783          | (301) 439-5868 | Mfon Umoren             |
| 800       | MD           | Baltimore       | 3120 Lord Baltimore Drive, Suite 100        | 21244          | (410) 277-0138 | Byron Desbordes         |
| 933       | MD           | Baltimore       | 1001 Fleet Street, # R                      | 21202          | (410) 376-8497 | Nancy Ward              |
| 1067      | MD           | Baltimore       | 6080 Falls Road., Suite 202                 | 21209          | (410) 372-0202 | Kevin Murphy            |
| 798       | MD           | Bowie           | 3060 Mitchellville Road, Suite107           | 20716          | (301) 579-3182 | Ed Chappelle            |
| 1043      | MD           | Bowie           | 4311 Northview Drive                        | 20716          | (301) 352-6311 | Edward Zebovitz         |
| 810       | MD           | Ellicott City   | 9501 Old Annapolis Road, Suite 313          | 21042          | (410) 531-2690 | Jennifer Sokolosky      |
| 993       | MD           | Hollywood       | 44210 Airport View Drive                    | 20636          | (301) 373-3230 | Amit Khanna             |
| 888       | MD           | Lanham          | 9821 Greenbelt Road #205                    | 20706          | (301) 552-2662 | Brenda Howard           |
| 338       | MD           | Laytonsville    | 6856 Olney-Laytonsville Rd.                 | 20882          | (301) 926-9515 | Sheila Brush            |
| 912       | MD           | Mitchellville   | 11721 Woodmore Road, Suite 150              | 20721          | (301) 430-0934 | Richard Lipscomb        |
| 1041      | MD           | Owings Mills    | 10084 Reisterstown Road, Suite 200E         | 21117          | (443) 258-9939 | George Evans            |
| 1042      | MD           | Randallstown    | 5415 Old Court Road, Suite S01              | 21133          | (410) 922-1601 | George Evans            |
| 846       | MD           | Upper Marlboro  | 9650 Marlboro Pike                          | 20772          | (301) 945-7308 | James Chung             |

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|-----------|--------------|-------------------|------------------------------------------|----------------|----------------|-----------------------|
| 348       | MD           | West Friendship   | 12800 Frederick Rd.                      | 21794          | (410) 442-2800 | Thomas Fenlon         |
| 900       | MI           | Ann Arbor         | 3250 Plymouth Road, Suite 101            | 48105          | (248) 395-9800 | Todd Ester            |
| 547       | MI           | Canton            | 5958 N. Canton Center Rd., Ste 100       | 48187          | (734) 459-4960 | Samer Shoukfeh        |
| 829       | MI           | Canton            | 5958 North Canton Center Road, Suite 600 | 48187          | (734) 459-1950 | Robert Gasparotto     |
| 1051      | MI           | Canton            | 409 North Canton Center Road             | 48187          | (734) 217-4370 | Walter Phillips       |
| 863       | MI           | Davison           | 1049 South State Road                    | 48423          | (810) 653-3393 | Emily Schwartz        |
| 1078      | MI           | Detroit           | 13334 East Jefferson Avenue              | 48215          | (313) 422-1282 | Aisha Akpabio         |
| 1020      | MI           | Flint             | 5468 South Saginaw Street                | 48507          | (248) 766-8787 | Milan Sata            |
| 848       | MI           | Highland Township | 2950 East Highland Road                  | 48356          | (248) 602-2967 | James LoCascio        |
| 650       | MI           | Iron Mountain     | 100 S. Stephenson Ave.                   | 49801          | (906) 828-3273 | John Fornetti         |
| 130       | MI           | Jackson           | 306 West Washington Ave, Suite 205       | 49201          | (517) 787-5055 | Andrew Balaze         |
| 239       | MI           | Jackson           | 2002 Spring Arbor Rd., Suite C           | 49203          | (517) 782-0900 | Mark McFerran         |
| 442       | MI           | Jackson           | 2500 Spring Arbor Rd.                    | 49203          | (517) 787-1022 | Steven Davenport      |
| 999       | MI           | Jackson           | 826 North Wisner                         | 49202          | (517) 787-0401 | Daniel Price          |
| 1003      | MI           | Jackson           | 300 W Washington Ave STE 430             | 49201          | (517) 787-9845 | Tim Chapel            |
| 1009      | MI           | Jackson           | 306 West Washington, Suite 101           | 49201          | (517) 787-4122 | Eric Palte            |
| 842       | MI           | New Baltimore     | 34301 23 mile Road, Suite 140A           | 48047          | (586) 725-5500 | Aaron Johnson         |
| 936       | MI           | Pontiac           | 91 North Saginaw Street, Suite 102       | 48342          | (248) 332-4240 | Jeffery Martin        |
| 973       | MI           | Rochester         | 804 North Main Street, #201A             | 48307          | (248) 651-6810 | John Aurelia          |
| 850       | MI           | Rochester Hills   | 1200 South Livernois Road                | 48307          | (248) 656-2700 | Eric Kosnic           |
| 1021      | MI           | Rochester Hills   | 1460 Walton Boulevard                    | 48309          | (248) 805-1620 | Aaron Johnson         |
| 874       | MI           | South Lyon        | 201 South Lafayette Street               | 48178          | (248) 437-4119 | Robert Borowiec       |
| 719       | MI           | Southfield        | 23077 Greenfield Rd., Suite 350          | 48075          | (248) 809-6312 | Sheila Armstrong      |
| 901       | MI           | Southfield        | 23077 Greenfield Road, Suite 285         | 48075          | (248) 395-9800 | Todd Ester            |
| 916       | MI           | Southfield        | 25296 Evergreen Road                     | 48075          | (248) 260-2897 | Cornal Ridgell        |
| 950       | MI           | Southfield        | 16800 West Twelve Mile Road, Suite 100   | 48076          | (248) 443-5371 | Monica Lewis          |
| 213       | MI           | Utica             | 45428 Van Dyke Ave.                      | 48317          | (586) 731-8338 | Thomas Fredal         |
| 1000      | MI           | Wyandotte         | 1823 Fort Street                         | 48192          | (734) 285-2550 | Ronald Morris         |
| 704       | MN           | Burnsville        | 14050 Nicollet Ave, Ste 205              | 55337          | (952) 435-4177 | Mike Henrickson       |
| 509       | MN           | Carver            | 4725 Dahlgren Rd.                        | 55315          | (952) 960-9060 | Adam Holder           |
| 545       | MN           | Circle Pines      | 640 Civic Heights Drive                  | 55014          | (763) 786-3432 | John Stentz           |
| 802       | MN           | Crystal           | 5700 Bottineau Boulevard, Suite 270      | 55429          | (763) 221-0361 | Lao Vang              |
| 656       | MN           | Eden Prairie      | 6600 City West Parkway, Suite 315        | 55344          | (952) 941-9829 | Melissa Zettler       |
| 357       | MN           | Maplewood         | 1774 Cope Avenue E., Suite 110           | 55109          | (651) 770-7175 | Derrick Veneman       |
| 657       | MN           | Maplewood         | 1560 Beam Ave, Suite A                   | 55109          | (651) 777-8900 | Mike Henrickson       |
| 441       | MN           | Minneapolis       | 3201 Johnson St. NE                      | 55418          | (612) 781-6568 | Ryan Clouse           |
| 662       | MN           | Minneapolis       | 4454 Chicago Ave.                        | 55407          | (612) 823-6262 | Julie Clouse          |
| 415       | MN           | Minnetonka        | 17601 Highway 7, Suite 200               | 55345          | (952) 217-5201 | Holger Meiser         |
| 363       | MN           | Owatonna          | 209 E. Main St.                          | 55060          | (507) 455-1641 | Thomas Smith          |
| 421       | MN           | Owatonna          | 605 Hillcrest Avenue, Suite 230          | 55060          | (507) 451-7250 | Tim Holland           |
| 980       | MN           | Park Rapids       | 406 Pleasant Avenue S                    | 56470          | (218) 237-7200 | Jay Jorgenson         |
| 857       | MN           | Princeton         | 510 1st Street                           | 55371          | (763) 389-1373 | Heidi Lund            |
| 854       | MN           | Saint Michael     | 399 Central Avenue East                  | 55376          | (763) 497-2040 | Jake Bromley          |
| 378       | MN           | Savage            | 14127 Vernon Ave. South                  | 55378          | (952) 440-9303 | Melissa Zettler       |
| 493       | MN           | Shoreview         | 520 Highway 96 W Ste 400                 | 55126          | (651) 482-7564 | Michael Enz           |
| 274       | MN           | St. Paul          | 770 Mount Curve Blvd.                    | 55116          | (651) 699-2822 | Mark Malterud         |
| 925       | MN           | Tracy             | 212 3rd Street                           | 56175          | (507) 212-0002 | Jon Heezen            |
| 682       | MN           | Wabasha           | 257 Main St. W.                          | 55981          | (651) 565-4647 | Thomas Schoen         |
| 464       | MN           | Wayzata           | 317 East Wayzata Way                     | 55391          | (952) 473-4639 | Bruce Martinson       |
| 374       | MN           | West St. Paul     | 230 East Wentworth Avenue                | 55118          | (651) 457-8866 | Christina Van Guilder |
| 1059      | MO           | Blue Springs      | 2150 Northwest South Outer Road          | 64015          | (816) 228-6988 | Alan Foster           |
| 593       | MO           | Clayton           | 141 N. Meramec Ave., Ste. 217            | 63105          | (314) 678-7876 | Christopher Hill      |
| 1037      | MO           | Fenton            | 552 Old Smizer Mill Road                 | 63026          | (636) 326-7633 | Jessica Nieva         |
| 416       | MO           | Herculaneum       | 1171 Scenic Drive                        | 63048          | (636) 479-6565 | Joseph Schmieder      |
| 330       | MO           | Jefferson City    | 3551 Amazonas Dr.                        | 65109          | (573) 634-2400 | Michael Thompson      |
| 380       | MO           | Jefferson City    | 3551 Amazonas Dr.                        | 65109          | (573) 634-2400 | Justin Johnson        |
| 668       | MO           | Lee's Summit      | 4045 NE Lakewood Way, Bldg 1, Suite 150  | 64064          | (816) 350-9119 | Gregory Calloway      |
| 790       | MO           | St Louis          | 16 Hampton Village Plaza, Suite 200      | 63109          | (314) 328-5995 | Tyman Loveless        |

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|-----------|--------------|----------------|-------------------------------------------------|----------------|-----------------|--------------------|
| 1060      | MO           | St. Joseph     | 1331 Village Drive                              | 64506          | (816) 232-1444  | Heather Clark      |
| 246       | MO           | St. Louis      | 1113 Locust Street                              | 63101          | (314) 375-5353  | Christopher Hill   |
| 557       | MO           | St. Louis      | 10296 Big Bend Rd., Suite 207                   | 63122          | (314) 965-1334  | Holly Ellis        |
| 721       | MO           | St. Louis      | 4607 Hampton Avenue                             | 63109          | (314) 481-3369  | Erin Scimone       |
| 728       | MO           | St. Louis      | 5914 Leona St                                   | 63116          | (314) 351-6554  | David Borgmeyer    |
| 803       | MS           | Batesville     | 310 Highway 51 South                            | 38606          | (662) 563-5550  | Tom Hodge          |
| 804       | MS           | Batesville     | 160 Cracker Barrel Drive                        | 38606          | (662) 563-7821  | Stephen Sullivan   |
| 689       | MS           | Brandon        | 1350 W. Government St.                          | 39042          | (601) 825-3807  | Lee Gary           |
| 875       | MS           | Byram          | 6745 Siwell Road, Suite 210                     | 39272          | (601) 371-8634  | Quintin Julius     |
| 885       | MS           | Canton         | 1863 Highway 43 South, Suite A                  | 39046          | (601) 859-7050  | Preston Cobbins    |
| 813       | MS           | Columbus       | 540 Willowbrook Road                            | 39705          | (662) 327-4523  | Mark Nobles        |
| 818       | MS           | Columbus       | 2900 Bluecutt Road #2                           | 39705          | (662) 574-0610  | Steve Porter       |
| 1049      | MS           | Columbus       | 2228 Military Road                              | 39705          | (662) 328-0044  | Kelly Trout        |
| 690       | MS           | Flowood        | 4802 Lakeland Dr.                               | 39232          | (601) 936-0025  | Lee Gary           |
| 851       | MS           | Gautier        | 3105 Shaw Drive                                 | 39553          | (228) 497-3111  | Jeffrey Knight     |
| 799       | MS           | Gulfport       | 520 Courthouse Road #A                          | 39507          | (228) 896-6973  | Mark Stringer      |
| 830       | MS           | Gulfport       | 1213 Broad Avenue, Suite 1                      | 39501          | (228) 342-6225  | Jeff Zimmerman     |
| 847       | MS           | Gulfport       | 15503 Oak Lane, Suite 300-B                     | 39503          | (228) 832-3231  | Patton Webb        |
| 869       | MS           | Gulfport       | 3118 15th Street                                | 39501          | (228) 324-3624  | Roy Irons          |
| 906       | MS           | Gulfport       | 12182 US 49                                     | 39503          | (228) 832-4224  | Steven Blakeney    |
| 1050      | MS           | Hattiesburg    | 114 North 40th Avenue                           | 39401          | (601) 261-5541  | Jennifer Hughes    |
| 792       | MS           | Hernando       | 7 East Commerce Street                          | 38632          | (662) 429-5055  | Robert Smith       |
| 951       | MS           | Indianola      | 501 Park Avenue                                 | 38751          | (662) 887-1272  | David McDaniel     |
| 702       | MS           | Jackson        | 4505 I-55 N.                                    | 39206          | (601) 981-3500  | Lee Gary           |
| 691       | MS           | Louisville     | 90 N. Columbus Ave.                             | 39339          | (662) 773-8304  | Mark Donald        |
| 761       | MS           | Meridian       | 1216 23rd Ave                                   | 39301          | (601) 693-3232  | Mark Williams      |
| 796       | MS           | Meridian       | 4610 29th Avenue                                | 39305          | (601) 485-7070  | Adam Weathers      |
| 932       | MS           | Southaven      | 399 Southcrest Court Suite C                    | 38671          | (662) 655-4868  | Pradeep Adatrow    |
| 1068      | MS           | Sumrall        | 4556 MS-589                                     | 39402          | (601) 466-4963  | Brett Valentine    |
| 908       | MS           | Tupelo         | 1555 Medical Park Circle                        | 38801          | (662) 844-3315  | Trice Sumner       |
| 862       | MS           | Vicksburg      | 1201 Mission Park Drive                         | 39180          | (601) 707-8020  | Kenneth Nash       |
| 724       | MT           | Bozeman        | 4515 Valley Commons Dr. Suite 103               | 59718          | (406) 581-2998  | David Bowen        |
| 905       | MT           | Bozeman        | 1125 West Kagy Boulevard, Suite 303             | 59715          | (406) 587-2201  | Steven Justesen    |
| 861       | NC           | ?Greensboro    | 5710 West Gate City Boulevard, Suite R          | 27407          | (336) 766-7966  | Andrew Kelly       |
| 287       | NC           | Arden          | 600 Julian Lane, Suite 610                      | 28704          | (828) 684-1633  | Forest Port        |
| 673       | NC           | Cary           | 3761 NW Cary Parkway, Suite 100                 | 27513          | (919) 460-0963  | Gregory Mayes      |
| 293       | NC           | Charlotte      | 1618 East Morehead Street, Suite 100            | 28207          | (704) 337-8070  | Christopher Bowman |
| 835       | NC           | Hickory        | 1170 Fairgrove Church Road                      | 28602          | (828) 328-6118  | Dale Spencer       |
| 405       | NC           | Huntersville   | 403 Gilead Rd., Suite E                         | 28078          | (704) 895-7660  | Ross Nash          |
| 855       | NC           | Raleigh        | 13271 Strickland Road                           | 27613          | (919) 872-7363  | Brett Wells        |
| 860       | NC           | Winston-Salem  | 1241 West Clemmonsville Road                    | 27127          | (336) 766-7966  | Andrew Kelly       |
| 623       | NE           | Omaha          | 12728 Augusta Ave., Ste 110                     | 68144          | (402) 330-1483  | Philip Strevey     |
| 1034      | NE           | Omaha          | 2727 South 144th Street, Suite 235              | 68144          | (402) -330-8460 | Bruce Kuhn         |
| 1038      | NE           | Omaha          | 2012 North 117th Avenue, Suite 103              | 68164          | (402) 496-4688  | David Arnold       |
| 544       | NH           | Derry          | 4 Birch St.                                     | 03038          | (603) 434-4090  | Brenda Berkal      |
| 294       | NJ           | Chatham        | 33 Main Street, Suite 101                       | 07928          | (973) 635-0626  | Corina Atanase     |
| 252       | NJ           | Colts Neck     | 317 Route 34 North, Suite 203                   | 07722          | (732) 677-2777  | Anthony Vocaturo   |
| 566       | NJ           | Cranbury       | 2525 US Highway 130, Suite B3                   | 08512          | (609) 409-3992  | Lawrence Brent     |
| 231       | NJ           | Denville       | 75 Bloomfield Ave., Ste 205                     | 07834          | (973) 453-2599  | Adam Kimowitz      |
| 919       | NJ           | Ewing Township | 177 Scotch Road                                 | 08628          | (609) 771-4111  | Paul Goodman       |
| 701       | NJ           | Jackson        | 495 W. Veterans Hwy, Suite 1                    | 08527          | (848) 222-1455  | Allison Corapi     |
| 981       | NJ           | Jersey City    | 3043 John F. Kennedy Boulevard                  | 07306          | (201) 484-5483  | Diana Hagan        |
| 886       | NJ           | Livingston     | 22 Old Short Hills Road, Suite 206              | 07039          | (973) 533-0053  | R. Craig Miller    |
| 935       | NJ           | Montville      | 150 River Road Suite J-2                        | 07045          | (973) 334-5556  | Evan Krause        |
| 918       | NJ           | Pennington     | 31 North Main Street                            | 08534          | (609) 737-0288  | Paul Goodman       |
| 322       | NJ           | Red Bank       | 211 Broad St.                                   | 07701          | (732) 530-4020  | Glenn MacFarlane   |
| 779       | NM           | Albuquerque    | 4233 Montgomery Boulevard Northeast Suite 120 W | 87109          | (505) 323-7966  | Omar Pereyra       |
| 816       | NM           | Portales       | 123 West 2nd Street                             | 88130          | (575) 268-0007  | Peter Thompson     |

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|-----------|--------------|--------------------|---------------------------------------------|----------------|----------------|----------------------|
| 957       | NV           | Henderson          | 2790 West. Horizon Ridge Parkway, Suite 100 | 89052          | (702) 919-6206 | Gregg Hendrickson    |
| 581       | NV           | Las Vegas          | 6870 S. Rainbow Blvd., Ste. 119             | 89118          | (702) 825-7342 | Harvey Chin          |
| 934       | NY           | Bay Shore          | 1579 Brentwood Road                         | 11706          | (631) 323-6215 | Eugene Antenucci     |
| 602       | NY           | Brooklyn           | 340A 9th St.                                | 11215          | (718) 965-1144 | Tricia Quartey       |
| 756       | NY           | Brooklyn           | 2270 Ocean Ave                              | 11229          | (718) 946-0500 | Perri Malek          |
| 903       | NY           | Canandaigua        | 344 North Main Street                       | 14424          | (585) 394-5910 | Germain Jean-Charles |
| 852       | NY           | Carthage           | 33054 NY State Route 26                     | 13619          | (315) 493-9393 | Andrew Nguyen        |
| 811       | NY           | Flushing           | 143-05 41st Avenue                          | 11355          | (718) 359-3555 | Richard Gochman      |
| 834       | NY           | Monticello         | 1 Fairchild Place                           | 12701          | (917) 745-7703 | Perri Malek          |
| 870       | NY           | Rochester          | 1950 South Clinton Avenue                   | 14618          | (585) 461-4350 | Frank LaMar          |
| 868       | NY           | West Seneca        | 3626 Seneca Street                          | 14224          | (716) 674-9444 | David Cappuccio      |
| 556       | OH           | Ashland            | 910 Katherine Ave                           | 44805          | (419) 289-1813 | Kevin Priest         |
| 196       | OH           | Beachwood          | 24300 Chagrin Blvd., Suite 306              | 44122          | (216) 292-6883 | Yoav Taub            |
| 465       | OH           | Broadview Heights  | 500 East Royalton Rd., Suite 110            | 44147          | (440) 838-4480 | Heather Petroff      |
| 466       | OH           | Broadview Heights  | 1000 West Wallings Road, Suite B            | 44147          | (440) 546-1116 | Joong Hahn           |
| 766       | OH           | Brunswick          | 4181 Center RD                              | 44212          | (330) 225-1433 | Jamison Hendricks    |
| 983       | OH           | Canal Fulton       | 2184 Locust Street                          | 44614          | (330) 854-5152 | Allan Keith          |
| 599       | OH           | Canfield           | 3620 Stutz Drive                            | 44406          | (330) 533-6688 | Jon Saadey           |
| 931       | OH           | Canton             | 3684 Dressler Road NorthWest, Suite A       | 44718          | (330) 452-2255 | Brian Amison         |
| 1008      | OH           | Canton             | 4385 Everhard Road Northwest                | 44718          | (330) 494-6016 | Jeff Danner          |
| 1029      | OH           | Canton             | 3215 Cleveland Avenue Northwest             | 44709          | (330) 492-1500 | David Pavlick        |
| 737       | OH           | Circleville        | 598 Northridge Rd.                          | 43113          | (740) 474-4396 | Hans Guter           |
| 396       | OH           | Columbus           | 1080 Polaris Parkway, Ste 130               | 43240          | (614) 430-8990 | Daniel Ward          |
| 805       | OH           | Girard             | 28 East Main Street                         | 44420          | (330) 545-8120 | Rick Ragozine        |
| 458       | OH           | Hinckley           | 1315 Ridge Rd                               | 44233          | (330) 278-1061 | Richard Weiser       |
| 530       | OH           | Hubbard            | 45 East Liberty Street                      | 44425          | (330) 534-5408 | Mark Braydich        |
| 460       | OH           | Newton Falls       | 340 Ridge Rd                                | 44444          | (330) 872-5771 | Jay F. Kiefer        |
| 461       | OH           | North Royalton     | 10139 Royalton Rd                           | 44133          | (440) 230-2323 | Kevin Robertson      |
| 480       | OH           | North Royalton     | 7029 Royalton Road                          | 44133          | (440) 582-3466 | Thomas Schmidt       |
| 408       | OH           | Parma              | 6731 Ridge Road, Suite 201                  | 44129          | (440) 884-6644 | Timothy Bizga        |
| 462       | OH           | Parma Heights      | 7057 W. 130th St., Suite #104               | 44130          | (440) 887-0550 | Carrie Hansen        |
| 459       | OH           | Strongsville       | 11925 Pearl Road, Suite 206                 | 44136          | (440) 238-1555 | Richard Weiser       |
| 601       | OH           | University Heights | 2250 Warrensville Center Rd.                | 44118          | (216) 932-0433 | Charles Harper       |
| 542       | OK           | Broken Arrow       | 210 S. Main St., Suite 201                  | 74012          | (918) 994-2435 | Jordon Smith         |
| 546       | OK           | Broken Arrow       | 3300 S. Aspen Ave., Suite A                 | 74012          | (918) 451-0211 | Drew Endicott        |
| 970       | OK           | Claremore          | 201 North Lynn Riggs Boulevard              | 74017          | (918) 343-4300 | Lori Hare            |
| 406       | OK           | Coweta             | 122 E. Chestnut St.                         | 74429          | (918) 486-3266 | Mark Harwood         |
| 107       | OK           | Glenpool           | 301 East 141st Street                       | 74033          | (918) 291-6000 | W. Scott White       |
| 955       | OK           | Moore              | 1404 South East 4th Street                  | 73160          | (405) 794-4497 | Richard Homsey       |
| 522       | OK           | Oklahoma City      | 16 Northeast 2nd Street, Suite B            | 73104          | (405) 605-2332 | Steve Truong         |
| 692       | OK           | Owasso             | 11920 E 86th St N                           | 74055          | (918) 272-9519 | Matthew Gray         |
| 375       | OK           | Sapulpa            | 635 S. Main St.                             | 74066          | (918) 224-0369 | Andrew Carletti      |
| 585       | OK           | Skiatook           | 102 S. Cherry St.                           | 74070          | (918) 396-7373 | Drake Sellmeyer      |
| 139       | OK           | Tahlequah          | 206 E. Downing St.                          | 74464          | (918) 456-0977 | Brant Rouse          |
| 112       | OK           | Tulsa              | 4545 S. Harvard Ave.                        | 74135          | (918) 749-1850 | David Wong           |
| 296       | OK           | Tulsa              | 2538 E. 21st St.                            | 74114          | (918) 742-6321 | Lindsay Smith        |
| 355       | OK           | Tulsa              | 611 S. Peoria Ave.                          | 74120          | (918) 747-6453 | Shannon Toler        |
| 376       | OK           | Tulsa              | 9671 S. Riverside Parkway                   | 74137          | (918) 347-7066 | Andrew Carletti      |
| 648       | OK           | Tulsa              | 15 W. 6th St., Ste 1615                     | 74119          | (918) 587-1303 | Clinton Stevens      |
| 703       | OK           | Tulsa              | 8126 S. Mingo Rd. #105                      | 74133          | (918) 663-5538 | Steven White         |
| 751       | OK           | Tulsa              | 5424 S. Memorial Dr., BLG A                 | 74145          | (918) 664-6845 | Nathan Powell        |
| 821       | OK           | Tulsa              | 6112 East 61st Street                       | 74136          | (918) 745-0500 | Wes Black            |
| 876       | OK           | Tulsa              | 4608 South Harvard Avenue                   | 74135          | (918) 742-7351 | Michael Wynn         |
| 889       | OK           | Tulsa              | 4433 South Harvard Avenue                   | 74135          | (918) 742-8775 | Hugh McDougall       |
| 947       | OK           | Tulsa              | 10032 South Sheridan Road, Suite F          | 74133          | (918) 298-5544 | Neil Hasty           |
| 969       | OK           | Tulsa              | 1326 East 43rd Court, Suite 100             | 74105          | (918)749-0303  | Lori Hare            |
| 922       | OR           | Eugene             | 1045 Willagillespie Road, Suite 150         | 97401          | (541) 683-7500 | Ben Sutter           |
| 564       | OR           | Tigard             | 9370 SW Greenburg Rd Ste A                  | 97223          | (503) 639-7447 | William Gebeau       |

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|-----------|--------------|-------------------|----------------------------------------------------|----------------|----------------|--------------------------|
| 463       | OR           | West Linn         | 1554 Garden Street, Suite 104                      | 97068          | (503) 655-9300 | Kimberly Wright          |
| 1015      | PA           | Ambler            | 140 East Butler Avenue                             | 19002          | (215) 643-4393 | Philip Fava              |
| 253       | PA           | Blue Bell         | 706 DeKalb Pike                                    | 19422          | (610) 272-0828 | Kenneth Siegel           |
| 864       | PA           | Bryn Mawr         | 1201 County Line Road, Suite 201                   | 19010          | (610) 525-8485 | Hanh Bui Keating         |
| 334       | PA           | Butler            | 291 Evans City Rd.                                 | 16001          | (724) 282-7774 | Robert Todd              |
| 1074      | PA           | Butler            | 114 East Diamond Street                            | 16001          | (724) 282-6100 | Jeffrey Miller           |
| 760       | PA           | Downingtown       | 257 W. Uwchlan Ave., Suite B                       | 19335          | (610) 269-1414 | Hal Cohen                |
| 808       | PA           | Gibsonia          | 5615 William Flynn Highway                         | 15044          | (724) 443-5710 | Timothy Chips            |
| 1072      | PA           | Glenshaw          | 1509 Mount Royal Boulevard                         | 15116          | (412) 486-5155 | Arnold Peace             |
| 534       | PA           | Hallam            | 450 W. Market St                                   | 17406          | (717) 757-4878 | Gordon Bell              |
| 606       | PA           | Huntingdon Valley | 2600 Philmont Ave, Suite 414                       | 19006          | (215) 742-4343 | Jesse Schaffzin          |
| 949       | PA           | Morrisville       | 799 West Trenton Avenue                            | 19067          | (215) 515-2669 | Katarzyna Suberska-Weitz |
| 319       | PA           | Mount Lebanon     | 750 Washington Rd., Suite 15                       | 15228          | (412) 563-5500 | David Sultanov           |
| 1030      | PA           | Oakmont           | 391 Washington Avenue                              | 15139          | (412) 828-6400 | Jason Choorapuzha        |
| 541       | PA           | Philadelphia      | 11905 Bustleton Ave                                | 19116-2541     | (215) 969-4400 | Leonard Tau              |
| 769       | PA           | Philadelphia      | 9523 Frankford Avenue                              | 19114          | (215) 302-1746 | Pablo Sotelo             |
| 917       | PA           | Philadelphia      | 7215 Passyunk Avenue                               | 19142          | (215) 365-2424 | Joni Marcus              |
| 937       | PA           | Philadelphia      | 2260 East. Allegheny Avenue                        | 19134          | (215) 634-7006 | Shaun Lavallee           |
| 982       | PA           | Philadelphia      | 9501 Roosevelt Boulevard, Suite 409                | 19114          | (215) 673-1333 | Brian Shapiro            |
| 1014      | PA           | Philadelphia      | 9880 Bustleton Ave Suite 211-212                   | 19115          | (215) 677-8686 | Philip Fava              |
| 1079      | PA           | Philadelphia      | Home - 435 East Flora Street                       | 19125          | (215) 740-3912 | Raha Mozaffari           |
| 320       | PA           | Pittsburgh        | 1112 S. Braddock Ave., Suite 101                   | 15218          | (412) 242-8500 | David Sultanov           |
| 807       | PA           | Pittsburgh        | 100 McKnight Park Drive, Suite 106                 | 15237          | (412) 364-7144 | Timothy Chips            |
| 926       | PA           | Pottstown         | 562 East High Street                               | 19464          | (610) 323-6086 | Christopher Rohrbach     |
| 675       | PA           | Wexford           | 2500 Brooktree Rd., Suite 100                      | 15090          | (724) 935-2100 | Paul Gabriel             |
| 1080      | PA           | Yardley           | 501 Floral Vale Boulevard                          | 18940          | (215) 607-6848 | Purvi Patel              |
| 1027      | SC           | Barnwell          | 733 Reynolds Road                                  | 29812          | (803) 259-3497 | Alberto Saenz            |
| 946       | SC           | Columbia          | 9020 Farrow Road                                   | 29203          | (803) 419-5002 | Andrew Gambrell          |
| 1031      | SC           | Columbia          | 529 Richland Street                                | 29201          | (803) 748-8797 | Austin Meares            |
| 400       | SC           | Conway            | 1515 9th Ave.                                      | 29526          | (843) 248-3848 | Jeffrey Horowitz         |
| 911       | SC           | Greenville        | 1 West Prentiss Avenue                             | 29605          | (864) 607-8848 | Rich Constantine         |
| 1045      | SC           | Hodges            | 3404 Cokesbury Road                                | 29653          | (864) 227-6911 | Joseph Fennell           |
| 1017      | SC           | Lexington         | 2001 Augusta Highway                               | 29072          | (803) 832-0074 | Matthew Allen            |
| 732       | SC           | Murrells Inlet    | 822-B Inlet Square Dr                              | 29576          | (843) 397-5337 | Jeffrey Horowitz         |
| 637       | SC           | Myrtle Beach      | 220 Middleburg Dr                                  | 29579          | (843) 903-3111 | Dustin Holladay          |
| 1053      | SC           | Orangeburg        | 895 Summers Avenue                                 | 29115          | (803) 534-1020 | Samuel Lambrecht         |
| 50        | TN           | Brentwood         | 5111 Maryland Way, Ste. 306                        | 37027          | (615) 373-8001 | James Burton             |
| 79        | TN           | Brentwood         | 5111 Maryland Way, Suite 308                       | 37027          | (615) 373-0030 | Bill Akin                |
| 216       | TN           | Brentwood         | 95 Seaboard Lane, Suite 102                        | 37027          | (615) 377-3080 | Ryan Cregger             |
| 840       | TN           | Brentwood         | 105 Powell Court, Suite 101                        | 37027          | (615) 823-2922 | Dennis Wells             |
| 877       | TN           | Brentwood         | 7000 Executive Center Drive, Building #2, Suite 35 | 37027          | (615) 988-2463 | Jeffrey Riggs            |
| 881       | TN           | Brentwood         | 1620 Westgate Circle, Suite 250                    | 37027          | (615) 353-5678 | Tom Heeren               |
| 1025      | TN           | Columbia          | 842 Hatcher Lane                                   | 38401          | (931) 388-4315 | Alex Goodman             |
| 654       | TN           | Covington         | 1003 S. College St.                                | 38019          | (901) 475-0805 | Kevin Reed               |
| 68        | TN           | Dickson           | 320 East College St., Suite A                      | 37055          | (615) 740-7645 | Ford Gatgens             |
| 64        | TN           | Fayetteville      | 420 Rocky Knob Street                              | 37334          | (931) 433-5794 | Maylon McAdams           |
| 915       | TN           | Franklin          | 500 Royal Oaks Court                               | 37064          | (615) 790-7027 | David Kemp               |
| 1039      | TN           | Gallatin          | 1650 Nashville Pike, Suite 300                     | 37066          | (615) 265-0330 | Philip Ezell             |
| 661       | TN           | Germantown        | 9064 Corporate Garden Dr                           | 38138          | (901) 751-3776 | Mike Farrar              |
| 832       | TN           | Germantown        | 2176 West Street, Suite 320                        | 38138          | (901) 726-3878 | Kyle Fagala              |
| 959       | TN           | Germantown        | 3394 South Houston Levee Road                      | 38139          | (901) 245-1815 | J.B. Selecman            |
| 583       | TN           | Hendersonville    | 131 Maple Row Blvd, Ste D402                       | 37075          | (615) 824-9774 | Amy Connor               |
| 878       | TN           | Hendersonville    | 271 Indian Lake Boulevard, Suite 110               | 37075          | (615) 824-7575 | Tom Heeren               |
| 636       | TN           | Hermitage         | 3515 Central Pike, Suite 204                       | 37076          | (615) 889-8202 | F. Brandon Burger        |
| 971       | TN           | Hixson            | 8527 Hixson Pike                                   | 37343          | (423) 842-1402 | Elizabeth Stanford       |
| 985       | TN           | Hixson            | 4845 Hixson Pike, Suite C                          | 37343          | (423) 877-3848 | Ken Randall              |
| 427       | TN           | Jackson           | 47 North Star Dr.                                  | 38305          | (731) 664-9556 | Clint Buchanan           |
| 435       | TN           | Jackson           | 2827 Highway 45 Bypass                             | 38305          | (731) 644-5533 | Brian Pearson            |

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|-----------|--------------|----------------|---------------------------------------------|----------------|----------------|--------------------------|
| 143       | TN           | Knoxville      | 1715 Downtown West Blvd.                    | 37919          | (865) 531-1715 | Steven Brock             |
| 170       | TN           | Knoxville      | 2609 West Adair Drive                       | 37918          | (865) 688-1320 | Jason Phillips           |
| 467       | TN           | Knoxville      | 6001 Walden Dr                              | 37919          | (865) 588-1294 | Ruth Bailey              |
| 490       | TN           | Knoxville      | 6311 Kingston Pike, Suite 8W                | 37919          | (865) 584-8630 | James Erpenbach          |
| 617       | TN           | Knoxville      | 6230 Highland Place Way, Suite 202          | 37919          | (865) 588-0578 | Donald Henson            |
| 191       | TN           | Madison        | 231 W. Old Hickory Blvd., Suite A           | 37115          | (615) 865-5750 | Rajan Kshatri            |
| 618       | TN           | Manchester     | 1423 McArthur St                            | 37355          | (931) 728-0469 | Leif Swanson             |
| 468       | TN           | Maryville      | 318 Southdown Dr                            | 37801          | (865) 984-8920 | Charles Lowry, DMD       |
| 469       | TN           | Maryville      | 811 High ST                                 | 37804          | (865) 982-2421 | William Proffitt DDS     |
| 227       | TN           | Memphis        | 266 S. Cleveland St., Suite 103             | 38104          | (901) 728-6515 | Scott Edwards            |
| 228       | TN           | Memphis        | 6250 Poplar Ave.                            | 38119          | (901) 681-0011 | Scott Edwards            |
| 723       | TN           | Memphis        | 5565 Murray Rd., Suite #101                 | 38119          | (901) 767-8152 | Edward Lane              |
| 726       | TN           | Memphis        | 730 Crossover Lane                          | 38117          | (901) 683-4369 | Micah Parkhurst          |
| 967       | TN           | Memphis        | 1684 Poplar Avenue                          | 38104          | (901) 245-1531 | J.B. Selecman            |
| 655       | TN           | Millington     | 8020 Highway 51 N                           | 38053          | (901) 872-3391 | Kevin Reed               |
| 349       | TN           | Murfreesboro   | 1820 Memorial Blvd.                         | 37129          | (615) 890-0474 | Erwin Ricafort           |
| 80        | TN           | Nashville      | 2000 21st Avenue South                      | 37212          | (615) 385-3334 | Bill Akin                |
| 90        | TN           | Nashville      | 4515 Harding Pike, Suite 312                | 37205          | (615) 292-4100 | Phillip Shipp            |
| 126       | TN           | Nashville      | 5505 Edmondson Pike, Suite 201              | 37211          | (615) 331-0402 | H. Douglas Holliday, Jr. |
| 179       | TN           | Nashville      | 3817 Bedford Avenue, Suite 110              | 37215          | (615) 298-5948 | Richard Gaw              |
| 198       | TN           | Nashville      | 5437 Edmondson Pike                         | 37211          | (615) 331-9033 | Kristin Rushing          |
| 589       | TN           | Nashville      | 2831 Bransford Ave                          | 37204          | (615) 292-5524 | Mark Horne               |
| 709       | TN           | Nashville      | 2026 Clifton Ave                            | 37203          | (615) 321-5600 | Kim Smiley               |
| 879       | TN           | Nashville      | 47 Brookwood Terrace                        | 37205          | (615) 309-7668 | Tom Heeren               |
| 1018      | TN           | Nashville      | 1914 Charlotte Avenue, Suite 104            | 37203          | (615) 891-3192 | Jeff Trembley            |
| 206       | TN           | Newport        | 311 Cosby Highway                           | 37821          | (423) 623-6499 | Matthew Kickliter        |
| 620       | TN           | Oneida         | 117 S. Thompson Ave                         | 37841          | (423) 569-6414 | Danny Chacko             |
| 470       | TN           | Powell         | 7584 Barnett Way                            | 37849          | (865) 947-9030 | Michael Solly            |
| 621       | TN           | Smyrna         | 811 Industrial Blvd., Ste 630               | 37167          | (615) 355-4848 | Greg Downer              |
| 880       | TN           | Smyrna         | 819 Needham Drive                           | 37167          | (615) 220-2739 | Tom Heeren               |
| 984       | TN           | Soddy Daisy    | 9759 Dayton Pike                            | 37379          | (423) 332-5275 | Mandy Shearer            |
| 505       | TN           | Spring Hill    | 3012 Longford Dr                            | 37174          | (615) 302-0281 | Tim Brown                |
| 428       | TN           | Trenton        | 2066 US Hwy 45 Bypass South                 | 38382          | (731) 855-1053 | Clint Buchanan           |
| 69        | TN           | White House    | 2823 Highway 31 W South, Suite 300          | 37188          | (615) 672-3774 | Philip Vickery           |
| 1064      | TX           | Allen          | 1000 Cross Plains Drive                     | 75013          | (412) 901-8327 | Theresa Heaton           |
| 961       | TX           | Alvin          | 2101 TX-35 Loop, Suite 106                  | 77511          | (281) 756-9990 | Christopher Hoffpauir    |
| 48        | TX           | Arlington      | 912 N. Fielder Rd.                          | 76012          | (817) 275-4355 | Stephanie Bangs          |
| 494       | TX           | Arlington      | 1935 Brown Blvd                             | 76006          | (817) 277-0177 | David Slater             |
| 103       | TX           | Austin         | 11623 Angus Road, Suite 16                  | 78759          | (512) 346-5196 | Marc Worob               |
| 300       | TX           | Austin         | 5608 Parkcrest Dr., Suite 250               | 78731          | (512) 452-0888 | Glenda Smith             |
| 307       | TX           | Austin         | 5920 W. William Cannon Dr., Bldg 6, Ste 200 | 78749          | (512) 892-2273 | Brandon Hedgecock        |
| 364       | TX           | Austin         | 10740 Research Blvd., Suite 125             | 78759          | (512) 795-9960 | Travis Hammons           |
| 399       | TX           | Austin         | 9521 US Hwy 290 W., Suite 103               | 78737          | (512) 888-9453 | Eric Broberg             |
| 220       | TX           | Baytown        | 3800 N. Main St.                            | 77521          | (281) 422-8248 | Dean Hutto               |
| 199       | TX           | Bellaire       | 4914 Bissonnet St., Suite 200               | 77401          | (713) 668-7137 | Kathy Frazar             |
| 218       | TX           | Bullard        | 16409 FM 344 West                           | 75757          | (903) 825-1112 | Tad Morgan               |
| 526       | TX           | Canton         | 104 Burnett Trail                           | 75103          | (903) 567-2207 | Rebecca Aduddell         |
| 229       | TX           | Carrollton     | 2005 W. Hebron Parkway                      | 75010          | (972) 395-0150 | Robert Limosnero         |
| 1032      | TX           | Carrollton     | 3032 East Hebron Parkway                    | 75010          | (972) 306-2273 | Jeffery Flower           |
| 1073      | TX           | Carrollton     | 1735 Keller Springs Road                    | 75006          | (972) 245-4886 | Regan Sales              |
| 342       | TX           | Cedar Park     | 920 N. Vista Ridge Rd., Suite 700           | 78613          | (512) 402-7811 | Brandon Hedgecock        |
| 615       | TX           | Cleburne       | 302 N. Ridgeway Dr.                         | 76033          | (817) 641-6261 | Mark Benage              |
| 302       | TX           | Colleyville    | 4013 Gateway Drive                          | 76013          | (817) 858-6333 | Patricia Calabria        |
| 978       | TX           | Colleyville    | 5005 Heritage Avenue, Suite 100             | 76034          | (682) 738-3029 | Laurence Oliver          |
| 543       | TX           | Corpus Christi | 13701 Northwest Blvd., Suite C              | 78410          | (361) 387-1507 | Anthony Gonzalez         |
| 258       | TX           | Dallas         | 17300 Preston Road, Suite 100               | 75252          | (972) 380-6223 | Victoria Borowski        |
| 588       | TX           | Dallas         | 6190 LBJ Freeway, Suite 900                 | 75240          | (972) 934-1400 | Brock Lynn               |
| 839       | TX           | Dallas         | 6162 East Mockingbird Lane, Suite 205       | 75214          | (214) 295-9270 | Darya Timin              |

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| 972       | TX           | Dallas           | 6805 Hillcrest Avenue, Suite 218        | 75205          | (214) 750-4901 | Andrew Randall       |
| 989       | TX           | Dallas           | 4407 Forest Bend Rd                     | 75244          | (214) 641-9280 | Jeffrey Pope         |
| 439       | TX           | Denton           | 4400 Teasley Lane, Ste 300              | 76210          | (940) 220-5858 | Samantha Leatherwood |
| 55        | TX           | DeSoto           | 331 S. Hampton Rd.                      | 75115          | (972) 223-8844 | Praveen Varkey       |
| 607       | TX           | Duncanville      | 541 West Wheatland Rd.                  | 75116          | (972) 298-4677 | Rupesh Singla        |
| 722       | TX           | Edinburg         | 4626 S. Closner Blvd.                   | 78539          | (956) 270-4104 | Jose Villarreal      |
| 964       | TX           | El Paso          | 3260 North Mesa Street, Suite B         | 79902          | (915) 545-1500 | Wilma Luquis-Aponte  |
| 1063      | TX           | El Paso          | Home- 6928 Cactus Thrush Drive          | 79911          | (909) 260-1302 | Michael Cervantes    |
| 301       | TX           | Forney           | 108 East US Highway 80, Suite 190       | 75126          | (972) 564-7575 | Melina Morrison      |
| 84        | TX           | Fort Worth       | 8409 W. Cleburne Rd.                    | 76123          | (817) 292-5927 | Juan Avila           |
| 148       | TX           | Fort Worth       | 5521 Bellaire Drive South, Suite 202    | 76109          | (817) 294-5513 | Kevin Altieri        |
| 316       | TX           | Fort Worth       | 4968 Overton Ridge Blvd.                | 76132          | (817) 263-0181 | Kimberly Lake        |
| 395       | TX           | Fort Worth       | 6801 McCart Ave., Suite B2              | 76133          | (817) 423-9300 | Danita Bolin         |
| 923       | TX           | Fort Worth       | 5601 Bridge Street, Suite 480           | 76112          | (817) 457-4078 | Stephanie Bangs      |
| 604       | TX           | Friendswood      | 2 Oaktree St.                           | 77546          | (281) 482-2631 | James Sierra         |
| 945       | TX           | Friendswood      | 699 South Friendswood Drive, Suite 108  | 77546          | (281) 482-7731 | Sasha Mahabir        |
| 49        | TX           | Frisco           | 4851 Legacy Dr., Ste. 201               | 75034          | (972) 335-9313 | William Osborne      |
| 288       | TX           | Frisco           | 7589 Preston Rd., Suite 400             | 75034          | (844) 409-4657 | Kent Smith           |
| 921       | TX           | Highland Village | 2820 Village Parkway, Suite 360         | 75077          | (972) 966-2500 | E. Drew Moore        |
| 59        | TX           | Houston          | 15300 Westheimer Rd., Suite 101         | 77082          | (281) 531-5700 | Alice Lam            |
| 145       | TX           | Houston          | 3730 Kirby Dr., Suite 815               | 77098          | (713) 528-3384 | Paulette Arana       |
| 159       | TX           | Houston          | 2525 N. Loop W., Suite 230              | 77008          | (713) 861-7216 | Neela Patel          |
| 160       | TX           | Houston          | 2226 Bissonnet St.                      | 77005          | (713) 522-3600 | Susan Latimer        |
| 178       | TX           | Houston          | 12850 Memorial Dr., Suite 1105          | 77024          | (713) 465-6665 | Adrienne Hwang       |
| 384       | TX           | Houston          | 1333 Old Spanish Trail, Suite C         | 77054          | (713) 383-9206 | Ashley Brown         |
| 529       | TX           | Houston          | 8243 Colgate St., Suite A               | 77061          | (713) 644-7711 | Bruce Matson         |
| 629       | TX           | Houston          | 831 Frostwood Dr.                       | 77024          | (713) 467-3889 | Preston West         |
| 639       | TX           | Houston          | 14095 Northwest Fwy, Suite D            | 77040          | (713) 460-0400 | Bruce Nguyen         |
| 794       | TX           | Houston          | 9601 Katy Freeway, Suite 360            | 77024          | (713) 464-7444 | Robert Friedberg     |
| 819       | TX           | Houston          | 800 Bering Drive, Suite 340             | 77057          | (713) 782-4174 | Thomas Hedge         |
| 825       | TX           | Houston          | 7700 San Felipe, Suite 220              | 77024          | (713) 784-4200 | Thai Vuu             |
| 837       | TX           | Houston          | 3400 South Gessner Road, Suite 102      | 77063          | (713) 321-2912 | Todd Scheyer         |
| 856       | TX           | Houston          | 2450 Fondren Rd #320                    | 77063          | (832) 293-4912 | Steve Koo            |
| 866       | TX           | Houston          | 10260 Westheimer Road, Suite 500        | 77042          | (281) 223-1941 | Anne Chee            |
| 943       | TX           | Houston          | 9115 Twin Hills Drive                   | 77031          | (713) 523-1666 | Ifetayo Griffith     |
| 1046      | TX           | Houston          | 8619 Richmond Avenue                    | 77063          | (713) 781-3331 | Sharhonda Washington |
| 1058      | TX           | Houston          | 5927 Almeda Road, Suite J               | 77004          | (713) 522-1717 | Sharel Sly           |
| 1075      | TX           | Houston          | 800 Bering Drive                        | 77057          | (713) 785-7767 | Marilyn Jones        |
| 289       | TX           | Humble           | 110 South Avenue E                      | 77338          | (281) 446-2424 | Ronald Smith         |
| 230       | TX           | Hurst            | 1716 Chadwick Court                     | 76054          | (817) 282-4539 | Robert Limosnero     |
| 303       | TX           | Keller           | 1720 Rufe Snow Drive                    | 76248          | (817) 503-0305 | Leslie Nason         |
| 924       | TX           | Keller           | 1540 Keller Parkway, Suite 140          | 76248          | (682) 593-0993 | Stephanie Bangs      |
| 410       | TX           | Kingwood         | 2420 North Park Drive                   | 77339          | (281) 359-6672 | Scott Mosby          |
| 313       | TX           | League City      | 3033 Marina Bay Dr., Suite 230          | 77573          | (713) 893-7615 | J. Derek Tieken      |
| 385       | TX           | League City      | 2750 W. Main St., Suite D               | 77573          | (281) 554-9090 | Jay Elliott          |
| 417       | TX           | Lewisville       | 850 West Valley Ridge Blvd.             | 75077          | (972) 436-1325 | Christopher Capehart |
| 350       | TX           | Lindale          | 408 Eagle Spirit Dr.                    | 75771          | (903) 882-6141 | B. Clay Keith        |
| 849       | TX           | Longview         | 3121 H.G. Mosley Parkway                | 75605          | (903) 483-3239 | Chris Kirby          |
| 845       | TX           | Mansfield        | 1757 Broad Park Circle North, Suite 101 | 76063          | (682) 400-4777 | Michele Williams     |
| 867       | TX           | Mansfield        | 1757 Broad Park Circle North, Suite 101 | 76063          | (682) 207-4800 | Toni Carr            |
| 827       | TX           | Marvel           | 19404 Morris Avenue                     | 77578          | (832) 208-4202 | Samuel Collins       |
| 938       | TX           | McKinney         | 5323 West University Drive, Suite 200   | 75071          | (215) 413-1500 | Ernesto Prida        |
| 146       | TX           | Midland          | 6 Desta Drive, Suite 2700               | 79705          | (432) 682-0188 | Steve Coulon         |
| 200       | TX           | Midland          | 4214 Andrews Highway, Suite 300         | 79703          | (432) 697-3333 | Ashley Burns         |
| 201       | TX           | Midland          | 3000 N. Garfield St., Suite 200         | 79705          | (432) 683-5313 | Steve Coulon         |
| 236       | TX           | Missouri City    | 9119 Highway 6, Suite 260               | 77459          | (281) 778-3200 | LaKendra Sakeena     |
| 1076      | TX           | Murphy           | 410 FM 544                              | 75094          | (469) 278-7988 | Oliver Villaruel     |
| 202       | TX           | Odessa           | 8151 Dorado Dr.                         | 79765          | (432) 563-5633 | Jeremy Denman        |

| Office ID | Office State | Office City    | Office Address                           | Office Zipcode | Office Phone   | Doctor No. 1           |
|-----------|--------------|----------------|------------------------------------------|----------------|----------------|------------------------|
| 838       | TX           | Pearland       | 10009 Broadway Street, Suite 107         | 77584          | (713) 436-2522 | Letitia Plummer        |
| 347       | TX           | Pflugerville   | 302 N. Heatherwilde Blvd., Suite 100     | 78660          | (512) 252-7645 | Brenda Gentry          |
| 327       | TX           | Plano          | 5944 West Parker Rd., Suite 500          | 75093          | (972) 943-5944 | Peter Barnett          |
| 954       | TX           | Plano          | 5501 Independence Parkway, Suite 107     | 75023          | (972) 964-5928 | Regina Powe            |
| 958       | TX           | Plano          | 4032 McDermott Road Suite 200            | 75024          | (214) 305-9244 | Priya Mainker          |
| 192       | TX           | Richmond       | 26440 FM 1093, Suite 340                 | 77406          | (281) 394-7581 | Rose Vuong             |
| 383       | TX           | Richmond       | 1500 Jackson St., Suite 200              | 77469          | (281) 238-4454 | Denise Tran            |
| 356       | TX           | Rockwall       | 703 S. Goliad St.                        | 75087          | (972) 771-9131 | Barney Barnhill        |
| 554       | TX           | Rockwall       | 3084 N Goliad Street, Suite 124          | 75087          | (972) 772-4000 | Melina Morrison        |
| 393       | TX           | San Antonio    | 6961 US Highway 87 E                     | 78263          | (210) 648-4411 | David Little           |
| 487       | TX           | San Antonio    | 1162 E Sonterra Blvd STE 300             | 78258          | (210) 494-3589 | Nancy Duque            |
| 717       | TX           | San Antonio    | 22211 W. Interstate 10, Suite 1103       | 78257          | (210) 698-6262 | Louis Garcia           |
| 941       | TX           | Spring         | 913 Spring Cypress Road                  | 77373          | (281) 353-9797 | Joshua Kuykendall      |
| 108       | TX           | Sugar Land     | 6350 Highway 90A, Suite 500              | 77498          | (281) 565-8880 | Marc Spector           |
| 907       | TX           | Sugar Land     | 1415 Highway 6, Suite C-100              | 77478          | (281) 491-0069 | Rand Russell           |
| 418       | TX           | Terrell        | 407 W. High St.                          | 75160          | (469) 410-1656 | Eliphas Osinde, Jr.    |
| 248       | TX           | Tyler          | 921 Shiloh Rd., Suite A-100              | 75703          | (903) 581-1777 | Richard Coker          |
| 264       | TX           | Tyler          | 110 E. 9th St.                           | 75701          | (903) 593-6585 | Matthew Gillespie      |
| 281       | TX           | Tyler          | 210 E. 5th St.                           | 75701          | (903) 597-7721 | Robert Burnett         |
| 345       | TX           | Tyler          | 2020 Lindbergh Street                    | 75703          | (903) 592-7111 | Fredrick Platt         |
| 1071      | TX           | Willow Park    | 136 El Chino Trail                       | 76087          | (817) 576-1697 | Ryan Crain             |
| 940       | TX           | Wylie          | 456 Country Club Road, #104              | 75098          | (972) 442-9139 | Jon Cantrell           |
| 514       | UT           | Salt Lake City | 4465 S 900 East, #175                    | 84124          | (801) 278-0704 | Michael Watson         |
| 784       | UT           | Salt Lake City | 4546 South Atherton Drive, Suite 201     | 84123          | (801) 207-9241 | Scott Cold             |
| 828       | UT           | Salt Lake City | 1400 South Foothill Drive, Suite 36      | 84108          | (801) 583-4500 | Denny Cho              |
| 986       | UT           | Salt Lake City | 2040 East Murray Holladay Road Suite 208 | 84117          | (801) 278-7100 | Scott Elder            |
| 616       | UT           | Sandy          | 9844 S. 1300 E, Suite 340                | 84094          | (801) 572-4261 | Richard Hughes         |
| 785       | VA           | Alexandria     | 5695 King Centre Drive                   | 22315          | (703) 719-9824 | Benson Clark           |
| 1028      | VA           | Annandale      | 7630 Little River Turnpike, Suite 115    | 22003          | (703) 256-2556 | Harshit Aggarwal       |
| 331       | VA           | Hampton        | 2400 Cunningham Dr., Suite 100           | 23666          | (757) 838-8411 | Adam Foleck            |
| 693       | VA           | Hampton        | 18 W. Mellen St.                         | 23663          | (757) 722-5316 | Adam Foleck            |
| 332       | VA           | Norfolk        | 201 College Place, Suite 111             | 23510          | (757) 965-7696 | Adam Foleck            |
| 694       | VA           | Virginia Beach | 3145 Virginia Beach Blvd., Ste 100       | 23452          | (757) 340-5009 | Adam Foleck            |
| 695       | VA           | Virginia Beach | 1436 S. Independence Blvd., Ste 100      | 23462          | (757) 965-7696 | Adam Foleck            |
| 75        | WA           | Bellevue       | 10001 North East 8th Street              | 98004          | (425) 454-1300 | Daniel Varadi          |
| 132       | WA           | Bellevue       | 14030 NE 24th St., Suite 100             | 98007          | (425) 641-3668 | Gannon Stahl           |
| 147       | WA           | Bellevue       | 14037 Bel Red Rd.                        | 98007          | (425) 454-8261 | Brian Fong             |
| 182       | WA           | Bellevue       | 13333 Bel-Red Road, Suite 200            | 98005          | (425) 644-8445 | Ryan Chiang            |
| 223       | WA           | Bellevue       | 12737 Bel Red Road, Suite 150            | 98005          | (425) 451-9001 | Cory Fletcher          |
| 237       | WA           | Bellevue       | 1418 112th Ave NE, Suite 100             | 98004          | (425) 453-1010 | Neal Raval             |
| 291       | WA           | Bellevue       | 12737 Bel-Red Road, Suite 150            | 98005          | (425) 746-7410 | Desiree Fletcher       |
| 390       | WA           | Bellevue       | 875 124th Avenue NE, Suite 203           | 98005          | (425) 462-0756 | Christopher Vanderhoef |
| 512       | WA           | Camas          | 2005 SE 192nd Ave #201                   | 98607          | (360) 256-2400 | Kristian Rapisarda     |
| 411       | WA           | Covington      | 27081 185th Avenue SE, Ste B105          | 98042          | (253) 981-4950 | Ryan Hanks             |
| 341       | WA           | Everett        | 3125 Colby Ave., Suite D                 | 98201          | (425) 259-4156 | Heather Eggenberger    |
| 904       | WA           | Gig Harbor     | 5122 Olympia Drive Northwest, Suite B201 | 98335          | (253) 851-8151 | Michelle Green         |
| 365       | WA           | Lacey          | 5201 Corporate Center Ct., SE            | 98503          | (360) 459-4420 | Venn Peterson          |
| 42        | WA           | Liberty Lake   | 22910 E. Appleway Ave., Suite 5          | 99019          | (509) 927-9279 | Timothy Casey          |
| 763       | WA           | Lynnwood       | 3625 148th St. SW STE-B101               | 98087          | (425) 773-4909 | Frederick Worrell      |
| 891       | WA           | Lynnwood       | 2322 196th Street SW #201                | 98036          | (206) 316-8286 | David Buck             |
| 275       | WA           | McCleary       | 330 S. Birch St.                         | 98557          | (360) 495-3666 | Donald Arima           |
| 595       | WA           | Mercer Island  | 7419 South East 24th Street              | 98040          | (206) 232-2623 | Christopher Lewis      |
| 1011      | WA           | Mercer Island  | 2825 80th Avenue Southeast, Suite 3 & 4  | 98040          | (206) 240-6360 | Goichi Shiotsu         |
| 162       | WA           | Olympia        | 2006 Caton Way SW                        | 98502          | (360) 357-4505 | William Bode           |
| 371       | WA           | Olympia        | 3000 Harrison Ave. NW                    | 98502          | (360) 357-6363 | Kyle Winter            |
| 622       | WA           | Olympia        | 1010 Union Ave SE                        | 98501          | (360) 943-6111 | James Hutchinson       |
| 892       | WA           | Port Orchard   | 1420 Bay Street                          | 98366          | (360) 895-1401 | Chris Mueller          |
| 373       | WA           | Port Townsend  | 835 Jefferson St.                        | 98368          | (360) 385-1140 | James Cunningham       |

| Office ID | Office State | Office City     | Office Address                      | Office Zipcode | Office Phone   | Doctor No. 1          |
|-----------|--------------|-----------------|-------------------------------------|----------------|----------------|-----------------------|
| 135       | WA           | Puyallup        | 13613 Meridian Ave. East, Suite 180 | 98373          | (253) 845-3000 | Kunal Walla           |
| 412       | WA           | Puyallup        | 8012 112th St. Court East, Ste 160  | 98373          | (253) 840-0789 | Ryan Hanks            |
| 304       | WA           | Redmond         | 16701 Cleveland Street, Suite 200   | 98052          | (425) 883-4099 | Daniel Frost          |
| 203       | WA           | Renton          | 10915 SE 176th St.                  | 98055          | (425) 572-6021 | Lan Alice Chen        |
| 882       | WA           | Renton          | 115 Pelly Avenue North              | 98057          | (253) 224-7295 | Kevin Huynh           |
| 155       | WA           | Seattle         | 215 1st Avenue West, Ste 100        | 98119          | (206) 258-4965 | Bryan Brenner         |
| 440       | WA           | Seattle         | 509 Olive Way, Suite 1111           | 98101          | (206) 622-5661 | Annie Sohn            |
| 781       | WA           | Seattle         | 509 Olive Way, Suite 637            | 98101          | (206) 624-5115 | Brett Nydegger        |
| 786       | WA           | Seattle         | 10254 16th Avenue South West        | 98146          | (267) 702-3171 | Tofunmi Osundeko      |
| 997       | WA           | Seattle         | 9730 3rd Avenue North, Suite 209    | 98155          | (206) 362-3404 | Gabriel Don Sing      |
| 377       | WA           | Shelton         | 1051 SE State Route 3               | 98584          | (360) 426-1676 | Travis Hackney        |
| 208       | WA           | Shoreline       | 1359 N. 205th St.                   | 98133          | (206) 533-9693 | Jordan Brenner        |
| 823       | WA           | Shoreline       | 19500 Ballinger Way Northeast, #111 | 98133          | (206) 362-5400 | Chris Rafoth          |
| 34        | WA           | Spokane         | 6817 North Cedar Rd., Ste. 201      | 99208          | (509) 326-8170 | Ola Englund           |
| 72        | WA           | Spokane         | 1424 South Bernard Street           | 99203          | (509) 624-5590 | Amir Ganji            |
| 73        | WA           | Spokane         | 9671 North Nevada Street            | 99218          | (509) 468-4040 | Bryan Hill            |
| 133       | WA           | Spokane         | 3018 N Argonne Rd.                  | 99212          | (509) 928-5444 | Mark Jensen           |
| 180       | WA           | Spokane         | 6817 N. Cedar Rd., Suite 101        | 99208          | (509) 325-0233 | Mary Smith            |
| 413       | WA           | Spokane         | 510 East Hastings Road, Suite A     | 99218          | (509) 467-0755 | Mark Woodward         |
| 491       | WA           | Spokane         | 902 West 14th Avenue                | 99204          | (509) 838-4137 | Jeffrey Regelin       |
| 532       | WA           | Spokane         | 1118 S Perry St                     | 99202          | (509) 534-2232 | John Van Gemert       |
| 768       | WA           | Spokane         | 2603 West Wellesley Avenue          | 99205          | (509) 325-4227 | Kevin Truong          |
| 872       | WA           | Spokane         | 251 East 5th Avenue, Suite B        | 99202          | (509) 744-3244 | Simon Prosser         |
| 890       | WA           | Spokane         | 101 West Cascade Way                | 99208          | (509) 468-0490 | Jason Woolf           |
| 82        | WA           | Spokane Valley  | 1215 N. McDonald Rd., Ste 203       | 99216          | (509) 928-8400 | Jeffrey Henneberg     |
| 318       | WA           | Spokane Valley  | 12121 E. Broadway Ave., Suite 4     | 99206          | (509) 926-6261 | Joshua Conway         |
| 533       | WA           | Spokane Valley  | 420 N Evergreen Rd, #400            | 99216          | (509) 922-1360 | Chet Hymas            |
| 177       | WA           | Tacoma          | 1628 S. Mildred St., Suite 206      | 98465          | (253) 460-1800 | Karl Smith            |
| 339       | WA           | Tacoma          | 6004 Westgate Blvd., Suite 210      | 98406          | (253) 752-6630 | Michael Giesy         |
| 684       | WA           | Tacoma          | 1901 S. Union Ave., Suite B5006     | 98405          | (253) 572-3383 | Brian Berg            |
| 370       | WA           | Tumwater        | 115 Cleveland Ave. SE               | 98501          | (360) 352-2781 | Arne Gundersen        |
| 437       | WA           | Walla Walla     | 1750 Portland Ave.                  | 99362          | (509) 525-2787 | Steven Karmy          |
| 402       | WA           | Yakima          | 307 S. 11th Ave.                    | 98902          | (509) 388-2456 | Shawn McDevitt        |
| 902       | WI           | Kenosha         | 5008 Green Bay Road, Suite 104      | 53144          | (262) 657-0504 | Mario Maritato        |
| 309       | WI           | Milwaukee       | 8860 North 60th St.                 | 53223          | (414) 355-0213 | Paul Levine           |
| 1013      | WI           | Prescott        | 1435 North Acres Road               | 54021          | (715) 972-9546 | Jay Feuillerat        |
| 366       | WI           | St. Croix Falls | 731 Maple Dr.                       | 54024          | (715) 483-9705 | Derrick Veneman       |
| 539       | WI           | Waupaca         | 211 E. Badger St                    | 54981          | (715) 258-3838 | Gregory Harvey        |
| 328       | WI           | Weyauwega       | 417 East Ann St.                    | 54983          | (920) 867-3101 | William Twohig        |
| 747       | WI           | Woodville       | 131 S. Main Street                  | 54028          | (715) 698-4000 | Derrick Veneman       |
| 646       | WV           | Glen Dale       | 1589 Wheeling Ave                   | 26038          | (304) 845-2480 | Charles Wylie         |
| 887       | WV           | Martinsburg     | 500 Foxcroft Avenue, Suite A        | 25401          | (304) 350-1703 | Kimberly Thomas Smith |

# Exhibit I

## List of Franchises That Left the Network During 2019

Status Codes: NR = Nonrenewal OS = Office Sold OC = Office Closed

OT = Office Transferred but remains a Franchisee with new Owner

Term = Termination R = Rescission Opt-Out = 12 Month Opt-Out

| Doctor                  | City                | State | Phone          | Status  |
|-------------------------|---------------------|-------|----------------|---------|
| Guy Rosenstiel          | Hoover              | AL    | (205) 979-8655 | NR      |
| Keith Davis             | Chelsea             | AL    | (205) 678-2525 | NR      |
| Paige Lester            | Birmingham          | AL    | (205) 991-9535 | NR      |
| Stephen Stricklin       | Alabaster           | AL    | (205) 663-6644 | NR      |
| Kevin Mueller           | Sun City West       | AZ    | (623) 474-3343 | OC      |
| David Eshom             | San Diego           | CA    | (858) 455-9151 | Opt-Out |
| Safa Khaleel            | Mountain View       | CA    | (650) 336-1313 | NR      |
| Gary Radz               | Denver              | CO    | (303) 298-1414 | OS      |
| Joshua Zenon            | Aurora              | CO    | (303) 307-8282 | Opt-Out |
| Mark Gregston           | Castle Rock         | CO    | (303) 758-2366 | Opt-Out |
| Michael Miller          | Foxfield            | CO    | (720) 870-0401 | NR      |
| Dennis Ragoza           | Fairfield           | CT    | (203) 293-4506 | OC      |
| Michael Ungerleider     | Granby              | CT    | (860) 490-7260 | Term    |
| Jay Nelson              | Lutz                | FL    | (813) 949-0424 | NR      |
| Sergio Jacas            | Sunrise             | FL    | (954) 742-3550 | Opt-Out |
| Cassandra Brackett      | Decatur             | GA    | (404) 289-3060 | NR      |
| Gordon Fraser, Jr.      | Conyers             | GA    | (770) 483-4469 | NR      |
| Nelson Clements         | Valdosta            | GA    | (229) 242-5511 | OC      |
| Shaun Whitney           | Coeur d'Alene       | ID    | (208) 664-7300 | Opt-Out |
| Jazmine Dillard         | Evanston            | IL    | (847) 563-4484 | Opt-Out |
| Gregg May               | Ponchatoula         | LA    | (985) 386-9936 | OS      |
| Neil Oza                | Hammond             | LA    | (985) 345-6094 | Opt-Out |
| Debra Reiner            | Temperance          | MI    | (734) 847-1955 | NR      |
| Glenn Spencer           | Bloomfield Hills    | MI    | (248) 646-6363 | Term    |
| Gregory Maxson          | East Lansing        | MI    | (517) 485-5738 | NR      |
| Ben Christopherson      | Inver Grove Heights | MN    | (651) 455-1247 | Opt-Out |
| Mark Roszkowski         | Burnsville          | MN    | (952) 435-0310 | Opt-Out |
| Richard Weimar          | Maple Grove         | MN    | (763) 493-9446 | Opt-Out |
| Trisha Young            | Clayton             | MO    | (314) 725-4343 | Opt-Out |
| Arthur Roddy Scarbrough | Richton             | MS    | (601) 788-9374 | Opt-Out |
| John Highsmith          | Clyde               | NC    | (828) 627-9282 | Term    |
| Travis Antholz          | Lincoln             | NE    | (402) 474-3445 | Opt-Out |
| Kathleen Casacci        | North Tonawanda     | NY    | (716) 694-1777 | OS      |
| Lawrence Evola          | Depew               | NY    | (716) 656-8686 | NR      |
| Peter Silver            | New York            | NY    | (212) 924-0687 | OS      |
| Ronald Jarvis           | Amherst             | NY    | (716) 838-3838 | Term    |
| Ronald Jarvis           | Amherst             | NY    | (716) 833-0850 | Term    |
| Ronald Jarvis           | Buffalo             | NY    | (716) 838-3838 | Term    |
| Ronald Jarvis           | Williamsville       | NY    | (716) 838-3838 | Term    |
| Timothy Hale            | Montgomery          | NY    | (845) 457-5763 | NR      |

| Doctor                                                             | City           | State | Phone          | Status         |
|--------------------------------------------------------------------|----------------|-------|----------------|----------------|
| Diane Arel                                                         | Harrison       | OH    | (513) 367-4441 | <i>Term</i>    |
| Jason Knapp                                                        | Bixby          | OK    | (918) 394-0303 | <i>OS</i>      |
| Michael Chandler                                                   | Edmond         | OK    | (405) 330-4630 | <i>NR</i>      |
| Valerie Holleman                                                   | Broken Arrow   | OK    | (918) 893-3414 | <i>NR</i>      |
| Walter Davies, III                                                 | Tulsa          | OK    | (918) 477-7774 | <i>OS</i>      |
| Jennifer Cochran                                                   | Memphis        | TN    | (901) 757-9696 | <i>NR</i>      |
| Mark MacGaw                                                        | Memphis        | TN    | (901) 761-3726 | <i>Opt-Out</i> |
| Anne Lyon                                                          | Austin         | TX    | (512) 441-2684 | <i>NR</i>      |
| Edwin McDonald                                                     | Plano          | TX    | (469) 241-9000 | <i>NR</i>      |
| Greg Greenberg                                                     | Frisco         | TX    | (972) 335-1300 | <i>Opt-Out</i> |
| J. Travis Spillman                                                 | Dallas         | TX    | (214) 823-5253 | <i>NR</i>      |
| James Holman                                                       | Midland        | TX    | (432) 682-6842 | <i>NR</i>      |
| Jay Elliott                                                        | Houston        | TX    | (281) 644-4331 | <i>NR</i>      |
| Jenny Lu                                                           | Missouri City  | TX    | (832) 713-0736 | <i>Term</i>    |
| Karen Walters                                                      | Houston        | TX    | (713) 790-1111 | <i>Opt-Out</i> |
| Lauren Standefer                                                   | McKinney       | TX    | (972) 542-8733 | <i>NR</i>      |
| Mark Mashburn                                                      | Texarkana      | TX    | (903) 794-5386 | <i>NR</i>      |
| Matthew Steinberg                                                  | Austin         | TX    | (512) 346-4594 | <i>OS</i>      |
| Mimi Tran                                                          | Fort Worth     | TX    | (817) 451-8855 | <i>NR</i>      |
| Mimi Tran                                                          | Keller         | TX    | (817) 741-7000 | <i>NR</i>      |
| Nathan Hughes                                                      | Tyler          | TX    | (903) 593-1300 | <i>Opt-Out</i> |
| Torin Marracino                                                    | Texarkana      | TX    | (903) 838-9700 | <i>NR</i>      |
| Xavier Saab                                                        | Houston        | TX    | (713) 468-7222 | <i>NR</i>      |
| Bradley Shern                                                      | Spokane        | WA    | (509) 838-6261 | <i>NR</i>      |
| John Hixson                                                        | Marysville     | WA    | (360) 659-1223 | <i>NR</i>      |
| John Shumaker                                                      | Lynnwood       | WA    | (425) 771-8861 | <i>NR</i>      |
| Lance Timmerman                                                    | Tukwila        | WA    | (206) 241-5533 | <i>Term</i>    |
| Lisa Ellingsen                                                     | Spokane Valley | WA    | (509) 921-5666 | <i>Opt-Out</i> |
| <b>Office Transferred by remains a Franchisee with a new Owner</b> |                |       |                |                |
| Frederic Slete                                                     | Jackson        | MI    | (517) 787-5055 | <i>OT</i>      |
| Ola J. Englund                                                     | Spokane        | WA    | (509) 326-8170 | <i>OT</i>      |

## EXHIBIT J

### ADDITIONAL STATE-REQUIRED DISCLOSURES

We are required to provide you with additional information as a condition of registering our franchise offering in certain states. The additional disclosures are set out below. These additional disclosures apply only if the jurisdictional requirements of the applicable state franchise law are met. We do not, by including these additional disclosures, waive the right to challenge the applicability of any state requirement in a dispute.

#### **INFORMATION REQUIRED BY THE STATE OF CALIFORNIA**

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

2. Neither the franchisor, nor any person or franchise broker identified in Item 2 of this Disclosure Document, is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, *15 U.S.C.A. 78a et seq.*, suspending or expelling such person or persons from membership in such association or exchange.

3. California Business and Professions Code Sections 20000 through 20043 provide 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.

4. 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.

5. The franchise agreement requires binding arbitration. The arbitration will occur at Houston, Texas with the costs borne according to the Rules for Commercial Arbitration of the American Arbitration Association.

6. The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

7. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

8. YOU MUST SIGN A GENERAL RELEASE OF CLAIMS 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).

9. SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE TO YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF THE DEPARTMENT OF BUSINESS OVERSIGHT BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

10. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT [WWW.DBO.CA.GOV](http://WWW.DBO.CA.GOV).

## **INFORMATION REQUIRED BY THE STATE OF HAWAII**

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.

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 SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE 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.

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.

The name and address of the agent in this state authorized to receive service of process on our behalf is Director of Department of Commerce and Consumer Affairs, 335 Merchant Street, Room 205, Honolulu, Hawaii 96813.

## **INFORMATION REQUIRED BY THE STATE OF ILLINOIS**

### **Cover Page. Additional Disclosure.**

THE GOVERNING LAW, VENUE AND JURISDICTION REQUIREMENTS IN THE DISCLOSURE DOCUMENT AND IN THE FRANCHISE AGREEMENT ARE SUBJECT TO THE PROVISIONS OF THE ILLINOIS FRANCHISE DISCLOSURE ACT, AND NOTHING IN THESE DOCUMENTS SHALL BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON YOU BY THE ILLINOIS FRANCHISE DISCLOSURE ACT.

### **Item 17. Additional Disclosures.**

Illinois law governs the franchise agreement(s).

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

Franchisees rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois 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.

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## **INFORMATION REQUIRED BY THE STATE OF MARYLAND**

### **Item 17. Additional Disclosures.**

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. § 101 *et seq.*).

The Franchise Agreement requires the franchisee to sign a release as a condition of renewal or transfer of the franchise. This release will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

The Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

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

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

## **INFORMATION REQUIRED BY THE STATE OF MICHIGAN**

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

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

- (a) A prohibition of the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in the Michigan Franchise Investment Law. This shall not preclude a franchisee, after entering into a Franchise Agreement, from settling any and all claims.
- (c) A provision that permits a Franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a Franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the Franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years; and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of Franchisor's intent not to renew the franchise.
- (e) A provision that permits the Franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not

require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state. **[Note: The Franchisor reserves the right to challenge this requirement of Michigan law, as it applies to arbitration under the Federal Arbitration Act]**

(g) A provision which permits a Franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a Franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the Franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the Franchisor or subfranchisor.

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

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

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

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

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

Any questions regarding this Notice shall be directed to the Department of Attorney General, Consumer Protection Division, 670 Law Building, 525 West Ottawa Street, Lansing, Michigan 48913 (517) 373-7117.

### **INFORMATION REQUIRED BY THE STATE OF MINNESOTA**

#### **Item 13. Additional Disclosure.**

We will indemnify you against liability to a third party resulting from claims that your use of the Names and Marks infringes trademark rights of the third party, provided that your use of the Names and Marks is in accordance with the requirements of the Franchise Agreement and the System.

#### **Item 17. Additional Disclosures.**

We will comply with Minnesota Statutes Section 80C.14, subdivisions 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) and 180 days notice for non-renewal of the Franchise Agreement.

Minnesota Statutes § 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring you to waive

your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statutes §§ 80C.01 - 80C.22.

Minnesota Rule 2860.4400J prohibits us from requiring you to waive your rights to a jury trial, to waive rights to any procedure, forum, or remedies provided by the law of the jurisdiction or to consent to liquidated damages, termination penalties, or judgment notes. This rule does not bar an exclusive arbitration clause.

### **INFORMATION REQUIRED BY THE STATE OF NEW YORK**

**Cover page. Additional Disclosures.** The following information is added to the cover page of the Franchise Disclosure Document:

**INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005.**

**THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

**Item 3. Additional Disclosures.** The following is added at the end of Item 3:

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

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of

a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

**Item 4. Additional Disclosure.** The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (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 that officer or general partner of the franchisor held this position in the company or partnership.

**Item 5. Additional Disclosure.** The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

**Item 17. Additional Disclosures.**

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

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

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

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

C. The following is added to the end of the “Summary” section of Item 17(j), titled

**“Assignment of contract by franchisor”:**

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.

D. The following is added to the end of the “Summary” sections of Item 17(v), titled “**Choice of forum**”, and Item 17(w), titled “**Choice of law**”:

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

**INFORMATION REQUIRED BY THE STATE OF NORTH DAKOTA**

1. The North Dakota Securities Commissioner has held the following to be unfair, unjust, or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):

A. Restrictive Covenants: Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C, without further disclosing that such covenants will be subject to this statute.

B. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business.

C. Restriction on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

D. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

E. Applicable Laws: Franchise agreements which specify that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.

F. Waiver of Trial by Jury: Requiring North Dakota franchisees to consent to the waiver of a trial by jury.

G. Waiver of Exemplary and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

H. General Release: Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.

I. Limitation of Claims: Requiring that North Dakota franchisees consent to a limitation of claims. The statute of limitations under North Dakota law applies.

J. Enforcement of Agreement: Requiring North Dakota franchisees to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

**INFORMATION REQUIRED BY THE STATE OF RHODE ISLAND**

**Item 17. Additional Disclosure.**

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

**INFORMATION REQUIRED BY THE STATE OF VIRGINIA**

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for ~~VisionSource~~ Smile Source L.P. for use in the Commonwealth of Virginia shall be amended as follows:

**Item 17. Additional Disclosure.** The following statements are added to Item 17.h.

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

### **INFORMATION REQUIRED BY THE STATE OF WASHINGTON**

#### **Item 17. Additional Disclosures.**

The State of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement in your relationship with us, 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 us, including the areas of termination and renewal of your franchise.

In the event of a conflict of laws between the Washington Franchise Investment Protection Act and the law chosen in the Franchise Agreement, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

A release or waiver of rights executed by a ~~VisionSource~~ franchisee will 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 Franchise Agreement is in effect and where the parties are represented by independent counsel. Provisions such as those ~~that which~~ unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

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

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site ~~shall~~ 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. 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. ~~“In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail~~

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.

## RECEIPT FOR SMILE SOURCE® DISCLOSURE DOCUMENT

(Your copy)

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 Smile Source offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If Smile Source 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 identified on Exhibit "A."

The franchisor is Smile Source, L.P., located at 23824 Highway 59 North, Kingwood, Texas 77339. Its telephone number is (281) 359-2344 or (888) 890-9990.

Issuance date: April 6, 2020~~April 3, 2019~~

The franchise seller for this offering is: \_\_\_\_\_  
Name Smile Source Title

Address \_\_\_\_\_ Phone \_\_\_\_\_

Smile Source authorizes the respective state agencies identified on Exhibit B to receive service of process for it in the particular state.

I received a disclosure document dated April 6, 2020~~April 3, 2019~~ that included the following Exhibits:

- |     |                                                                                                                                 |   |                                                                        |
|-----|---------------------------------------------------------------------------------------------------------------------------------|---|------------------------------------------------------------------------|
| A   | State Franchise Law Administrators                                                                                              | F | Guaranty of Franchise Agreement                                        |
| B   | Agents for Service of Process                                                                                                   | G | Nondisclosure Agreement to Protect Release of Confidential Information |
| C   | Audited Financials as of December 31, 201 <u>9</u> <del>18</del> ,<br>201 <u>8</u> <del>17</del> and 201 <u>7</u> <del>16</del> | H | Franchisees as of December 31, 201 <u>9</u> <del>18</del>              |
| D   | Guaranty of Performance                                                                                                         | I | Franchisees That Left the Network During 201 <u>9</u> <del>18</del>    |
| E-1 | Franchise Agreement                                                                                                             | J | Additional State-Required Information                                  |
| E-2 | Addendum to Franchise Agreement                                                                                                 |   |                                                                        |

Date: \_\_\_\_\_  
(Do not leave blank)

Signed: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/ State/Zip Code: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_  
Fax No.: \_\_\_\_\_  
Email Address: \_\_\_\_\_

This signed Receipt, when transmitted to Smile Source by electronic means, by facsimile machine, or by scanning and transmission in PDF format by email, is considered to have the same binding effect as an original signature on an original document.

## RECEIPT FOR SMILE SOURCE® DISCLOSURE DOCUMENT

(Our copy)

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 Smile Source offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If Smile Source 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 identified on Exhibit "A."

The franchisor is Smile Source, L.P., located at 23824 Highway 59 North, Kingwood, Texas 77339. Its telephone number is (281) 359-2344 or (888) 890-9990.

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| E-1 | Franchise Agreement                                                                             | J | Additional State-Required Information                                  |
| E-2 | Addendum to Franchise Agreement                                                                 |   |                                                                        |

Date: \_\_\_\_\_  
(Do not leave blank)

Signed: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/ State/Zip Code: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_  
Fax No.: \_\_\_\_\_  
Email Address: \_\_\_\_\_

This signed Receipt, when transmitted to Smile Source by electronic means, by facsimile machine, or by scanning and transmission in PDF format by email, is considered to have the same binding effect as an original signature on an original document.