

FRANCHISE DISCLOSURE DOCUMENT



Degree Wellness Franchise, LLC
a Delaware limited liability company
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Jacksonville, FL 32202
734-619-0919
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Degree Wellness studios are business-to-consumer franchises with an easy operating system that provides innovative self-care solutions that leverage heat, cold, light and advanced nutrients to enhance physical and mental health, and offers related products and merchandise. We offer individual Studio franchises for the right to develop and operate a single Studio offering all of our franchised services and products in a designated area.

The total investment necessary to begin operation of a single, new Studio franchise ranges from **\$349,554 to \$687,816**. This includes the initial franchise fee of ~~\$49,575,000~~ that must be paid to ~~the franchisor, us or our affiliates~~. The total investment necessary to begin operation of a multi-unit development agreement for two ~~to three~~ Studio franchises ranges from **\$391,554 to \$729,816**. This includes the development fee of \$91,500 to ~~that must be paid to the franchisor~~. The total investment necessary to begin operation of a multi-unit development agreement for three Studio franchises ranges from \$429,554 to 767,816. This includes the development fee of \$129,500 that must be paid to the franchisor.

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 disclosure in different formats, contact Degree Wellness Franchise, LLC at 200 Riverside Ave., Jacksonville, FL 32202, 734-619-0919.

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 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: May 24, 2024, as amended January 10, 2025

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Florida. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Florida than in your own state.
2. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
3. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
4. **Supplier Control:** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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

Item 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor

The franchisor is Degree Wellness Franchise, LLC. For ease of reference in this Disclosure Document, Degree Wellness Franchise, LLC will be referred to as “Degree Wellness,” “we,” or “us.” “You” means the franchisee, person, or legal business entity (including a corporation, partnership, limited liability company, or other legal entity (collectively, “legal entity”) and its owners, officers, and directors, that is buying the franchise.

We are a Delaware limited liability company organized on February 6, 2024. Our principal business address is 200 Riverside Ave., Jacksonville, FL 32202. We operate under our legal entity name, Degree Wellness Franchise, LLC, the name “Degree Wellness,” and no other name. See Exhibit A for our agents for service of process.

We offer and sell the Degree Wellness franchises described in this Disclosure Document, and have not conducted any other types of business. Except through our affiliate, we have not operated, nor do we currently operate, any businesses like the franchises described in this Disclosure Document, or in any other line of business. We have not offered, nor do we currently offer, franchises in any other line of business.

Our Predecessors, Parents and Affiliates

We have no parent. We have several affiliates.

Our affiliate Degree Wellness IP, LLC is a Delaware limited liability company formed on February 6, 2024 (“Degree IP”). Degree IP has licensed us the right to use certain trademarks and intellectual property. Degree IP shares our principal business address and does not offer franchises in any line of business.

Our affiliate Degree Wellness, LLC is a Delaware limited liability company formed on April 24, 2020 (“Degree LLC”). Degree LLC currently operates four Studios in Jacksonville Florida. Degree LLC does not offer franchises in any line of business. [Degree LLC assigned to Degree IP certain trademarks and intellectual property on April 24, 2024.](#)

Our affiliate DW Financial Services, LLC is a Delaware limited liability company formed on May 9, 2024 (“Degree Financial”). Degree Financial provides limited financial services to support the System. Degree Financial does not offer franchises in any line of business.

Our predecessor Degree Wellness, Inc. is a Florida corporation formed on March 18, 2018 (“Degree Inc.”). [WeDegree LLC](#) purchased substantially all of the assets of Degree Inc. on October 15, 2020. Degree Inc. does not offer franchises in any line of business.

The Business

Degree Wellness businesses (individually, a “Studio” or “Studio,” and collectively, “Studios” or “Studios”) provide innovative self-care solutions that leverage heat, cold, light and advanced nutrients to enhance physical and mental health, and offers related products and merchandise. As the premier wellness experience, our Studio’s service set includes: cryotherapy,

The Market and Competition

Your Studio will compete with other businesses in the health and wellness market. These competitors may include independent or franchised businesses offering some or all of the same services. The wellness sector is competitive in most markets. Despite this competition, we believe that Degree Wellness Studios will appeal to customers because of the brand, the unique combination of services offered, a reputation for authenticity and trustworthiness, the pricing model, and other distinctive characteristics. While you will provide your products and services to the general public, your target market will be female heads of household, who typically preside over both household budget and health and wellness decisions. We believe this is a large and important, yet underserved market. As a female-founded brand, Degree Wellness is uniquely positioned to serve this market. .Degree WellnessStudio

Industry-Specific Laws and Regulations

Many states and local jurisdictions have enacted laws, rules, regulations and ordinances that may apply to the operation of your Degree Wellness franchise. For example, state licensing and certification requirements may apply to persons who perform services for you or at your Studio location, or to the legal structure of your business. These laws and regulations may also impose restrictions on referrals for designated health services to entities with which you have financial relationships. Also, you must comply with any and all federal, state and/or local privacy laws pertaining to your care recipients, including but not limited to HIPAA and the HI-TECH Act and related laws, rules and regulations. In all cases, you must also comply with laws that apply generally to all businesses. You should investigate these laws and consult with a legal advisor about whether these and/or other requirements apply to your franchise. Violations of these laws and regulations may result in substantial civil or criminal penalties for individuals or entities.

Item 2

BUSINESS EXPERIENCE

Amanda Watts: Board Member and President

Ms. Watts has served as a Board Member and President since our inception in February ~~2023~~2024 in Jacksonville, Florida. She has also served as President of our affiliate Degree LLC since August 2022. Prior to this she served as CEO of Rito, LLC from July 2020 to August 2022. Prior to this she served as CEO of Sheau, LLC from October 2018 to December 2020.

John Rotche: Board Member

Mr. Rotche has served as a member of our Board, since our inception (Ann Arbor, Michigan). He also serves as Chief Executive Officer of Franworth and has done so since January of 2015.

The following individuals work with Franworth, a company that we have engaged to provide franchise development and franchisee administration and support services (and may have managerial responsibility with regards to certain aspects of our franchise system), and who is also an affiliate of one of our members:

9. *Point of Sale System, Hardware, Software and Installation.* You are required to use point of sale hardware and accounting software approved by us, including, without limitation, iPads. Monitors, touchscreens, multi-function printer, cash drawers, screens, credit card swiper, tv's, headphones, isp finder service, and assorted cables and mounting hardware. As of the Issue Date, we require that you purchase and/or lease all Computer System hardware and software from one (1) or more of our third-party Approved Suppliers, including those that provide gift card, customer loyalty program and/or online ordering services (as we specifically permit or designate in writing) in connection with your customer base and/or Approved Products.
10. *Initial Inventory & Supplies.* The inventory estimate is for an initial supply of consumables which are required to offer the Services. As inventory is used, more inventory will need to be acquired. This estimate includes and accounts for a reasonable amount of inventory that will be utilized in connection with the on-site training we provide to you and your initial Studio personnel prior to the opening of the Franchised Business.
11. *Professional Fees and Licenses.* This estimated range is designed to cover the fees you will pay to an attorney and/or accountant in connection with (a) the formation of any Franchisee (or Developer) entity, and (b) otherwise in connection with pre-opening activities and obligations of the Franchisee under the Franchise Agreement.
12. *Presale Marketing Spend.* You are required to spend a minimum amount between \$12,000 and \$15,000 on presale marketing efforts to obtain members for your Studio, as detailed more fully in Item 11 of this Disclosure Document.
13. *Insurance.* You must obtain and maintain, at your own expense, the insurance coverage that we periodically require (including but not limited to comprehensive commercial general liability and motor vehicle insurance, worker's compensation and employer's liability insurance, professional liability (malpractice) insurance and any other insurance required by applicable law, rule, regulation, ordinance or licensing requirement), and satisfy other insurance-related obligations. See Item 8 for additional information about our insurance requirements.
14. *Exterior Signage.* This includes one exterior storefront sign. The specific location where your Franchised Business will be located may have different requirements and regulations dictating the size, layout and illumination of the exterior signage. You will be required to abide by these regulations and, as a result, may experience higher or lower costs for your exterior signage.
15. *Additional Funds.* These amounts are the ~~minimum recommended levels~~ additional funds to cover operating expenses including your employees' salaries and local marketing for three months. These estimates also do not take into account finance payments, charges, interest, and related costs you may incur if any portion of the initial investment is financed by a third party. These amounts are the minimum recommended levels to cover operating expenses, including your employees' salaries for three months. The amounts listed for this category are based on historical data from our affiliate locations.
16. *Total Estimated Initial Investment.* The estimate of costs assumes you will lease the location for your Studio. The cost for purchasing the real estate is not included in these cost estimates. This range and Chart above does not include any estimates for (a) any owner or

officer compensation, or (b) debt service. Variances may result from local economic conditions, availability of materials and labor, and other conditions beyond our control. You must also pay the royalty and other related fees described in this Disclosure Document. ~~Your actual costs will depend on factors like your management skills, experience and business acumen.~~ You should base your estimated start-up expenses on the anticipated costs in your market and consider whether you will need additional cash reserves. You should review these figures carefully with your business advisor.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Lease and Purchase Specifications and Requirements

You must lease or purchase your Studio location, leasehold improvements, computer and office equipment (including cash registers and computer hardware and software), equipment, fixtures, furnishings and decor, signage, insurance, inventory, clothing, branding, advertising and marketing materials and services, grand opening kit, training, supplies, programs and other items and services under our specifications as set forth in our Operations Manual for Studios – see Items 7 and 11. These specifications include standards for appearance, delivery, performance, quality control, and/or design.

You must lease or purchase your leasehold improvements, equipment, computer and billing system, equipment, inventory, marketing materials, supplies, services, products, and other items only from suppliers or designees approved by us. Our Operations Manual lists our approved suppliers. There may be items for which we or our affiliates are approved suppliers (see below).

You must obtain and maintain, at your own expense, the insurance coverage that we periodically require and satisfy other insurance-related obligations. You must purchase (1) comprehensive commercial general liability and motor vehicle liability insurance containing minimum liability coverage of not less than \$1,000,000 per occurrence and \$3,000,000 in the aggregate, (2) worker's compensation and employer's liability insurance as required by law, with limits equal to or in excess of those required by law, (3) professional liability (malpractice) insurance, for each doctor practicing in your Franchise business, having limits of not less than \$1,000,000 per occurrence and \$3,000,000 in the aggregate and (4) any other insurance required by applicable law, rule, regulation, ordinance or licensing requirements. Deductibles must be in reasonable amounts and are subject to review and written approval by us. Your commercial general liability insurance policy must be an "occurrence" policy. If any policy is written on a "Claims Made" basis, you must purchase and maintain unlimited tail coverage that shall remain in effect following the termination or expiration of the Franchise Agreement and/or such policy. All commercial general liability insurance and professional liability (malpractice) insurance policies you purchase must name us (and, if we so request, our members, directors, employees, agents, and affiliates) as additional insureds. If you fail to obtain or maintain the insurance we specify, we may (but need not) obtain the insurance for you and the Studio on your behalf (see Item 6). You should consult with your own insurance agents, brokers, and attorneys to determine what types of coverages and what level of insurance protection you may need or desire, in addition to the coverages and minimum limits specified by us. The cost of your premiums will depend on the insurance carrier's charges, terms of payment, and your insurance and payment histories.

concentrate purchases with one or more suppliers to obtain lower prices or the best advertising support or services for any group of Studios franchised or operated by us. Our approval of a supplier may be conditioned on requirements relating to the frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints), and other similar criteria, and may be temporary, pending our continued evaluation of the supplier.

You are required to use our designated supplier for site selection assistance and construction project management. You must acquire a site for your Studio that meets our site selection criteria and that we approve. If you occupy the Studio according to a commercial lease, the lease must contain terms that we specify.

If you would like to purchase or lease any items from any unapproved supplier, then you must submit to us a written request for approval of the proposed supplier or the proposed supplier may submit its own request. We may inspect the proposed supplier's facilities, and require that product samples from the proposed supplier be delivered for testing either directly to us or any independent certified laboratory that we designate. We also may require you (or the proposed supplier requesting the evaluation) to pay us an evaluation fee (not to exceed the reasonable cost of the inspection and the actual cost of the test (see Item 6) to make the evaluation. We will approve or disapprove your proposed supplier within 60 days of receiving all of the information that we require for the evaluation. We reserve the right to periodically re-inspect the facilities and products or services of any approved supplier, and revoke our approval if the supplier does not continue to meet any of our criteria.

Degree Wellness and Our Affiliates as Approved Suppliers

If you, or one of your owners, cannot legally provide services to your Franchised Business then you must contract with our designated supplier to provide medical director services.

We may designate us and/or our affiliates as an approved supplier, or the only approved supplier, from which you may or must lease or purchase certain products or services in developing and operating your Degree Wellness franchise. We and our affiliates may derive revenue from these sales and may sell these items at prices exceeding our or their costs in order to make a profit on the sale.

We reserve the right to designate us and/or our affiliates as approved suppliers, or the exclusive supplier(s), from whom you may purchase or lease certain other categories of products, services, and equipment.

We are currently not an approved supplier for any other product, service, or equipment.

Except for DW Financial Services, LLC, no franchisor officer owns any interest in any supplier.

Our Involvement with Suppliers

We and our affiliates and designees reserve the right to receive revenue or other material consideration from suppliers in consideration for other goods or services that we require or advise you to obtain from approved suppliers.

We negotiate price terms and other purchase arrangements with suppliers for you for some items that we require or suggest you to lease or purchase in developing and operating your Degree Wellness franchise, including clothing, marketing materials, services, and equipment. There currently are no purchasing and distribution cooperatives.

Effects of Compliance and Noncompliance

~~—You must comply with our requirements to purchase or lease real estate, goods, and services according to our specifications and/or from approved suppliers to be eligible to renew your franchise. Failure to comply with these requirements will render you ineligible for renewal, and may be a default allowing us to terminate your franchise and/or withhold performance (including but not limited to removing your access to our website or any intranet, removing any information about your franchise on our website, removing you from any lists for which inquiries for services are made, any lists of approved franchises for which any of our approved supplies provide discounts or any lists that you are approved to participate in national or other alliance programs).—~~ We do not provide any other benefits to you because of your use of designated or approved services and products, or suppliers.

Item 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Section 3.1 of FA; Attachment A of the Development Agreement	Items 7, 8, and 11
b. Pre-opening purchases/leases	Sections 3.1, 3.2, 3.3, 3.4, 3.5 and 3.6 of FA	Items 7, 8, and 11
c. Site development and other pre-opening requirements	Sections 3.2, 3.3, 3.4 and 3.6 of FA; Section 1 and Attachment A of the Development Agreement	Items 7, 8, and 11
d. Initial and ongoing training	Sections 3.6, 4, 5.1 and 10.7 of FA	Items 5, 6, 7, 11 and 14
e. Opening	Sections 3.3 and 3.6 of FA, Exhibit 1 of FA; Attachment A of the Development Agreement	Items 7 and 11
f. Fees	Sections 2.4, 3.4, 4.2, 5.1, 5.2, 6, 10.1, 10.3, 10.8, 11.1, 11.2, 12, 13.2, 14.5, and 15 of FA, Exhibits 4 of FA; Section 2 of the Development Agreement	Items 5, 6, 7, 8, 11, 13 and 14
g. Compliance with standards and policies/Operating Manual	Sections 2.4, 3.2, 3.3, 3.4, 3.5, 3.6, 5.2, 5.3, 6.4, 7.1, 10, 11.4, 13.1 and 19 of FA	Items 8, 11, and 12

Item 10

FINANCING

~~Other than as disclosed~~The financing described in this Item ~~7~~ 10 is only provided by DW Financial. We do not offer any other direct or indirect financing.

General Equipment Financing

~~We have~~Degree Financial has no obligation to provide you any financing, but ~~we~~it may agree to finance a portion of the required equipment for qualified prospective franchisees under specified terms and conditions. ~~Our~~Its decision to finance any equipment will be based, in part, on your credit-worthiness, the collateralization of the equipment and other collateral you have available to secure the financing and our then-current financing policies.

~~We limit~~Degree Financial limits the amount that ~~we~~it will finance. ~~Our~~Its standard financing is up to \$151,000 if you meet certain requirements. We may elect not to approve a transfer, including a transfer to a corporation or other entity wholly owned by you, if you do not pay any loans payable to us and ~~our Affiliates~~or Degree Financial in full.

You must qualify to purchase a franchise, meet our credit standards and be otherwise eligible for financing to qualify. ~~We~~Degree Financial currently ~~charge~~charges a variable interest rate of Prime + 7%. If ~~we~~it agree to finance a portion of the required equipment, you must sign a promissory note when you sign your franchise agreement and pay the balance in monthly installments. ~~We do~~Degree Financial does not require any money down.

You must make note payments ~~to our affiliate~~ by automatic bank draft. Some banks and other financial institutions may charge a fee for electronic transfers. Monthly payments will begin approximately 1 month after you complete Training. The length of the repayment term may be negotiable up to a maximum of 5 years.

~~We require~~Degree Financial requires a security interest in the Studio franchise. You must sign a security agreement granting ~~our affiliate~~it a security interest in all your assets, including after acquired property and ~~we~~it will file a UCC financing statement with the appropriate governmental authority. ~~We have~~It has the right to require additional forms of security.

You may prepay the note at any time without penalty. If you default, ~~we~~Degree Financial may declare the entire remaining amount due. If you do not pay our ~~affiliate~~them the entire balance, and any accrued, unpaid interest, you may be responsible for the court costs and attorneys' fees ~~we, or our affiliates incur~~Degree Financial incurs in collecting the debt from you. We may terminate your franchise agreement if you do not pay ~~our affiliate~~Degree Financial.

You must waive your rights to certain notices of a collection action in our promissory note, security agreement and guaranty but there are no waivers of defense in the promissory note, security agreement or guaranty. If you are a legal entity, your shareholders, members, partners and/or owners must personally guarantee the debt and agree to pay the entire debt and all collection costs. ~~Our Affiliate~~Degree Financial has the right to require a spouse's personal guaranty.

~~The financing described in this Item 10 is provided by us, DW Financial Services, LLC.~~

~~Our affiliate~~Our Degree Financial may sell, assign or discount any promissory note or other obligation arising out of the franchise agreement to a third party. If it sells or assigns your promissory note, it will not affect our obligation to provide the services to you that are described

in the franchise agreement but the third party may be immune under the law to any defenses to payment you may have against our affiliate.

We may periodically agree with third-party lenders to make financing available to our qualified franchisees and we may, in our sole discretion, refer you to a third-party lender for financing. We have no control over whether financing will be offered to you by any third-party lender. The lender is not obligated to provide financing to you or to any other franchisee that the lender finds does not meet its credit requirements and loan criteria. If we refer you to a third-party lender for financing, we may agree to take a short-term promissory note (in a form we provide to you) until your financing is arranged. You must use the proceeds from the lender to pay any promissory note to us.

We do not currently derive income from referrals or placement of financing with any third-party lender. However, we may require payment from you or other persons for the placement of financing in the future. If we charge for placing financing in the future, we expect to use the payments to offset our expenses in doing so.

We do not guarantee your obligations to third parties.

Item 11

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

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

Pre-Opening Obligations:

Before you open your Degree Wellness Studio for business, we or our designee will:

1. Designate your Protected Territory (Franchise Agreement – Section 2.3). See Item 12 for additional information about your Protected Territory. You may only operate a Studio physically located in your Protected Territory.

2. Review and approve or disapprove your proposed Studio site (Franchise Agreement – Section 3.1). You must seek and select a mutually agreeable site within your Site Selection Area within 120 days after signing the Franchise Agreement. We will inform you of our approval or disapproval of your proposed site within 15 days of your proposal of the Studio site. The site must meet our criteria for demographics; traffic patterns; parking; ingress and egress; character of neighborhood; competition from, proximity to, and nature of other businesses; size; appearance; and other physical and commercial characteristics. We require your Studio to be a minimum of 1,700 square feet in size. Studios are typically located in high-traffic strip malls. For each proposed site, you must submit to us, in the form we specify, a description of the site and any other information or materials that we may require. We will not unreasonably withhold approval of a site that meets our standards for general location and neighborhood, traffic patterns, parking size, layout, lease terms, and other physical characteristics for Degree Wellness Studios. If you fail to identify a mutually agreeable site by the established deadline, then we may terminate your Franchise Agreement. ~~Our approval of a proposed site is not, and should not be deemed, a judgment by us concerning the likelihood of success of a at the location, or the relative desirability of the site in comparison to other sites within the Protected Territory.~~

any portion of the Operations Manual periodically to reflect changes in System Standards. You must keep your copy of the Operations Manual current, and in a secure location at your Studio. You agree that you will monitor and access the Website, intranet, or extranet for any updates to the Operations Manual. If you and we have a dispute over the contents of the Operations Manual, then our master copy of the Operations Manual will control. The Operations Manual, as well as any password or other digital identification necessary to access the Operations Manual on a Website, intranet, or extranet, is confidential, and you may not copy, duplicate, record or otherwise reproduce any part of it. If your copy of the Operations Manual is lost, destroyed, or significantly damaged, then you must obtain a replacement copy at our then applicable charge (see Item 6). You may view our Operations Manual at our corporate headquarters before purchasing your Studio, but must first sign a nondisclosure agreement promising not to reveal any of the information contained in the Manual without our permission. See Item 14 for additional information about our Operations Manual.

8. Provide you with specifications for the computer and billing system for your Studio (Franchise Agreement – Section 3.4). You must install your computer and billing system in accordance with our specifications. See below for additional information about these specifications.

9. Provide you with our initial training program and online learning credentials for Studio franchises at ~~no additional charge to you, however~~ the costs disclosed in Item 5. In addition, you must pay the food, lodging and travel expenses for all attendees ~~when applicable~~. See below for additional information concerning our initial training program for Studio franchises. (Franchise Agreement – Section 4.2).

10. Review and approve or disapprove any advertising that you propose to use for your Studio (Franchise Agreement – Section 11.2). ~~Our actual or deemed approval will not mean that we have analyzed or approved any advertising materials with respect to any state, local or administrative law, rule or regulation that may be applicable to a franchise's practice of health related services in its State of licensure.~~ Advertising on the internet or having your own website online is restricted by your Franchise Agreement.

11. We will establish, maintain, and administer the Fund. As available, we will provide you with digital copies of our marketing materials via our intranet. (Franchise Agreement – Section 11.1). The Fund will be used to support and pay for marketing programs we deem necessary, desirable, or appropriate to promote the services and products offered by your and other Studios. Also, we may, at our discretion, charge you for hard or digital copies of marketing materials.

12. Review and approve your management agreement with a licensed physician or PC if you are a Studio Management Business, but you are responsible for determining whether such agreement is in compliance with all applicable laws, rules and regulations of the State in which the Studio is located. (Franchise Agreement – Section 1.2).

Post-Opening Obligations:

After your Studio opens for business, and so long as you are not in default under the Franchise Agreement, we or our designee will:

1. Provide you with guidance and assistance in the following areas: (a) the services & products authorized for sale by the Studio, and specifications, standards, and operating and

management procedures used by your Studio; (b) purchasing approved equipment, furniture, furnishings, signs, products, operating materials, services, marketing materials, and supplies; (c) development and implementation of local advertising and promotional programs; (d) establishing and using administrative, bookkeeping, accounting, inventory control and general operating and management procedures; (e) establishing and conducting employee training programs at the Studio; (f) changes in any of the above that occur from time to time; and (g) specify approved brands, types and/or models of equipment, furniture, fixtures, and signs (Franchise Agreement – Section 5.1).

2. Continue lending to you a copy of our [165 page](#) Operating Manual (Franchise Agreement – Sections 5.1-5.2). We may modify the Operations Manual periodically to reflect changes in System Standards.

3. Issue and modify the System Standards for Studio franchises (including any optional programs used by your Studio) (Franchise Agreement – Section 5.3).

4. Allow you to use our Marks and confidential information in operating your Studio (Franchise Agreement – Sections 7 and 9). You must use the Marks and confidential information only as authorized in the Franchise Agreement and Operations Manual.

5. Indemnify you against damages for which you are held liable in any proceeding arising out of your use of our Marks in compliance with the Franchise Agreement and reimburse you for costs you incur in defending against any such claim (Franchise Agreement – Section 7.5).

6. Review and approve suppliers and distributors you would like to use (Franchise Agreement – Section 10.3).

7. Provide any product or perform any service for which we or our affiliate are an approved supplier (Franchise Agreement - Section 10.3).

8. As we deem appropriate, provide you and your staff with additional, on-going, and supplemental training programs (Franchise Agreement – Section 4.2). We, or our designee, may hold mandatory and optional training programs for you and your staff regarding new equipment, techniques, services or products, and other appropriate subjects. We may decide to hold these training programs at our own initiative, or in response to your request for additional or special training. We will determine the location, frequency, and instructors of these training programs. You must also pay for all travel, lodging, meal, and personal expenses related to your attendance and the attendance of your personnel. You are required to attend our annual conference, the location of which will be determined by us. Additionally, if you utilize a third-party professional corporation to service your Studio's patients, each provider of the servicing professional corporation must also attend our annual convention. Your attendance at the annual conference is mandatory. You will be solely responsible for the wages and travel, lodging, and living expenses for each attendee of yours who attends the annual conference.

9. Review and approve or disapprove your advertising, marketing, and promotional materials, vendors and activities (Franchise Agreement – Section 11.2). ~~Our actual or deemed approval will not mean that we have analyzed or approved any advertising materials with respect to any state, local or administrative law, rule or regulation that may be applicable to a franchise's practice of health related services in its State of licensure.~~ Advertising on the internet or having your own website online is restricted by your Franchise Agreement.

research, development, creative and marketing activities, including, without limitation, (a) costs for preparing and conducting television, radio, magazine, billboard, newspaper, internet and other media programs and activities, (b) costs associated with conducting marketing research, (c) costs associated with website development, maintenance, hosting and marketing, including without limitation, search engine optimization and social media, (d) administering regional and multi-regional advertising programs, including, without limitation, purchasing direct mail and other media advertising, (e) employing advertising, program and marketing agencies, and vendors providing marketing services, (f) development, implementation and maintenance of online asset management tools, (g) marketing and advertising training programs and materials, and (h) costs for providing promotional brochures and advertising templates and materials to Degree Wellness Studio franchises. Advertising materials developed or produced by the Fund may include video, audio, and written advertising materials, which will be prepared by our in-house marketing department. The Fund will furnish you with approved advertising materials at its direct cost of producing those advertising materials. Amounts contributed to the Fund may be used to place advertising in television, radio, newspaper, or other media as solely determined by us. We will not use Fund contributions for advertising that is principally a solicitation for the sale of franchises.

The Fund will be accounted for separately from our other funds and will not be used to pay any of our general operating expenses, except for salaries, administrative costs, and overhead that we incur in activities reasonably related to the administration of the Fund and its marketing programs, including preparing advertising and marketing materials, and collecting and accounting for contributions to the Fund. We may spend in any fiscal year an amount greater or less than the aggregate contributions to the Fund in that year, and the Fund may borrow from us or other lenders to cover the Fund's deficits or invest any surplus for future use by the Fund. We will prepare an annual unaudited statement of monies collected and costs incurred by the Fund and will provide it to you upon written request. A franchisee may request an annual report of general category spending of the Fund. This report may be requested in writing and will be provided in the manner we determine no more than one time per year and only after March 1 for the prior year. There is no history of a prior fiscal year to disclose in this disclosure document.

We may cause the Fund to be incorporated or operated through an entity separate from us when we deem appropriate, and the entity will have the same rights and duties as we do under your Franchise Agreement. The Fund will be intended to enhance recognition of the Marks and the goodwill and patronage of Studio franchises. Although we will endeavor to use the Fund to develop advertising and marketing materials and programs and place advertising that will benefit all contributing franchises, we have no obligation in developing, implementing, or administering advertising or promotional programs ensure that the Fund's expenditures in or affecting any geographic area are proportionate or equivalent to the contributions made by any franchise in that geographic area, or that any franchise will benefit from the development of advertising and marketing materials or the placement of advertising by the Fund directly or in proportion to the franchise's contribution to the Fund. We assume no direct or indirect liability or obligation to you or any other Degree Wellness franchisee in connection with the establishment or operation of the Fund, or the collection, administration, or disbursement of monies paid into the Fund. We will not be a fiduciary to you with respect to the management of the Fund.

We may suspend contributions to, and the operations of, the Fund for any period we deem appropriate, and may terminate the Fund upon 30 days' written notice to you. All unspent monies held by the Fund on the date of termination will be distributed to us, our affiliates, and you and

agree to your employment of a general manager, then the general manager will supervise the day-to-day operation of your franchise. Each general manager and successor general manager must attend and complete our initial training program for your franchise prior to commencing the role of General Manager (see Item 11). We do not require that the general manager have an equity interest in your franchise, but he or she cannot have any interest in or business relationship with any business competitor of your franchise, and must sign a written agreement to maintain confidential the proprietary information described in Item 14 and conform with the covenants not to compete described in Items 17(q) and 17(r), as well as non-disparagement and non-solicitation covenants described in Items 17 (x) and 17(y). Some state laws and regulations affecting the healthcare profession may require a licensed professional to own or supervise your franchise or that you enter into a management agreement with a licensed professional. You are responsible for complying with these state laws and regulations.

Obligations of Owners

You (if an individual) or each of your owners (if you are a legal entity) must sign an Assumption and Guarantee of Obligations (attached to the Franchise Agreement as Exhibit 3), agreeing to be bound by and guaranteeing your obligations as the "franchisee" under your Franchise Agreement. If you and/or your owners transfer your Franchise Agreement or any related interest, then you and/or the owners making the assignment must agree to be bound by the terms of the Agreement, and guarantee the obligations of the "franchisee" under the Agreement. As a condition of our consent to allow you to transfer your franchise to a third party, we may require you to guarantee the performance of a third party. You and your owners must at all times faithfully, honestly and diligently perform your and their obligations under the Franchise Agreement. You and they must promote and enhance your franchise. Neither you nor your owners can engage in any other business or activity that may conflict with your or their obligations under your Franchise Agreement.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only those services and products we have approved for your type of franchise. You must also offer all goods and services that we designate for your type of franchise. You may not offer or sell any goods, services, equipment, or products that we prohibit without our written consent. We may add new or additional products and services that you must offer at your franchise. There are no restrictions in the Franchise Agreement on our right to do this. All advertising, signs, promotional materials, decorations and other related items we designate must have the Marks in the form we specify. The products and services approved or required by us shall not be deemed to affect or otherwise influence your judgment as to particular services and products that will be offered to individual patients. ~~All medical related decisions, acts or omissions made by, or in connection with any person in any way associated with you or your franchise will be the decisions of the individual professionals involved and will not be affected by or attributed to us.~~

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

Table 2
Transfers of Outlet from Franchisees to New Owners (other than Franchisor)
For Years 2021 to 2023

State	Year	Number of Transfers
Total	2021	0
	2022	0
	2023	0

Table 3
Status of Franchised Outlets
For Years 2021 - 2023

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
Total	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0

Table 4
Status of Company-Owned ~~Franchised~~ Outlets
For Years 2021 to 2023

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
All States	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
	2023	2	0	0	0	0	2
Total	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0

Table 5
Projected Openings
as of December 31, 2023

State	Franchise Agreements Signed but Outlets Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
MI	0	1	0
FL	0	1	2
Total	0	2	2

The list of the names and addresses of our current franchisees is located in Exhibit E. Any franchisee who has not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Franchise Disclosure Document is listed in Exhibit G. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

None of our franchisee are subject to confidentiality provision that would limit their ability to speak with you. There are no franchisee organizations sponsored or endorsed by us and no independent franchisee organizations have asked to be included in this disclosure document.

Item 21

FINANCIAL STATEMENTS

Attached to this Franchise Disclosure Document as Exhibit G are:

Degree Wellness Franchise, LLC's audited and unaudited opening balance sheets as of March ~~1530~~, 2024.

Our fiscal year end is December 31. The Franchisor has not been in business for three years or more, and cannot include all financial statements required by the FTC Franchise Rule.

Item 22

CONTRACTS

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

- Exhibit B Franchise Agreement (including as exhibits an Owner's Guaranty and Assumption of Franchisee's Obligations, Agreement, and other documents)
- Exhibit C Development Agreement
- Exhibit F Sample Studio Management Agreement
- Exhibit H General Release Agreement
- Exhibit I Transfer Agreement

ILLINOIS
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF ILLINOIS

Additional Disclosures Required in Illinois

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

Your rights upon Termination and Non-Renewals of an agreement 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, and 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.

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

Illinois prohibits the corporate practice of medicine. Unlicensed individuals and entities are prohibited from owning, operating and maintaining an establishment for the study, diagnosis and treatment of human ailments and injuries, whether physical or mental. See Medical Corporation Act, 805 ILCS 15/2, 5 (West 2018).

If you are NOT licensed certified in Illinois to provide services of the nature described in this disclosure document, you must negotiate the terms of a management Agreement with license professionals who will provide the services that this franchised business offers. Retain an experienced attorney who will look out for your best interests in this business venture.

While you are granted an “exclusive” territory, the Franchisor is not obligated to ensure that no other franchisees conduct business within your “exclusive” territory.

INDIANA
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF INDIANA

Additional Disclosures Required in Indiana

With respect to the information disclosed in Item 8 of the Disclosure Document:

- a. Indiana Code (“IC”) Section 23-2-2.7-1(1) prohibits us from requiring you (if you are a resident of Indiana or a non-resident who will operate a franchise in Indiana) to purchase goods, supplies, inventories, or services exclusively from us or sources designated by us where such goods, supplies, inventories, or services of comparable quality are available from sources other than those

MARYLAND

Maryland requires that the following risk(s) be highlighted:

Transfer: As a condition of our consent to allow you to transfer your franchise to a third party, we may require you to guarantee the performance of that third party.

The Maryland Franchise Registration and Disclosure Law, COMAR 02.02.08.16L, provides that, as a condition of the sale of a franchise, We may not require you to agree to a release, assignment, novation, waiver, or estoppel that would relieve a person from liability under the Franchise Registration and Disclosure Law. Item 17 of the Franchise Disclosure Document is amended by adding: any general release required as a condition of sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

The Franchise Agreement and Franchise Disclosure Document shall be deemed amended so that no release, assignment, novation, waiver or estoppel is required if it would violate the Maryland Franchise Registration and Disclosure Law. Nothing in the franchise agreement, including any acknowledgments or representations, shall be deemed a release or waiver of any right or obligation under the Maryland Franchise Registration and Disclosure Law.

Item 5 of the Franchise Disclosure Document is supplemented by the following: Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. "In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

Item 17 of the Franchise Disclosure Document is amended by adding the following: The provision in the Franchise Agreement that provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et. seq.).

Item 17 of the Franchise Disclosure Document and Article 17 of the Franchise Agreement are amended by adding: any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

Article 17 of the Franchise Agreement is amended to provide as follows: Any lawsuit permitted under this Article shall be brought in the federal or state courts located in the State of Maryland. Item 17 is hereby amended by adding the identical language in the "summary" column of line v.

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

RHODE ISLAND

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF RHODE ISLAND

Additional Disclosures Required in Rhode Island

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

SOUTH DAKOTA

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF SOUTH DAKOTA

Additional Disclosures Required in South Dakota

1. With respect to the disclosures in Item 17 of the Disclosure Document, the following provisions apply for franchises in South Dakota:
 - a. You will receive 30 days’ written notice with an opportunity to cure a breach of the Franchise Agreement, failure to meet performance and quality standard, and failure to make royalty payments before termination.
 - b. Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of South Dakota, except in certain instances as provided by law.
 - c. Liquidated damage provisions may be unenforceable under South Dakota law. Liquidated damage provisions are void.
 - d. Pursuant to SDCL 37-5B-21, any condition, stipulation or provision purporting to waive compliance with, or relieving a person of a duty or liability under, any provision of Chapter 37-5B of South Dakota Codified Law or any rule or order thereunder is void.

2. Item 5 of the Franchise Disclosure Document is supplemented by the following: Based upon the franchisor's financial condition, the South Dakota Securities Regulation Office has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. "In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

WASHINGTON

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF WASHINGTON

Washington requires that the following risks be highlighted concerning this Franchise:

1. During the last 3 years, a large number of franchised outlets (138) were terminated, not renewed, re-acquired, or ceased operations for other reasons. This franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.

MARYLAND

ILLINOIS

ILLINOIS AMENDMENT TO FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT (“**Amendment**”) dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the “**Franchise Agreement**”) dated _____, by and between Degree Wellness Franchise, LLC (“Franchisor”), a Delaware limited liability company, with its principal office at 200 Riverside Ave., Jacksonville, FL 32202 and _____ (“you” or “Franchisee”). Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

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

Your rights upon Termination and Non-Renewals of an agreement 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, and 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.

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

Illinois prohibits the corporate practice of medicine. Unlicensed individuals and entities are prohibited from owning, operating and maintaining an establishment for the study, diagnosis and treatment of human ailments and injuries, whether physical or mental. See Medical Corporation Act, 805 ILCS 15/2, 5 (West 2018).

If you are NOT licensed certified in Illinois to provide services of the nature described in this disclosure document, you must negotiate the terms of a management Agreement with license professionals who will provide the services that this franchised business offers. Retain an experienced attorney who will look out for your best interests in this business venture.

While you are granted an “exclusive” territory, the Franchisor is not obligated to ensure that no other franchisees conduct business within your “exclusive” territory.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

FRANCHISOR:

Degree Wellness Franchise, LLC, a Delaware
limited liability company

By: _____

Title: _____

FRANCHISE OWNER:

By: _____

Title: _____

MARYLAND AMENDMENT TO FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT (“Amendment”) dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the “Franchise Agreement”) dated _____, by and between Degree Wellness Franchise, LLC (“Franchisor”), a Delaware limited liability company, with its principal office at 200 Riverside Ave., Jacksonville, FL 32202 and _____ (“you” or “Franchisee”). Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

1. Any provision requiring you to sign a general release of any and all claims against us shall not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.
2. Any provision requiring you to bring an action against us in any state other than Maryland shall not apply to claims arising under the Maryland Franchise Registration and Disclosure Law. You may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.
3. Section 14-226 of the Maryland Franchise Registration and Disclosure Law, prohibits us from requiring a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing a franchise. Any provisions which requires a prospective franchisee to disclaim the occurrence and/or non-occurrence of acts that would constitute a violation of the Maryland Franchise Registration and Disclosure Law, in order to purchase a franchise are not intended to, nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
4. Notwithstanding anything to the contrary set forth in the Agreement, any general release the Franchisee is required to assent to is not intended to nor shall it act as a release, estoppel or waiver of any liability we may have incurred under the Maryland Franchise Registration and Disclosure Law.
5. The Franchise Agreement is amended by the addition of the following language to the original language that appears in the choice of law language therein:

“This section shall not in any way abrogate or reduce any of your rights as provided for in Section 14-216(c)(25) of the Maryland Franchise Registration and Disclosure Law, including the right to submit matters to the jurisdiction of the Courts of Maryland.”
6. Item 6 of the Franchise Agreement is supplemented by the following: Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. "In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.
7. Notwithstanding anything to the contrary set forth in the Agreement, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.
78. In the event of any conflict between the terms of this Amendment and the terms of the Agreement, the terms of this Amendment shall prevail.

MINNESOTA-MINNESOTA AMENDMENT TO FRANCHISE AGREEMENT

THIS ADDENDUM TO FRANCHISE AGREEMENT (the “Addendum”) is made and entered into this _____ day of _____, 20__, by and between Degree Wellness Franchise, LLC, a Delaware limited liability company (“**Franchisor**”), and _____, a _____ corporation/limited liability company/partnership (circle one) (“**Franchise Owner**”) (collectively, Franchisor and Franchise Owner are referred to hereinafter as the “**Parties**”), and is attached to and made part of that certain Franchise Agreement dated _____, 20__, (the “**Agreement**”) between the Parties.

A. Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit Franchisor from requiring litigation from claims arising under Minnesota franchise laws (Minn. Stat. §§80C.01 through 80C.22) to be conducted outside Minnesota, requiring a waiver of jury trial, and prohibits Franchisor from requiring the Franchise Owner to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Agreement or Franchise Disclosure Document can abrogate or reduce any of Franchise Owner’s rights as provided for in Minnesota Statutes, Chapter 80C, or Franchise Owner’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

B. With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. § 80C.14, subs. 3, 4, and 5, which require, except in certain specified cases, that (1) Franchise Owner be given ninety (90) days’ notice of termination (with sixty (60) days to cure) and one-hundred eighty (180) days’ notice for non-renewal of the Agreement and (2) consent to the transfer of a franchise by Franchise Owner will not be unreasonably withheld whenever the franchisee to be substituted meets the present qualifications and standards required of the franchisees by us.

C. Minnesota considers it unfair to not protect Franchise Owner’s right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G). Franchisor will protect Franchise Owner’s right to use the trademarks, service marks, trade names, logotypes or other commercial symbols, and/or indemnify Franchise Owner from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the same.

D. Minnesota Rules 2860.4400(D) prohibits Franchisor from requiring Franchise Owner to assent to a general release. Articles 2.4(c) and 14.5(f) of the Agreement require Franchise Owner and its Principal Owners (as defined in Section 1 of the Franchise Agreement) to sign, in favor of Franchisor, its officers, directors, agents, and employees, and its affiliates and their officers, directors, agents, and employees, as a condition to renew or Transfer (as defined in Section 14.4 of the Agreement) the Agreement, a release from liability of all claims that Franchise Owner and its Principal Owners may have against Franchisor, its officers, directors, agents, and employees, and its affiliates and their officers, directors, agents, and employees. Specifically, Minn. Rule 2860.4400D prohibits a franchisor from requiring a prospective franchisee agree to a release, assignment, novation, waiver, or estoppel that would relieve a person from liability imposed by Minnesota Statutes 1973 Supplement, Sections 80C.01 to 80C.22 (the “**Minnesota Franchise Law**”). Accordingly, (1) Article 2.4(c) of the Agreement is hereby amended to require Franchise Owner and its Principal Owners to sign as a condition to renew this Agreement, and (2) Article 14.5(f) of the Agreement is hereby amended to require Franchise Owner and its Principal Owners to sign, as a condition to Transfer the Agreement: a general release from liability for any and all claims that that Franchise Owner and its Principal Owners may have against Franchisor,

SOUTH DAKOTA AMENDMENT TO FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT (“Amendment”) dated _____, is intended to be a part of, and by this reference is incorporated into that certain Development Agreement (the “Franchise Agreement”) dated _____, by and between Degree Wellness Franchise, LLC (“Franchisor”), a Delaware limited liability company, with its principal office in Jacksonville, Florida, and _____ (“you” or “Developer”). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

Item 6 of the Franchise Disclosure Document is supplemented by the following: Based upon the franchisor's financial condition, the South Dakota Securities Regulation Office has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. "In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

FRANCHISOR **DEVELOPER**
DEGREE WELLNESS FRANCHISE, LLC _____

By: _____ By: _____

Name: _____ Name: _____

Title: _____ Title: _____

Date: _____ Date: _____

ILLINOIS AMENDMENT TO DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT (“**Amendment**”) dated _____ is intended to be a part of, and by this reference is incorporated into that certain Development Agreement (the “**Development Agreement**”) dated _____ by and between Degree Wellness Franchise, LLC (“**Franchisor**”), a Delaware limited liability company, with its principal office in ~~Southlake, Texas~~ Jacksonville, Florida, and _____ (“**you**” or “**Developer**”). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

Reserved

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

Your rights upon Termination and Non-Renewals of an agreement 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, and 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.

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

Illinois prohibits the corporate practice of medicine. Unlicensed individuals and entities are prohibited from owning, operating and maintaining an establishment for the study, diagnosis and treatment of human ailments and injuries, whether physical or mental. See Medical Corporation Act, 805 ILCS 15/2, 5 (West 2018).

If you are NOT licensed certified in Illinois to provide services of the nature described in this disclosure document, you must negotiate the terms of a management Agreement with license professionals who will provide the services that this franchised business offers. Retain an experienced attorney who will look out for your best interests in this business venture.

While you are granted an “exclusive” territory, the Franchisor is not obligated to ensure that no other franchisees conduct business within your “exclusive” territory.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

MARYLAND AMENDMENT TO DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT (“**Amendment**”) dated _____, is intended to be a part of, and by this reference is incorporated into that certain Development Agreement (the “**Development Agreement**”) dated _____, by and between Degree Wellness Franchise, LLC (“**Franchisor**”), a Delaware limited liability company, with its principal office in ~~Southlake, Texas~~ Jacksonville, Florida, and _____ (“**you**” or “**Developer**”). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

Reserved

Item 2 of the Development Agreement is supplemented by the following: Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. "In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

FRANCHISOR
DEGREE WELLNESS FRANCHISE, LLC

DEVELOPER

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

MINNESOTA AMENDMENT TO DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT (“**Amendment**”) dated _____, is intended to be a part of, and by this reference is incorporated into that certain Development Agreement (the “**Development Agreement**”) dated _____, by and between Degree Wellness Franchise, LLC (“**Franchisor**”), a Delaware limited liability company, with its principal office in ~~Southlake, Texas~~ Jacksonville, Florida, and _____ (“**you**” or “**Franchisee**”). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

Reserved

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

FRANCHISOR
DEGREE WELLNESS FRANCHISE, LLC

DEVELOPER

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

NEW YORK AMENDMENT TO DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT (“**Amendment**”) dated _____, is intended to be a part of, and by this reference is incorporated into that certain Development Agreement (the “**Development Agreement**”) dated _____, by and between Degree Wellness Franchise, LLC (“**Franchisor**”), a Delaware limited liability company, with its principal office in ~~Southlake, Texas~~ Jacksonville, Florida, and _____ (“**you**” or “**Developer**”). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

Reserved

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

FRANCHISOR

DEVELOPER

DEGREE WELLNESS FRANCHISE, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

SOUTH DAKOTA AMENDMENT TO DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT (“**Amendment**”) dated _____, is intended to be a part of, and by this reference is incorporated into that certain Development Agreement (the “**Development Agreement**”) dated _____, by and between Degree Wellness Franchise, LLC (“**Franchisor**”), a Delaware limited liability company, with its principal office in ~~Southlake, Texas~~ Jacksonville, Florida, and _____ (“**you**” or “**Developer**”). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

Reserved

Item 2 of the Franchise Disclosure Document is supplemented by the following: Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. "In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

FRANCHISOR
DEGREE WELLNESS FRANCHISE, LLC
DEVELOPER

DEVELOPER

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

VIRGINIA AMENDMENT TO DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT (“**Amendment**”) dated _____ is intended to be a part of, and by this reference is incorporated into that certain Development Agreement (the “**Development Agreement**”) dated _____ by and between Degree Wellness Franchise, LLC (“**Franchisor**”), a Delaware limited liability company, with its principal office in ~~Southlake, Texas~~ Jacksonville, Florida, and _____ (“**you**” or “**Developer**”). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

Reserved

Estimated Initial Investment. The franchisee will be required to make an estimated initial investment ranging from \$349,554 to \$687,816. This amount exceed the franchisor’s stockholders equity as of March 15, 2024, which is \$197,012.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

DEGREE WELLNESS FRANCHISE, LLC DEVELOPER

By: _____ By: _____

Name: _____ Name: _____

Title: _____ Title: _____

Date: _____ Date: _____

WASHINGTON AMENDMENT TO DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT (“Amendment”) dated _____ is intended to be a part of, and by this reference is incorporated into that certain Development Agreement (the “Development Agreement”) dated _____ by and between Degree Wellness Franchise, LLC (“Franchisor”), a Delaware limited liability company, with its principal office in Jacksonville, Florida, and _____ (“you” or “Developer”). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

Reserved

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

DEGREE WELLNESS FRANCHISE, LLC

DEVELOPER

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

RECEIPT

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

If Degree Wellness Franchise, LLC offers you a franchise, it must provide you 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. Rhode Island requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Degree Wellness Franchise, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency listed in Exhibit A of this disclosure document.

The name, principal business address and telephone number of each franchise seller offering the franchise is as follows:

Name	Principal Business Address	Telephone Number
Amanda Watts	200 Riverside Ave., Jacksonville, FL 32202	(904) 469-5977
Tom Ryan, Jr.	6934 Frances St., Ste 105 Omaha NE 68130	(531) 333-3278
Kimberly Moreno	6934 Frances St., Ste 105 Omaha NE 68130	(531) 333-3278

The issuance date of this disclosure document is: May 24, 2024, as amended January 10, 2025.

The franchisor is Degree Wellness Franchise, LLC, located at Studio. Its telephone number is (734) 619-0919.

Degree Wellness Franchise, LLC authorizes the agents listed in Exhibit A of this disclosure document to receive service of process for it.

I have received a disclosure document dated May 24, 2024, as amended January 10, 2025, that included the following Exhibits:

Exhibit A	State Administrators/Agents for Service of Process
Exhibit B	Franchise Agreement
Exhibit C	Development Agreement
Exhibit D	Operations Manual Table of Contents
Exhibit E	List of Degree Wellness Franchisees
Exhibit F	Sample Studio Management Agreement
Exhibit G	Financial Statements
Exhibit H	General Release Agreement
Exhibit I	Transfer Agreement
Exhibit J	Supplemental Agreements
Exhibit K	Multi-State Addenda and Agreement Riders

Date

Signature of Franchisee

RECEIPT

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

If Degree Wellness Franchise, LLC offers you a franchise, it must provide you 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. Rhode Island requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Degree Wellness Franchise, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency listed in Exhibit A of this disclosure document.

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Exhibit I	Transfer Agreement
Exhibit J	Supplemental Agreements
Exhibit K	Multi-State Addenda and Agreement Riders

Date

Signature of Franchisee