

Centers” or “Centers.” We refer to the Center you will either own and operate (if you are a licensed chiropractor) or manage (if you are a DC Student) as “the Center.” If you are DC Student, we may also refer to the franchise you acquire as the “Franchised Business.” We refer to the combined network of franchised and company-owned ChiroWay Centers as the “ChiroWay Network.”

~~ChiroWay Centers embody the service of “Hope in a Higher Quality of Life”—offering individuals and families the expectation for a higher quality of life through consistent chiropractic care. Our model to care is built on the law of supply and demand; consistent chiropractic adjustments serve as the supply that meets the body's innate demand for neurological balance which illuminates the body's vitality to foster resilience, regulation, responsiveness, and a restored quality of life.~~

~~At ChiroWay, we provide a structured, accessible, and community focused approach to salutogenic chiropractic services, ensuring individuals receive care that supports their long-term goals for a higher quality of life. Our franchise system is designed to empower franchisees with a proven business model, ongoing training, and operational support, allowing them to build a thriving practice that positively impacts their community.~~

~~Just as hope fuels perseverance and resilience, ChiroWay fosters an environment where clients can experience the benefits of proactive chiropractic care, where franchisees can operate with confidence, and where communities can embrace a lifestyle of more vitality. Through simplicity, efficiency, and a commitment to quality care, ChiroWay delivers a business opportunity rooted in optimism, sustainability, and the pursuit of better outcomes for all.~~

~~At ChiroWay, our core values of Honesty, Optimism, Passion and Efficiency (“HOPE”) serve as guiding principles that shape our attitude, behavior, and approach to chiropractic care. These values create the foundation for our franchise to align with our vision of reducing tonal resistance, restoring alignment, and adjusting awareness to the innate potential within everyone through consistent chiropractic care. By embracing HOPE, ChiroWay creates an environment where clients benefit from a higher quality of life, chiropractors excel and communities flourish. These values are embedded in every aspect of our work, reinforcing our mission to open doors within communities and provide consistent, affordable chiropractic care aligned with the salutogenic journey to life.~~

You will receive the right to develop and operate (or manage, if you are not a licensed chiropractor) a Center offering our approved “ChiroWay Services,” using our methods, specifications, standards, formats, designs, operating and marketing procedures, confidential information, our Marks, and our proprietary software (all of which is collectively referred to as the “Business Method”). The “ChiroWay Services” are the standards, specifications and protocols for chiropractic care that we have developed for the ChiroWay Network, which we may modify and further develop over time. You will operate or manage a Center pursuant to a franchise agreement with us in the form attached as Exhibit A (the “Franchise Agreement”). If you are a licensed chiropractor, you are responsible for complying with the chiropractic care standards required to maintain your license in good standing and must utilize your independent professional judgment when operating the Center. If you are not a licensed chiropractor, you may only manage a Center for a licensed chiropractor that is authorized to own and operate a chiropractic practice.

### *Professional Corporation/Management Company Structure*

Except under limited circumstances in which we may allow a DC Student to become a franchisee, we require franchisees to be qualified individuals who have earned a DC degree and are licensed

October 2020 and lead instructor for AMPT. He serves in his current capacities in the Minneapolis-St. Paul, Minnesota metropolitan area.

**Matt Krieger, Chief Financial Officer**

Matt Krieger has been our Chief Financial Officer since November 2024, overseeing financial strategy, operational efficiencies, and franchise financial management for the ChiroWay Network. ~~He has~~With over 20 years of experience in public accounting, corporate finance, and franchise ownership.

**Dr. Scott Munsterman, DC, FICC, CPCO**

Dr. Scott Munsterman has been our Chief Compliance Officer since January 2019, overseeing regulatory compliance, risk management, and best practices for the ChiroWay Network. ~~With extensive experience in chiropractic compliance, governance, and care delivery, Dr. Munsterman ensures that ChiroWay operates within the highest professional and ethical standards while optimizing systems for sustainable growth.~~

Dr. Munsterman is the Founder and CEO of Best Practices Academy, an organization that has provided chiropractors with risk management and growth strategies for over a decade. ~~He is a graduate of Northwestern Health Sciences University, where he served as Vice Chair of the Board of Trustees and as a member of the President's Cabinet as Chief of Care Delivery. Additionally, Dr. Munsterman is recognized as an expert on MACRA (Medicare Access and CHIP Reauthorization Act), further solidifying his expertise in healthcare policy and compliance.~~

**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**

The “Initial Franchise Fee” for a ChiroWay franchise is \$33,000 and is due when you sign the Franchise Agreement. The Initial Franchise Fee is not refundable. The Initial Franchise Fee is uniformly charged except as provided below.

We offer a reduced Initial Franchise Fee of \$15,000 for each additional franchise agreement, each with its own Protected Area, you sign at the same time you sign your initial Franchise Agreement.

We also offer a reduced Initial Franchise Fee if you later open additional ChiroWay Centers either within your Protected Area (an “Additional Center”) or outside your Protected Area (an “Additional Area Center”). With our prior approval, if you are in good standing under all agreements with us, including current on all fees, and you desire to open an Additional Center or an Additional Area Center that meets our then-current standards and specifications for new ChiroWay Centers, you must sign our then-current form of franchise agreement for the Additional Center or Additional Area Center (which terms and conditions may be materially different from those under the Franchise Agreement) except that the Initial Franchise Fee due for the Additional Center or Additional Area Center is \$20,000. For each Additional Center, upon signing our then-current form

8. Although we do not require that you spend a particular amount on marketing for the initial opening of the Center, we strongly recommend that you spend this amount or more on grand opening promotional activities, such as direct mail, open houses, a ribbon-cutting ceremony, community listings, and participation in local community events.
9. This amount includes an estimate for prepaid insurance premiums. You must purchase and maintain insurance in the types and amounts we require, as further described in the Franchise Agreement and the ChiroWay Operating Systems Manual. Currently, our requirements include comprehensive general liability insurance with a combined single limit of at least \$1,000,000 for each occurrence and \$3,000,000 in the aggregate; professional liability (malpractice) insurance with coverage of at least \$1,000,000 for each occurrence and \$3,000,000 in the aggregate; cyber liability insurance with coverage of at least \$1,000,000 for each occurrence and \$3,000,000 in the aggregate; and worker's compensation, employer's liability and other insurance to meet statutory requirements in the jurisdiction in which the Center is located.
10. This amount assumes 1 attendee at training and that you are located close enough to drive to our training location in Woodbury, Minnesota. These figures include estimated costs for 1 hotel room for 1-2 night(s), ground transportation, and miscellaneous expenses. These costs may vary widely based on the fluctuation of travel prices, your travel preferences, and the location of the Center.
11. You may incur legal fees, accounting fees and other professional fees to set up a professional entity, obtain necessary licenses, review other agreements relating to the operation of the franchise, perform background checks, and perform other legal and tax filings and compliance functions. If you are a DC Student you will also have legal fees associated with the review of the Management Agreement. The legal fees incurred in connection with obtaining any licenses and complying with applicable laws will significantly vary.
12. This amount estimates the operating expenses you should expect to incur during the first 3 months of Center operations, including payroll (excluding any salary you may take), and monthly Systems Fees, Technology Fees, Coaching Fees, and Brand Fees. It does not include any return on investment during the 3-month period. The estimate also includes estimated rent, taxes, supplies, utilities, phone, internet and similar expenses. These amounts are estimates, and we cannot guarantee that you will not incur additional expenses in starting the business. Your costs will depend on factors such as your management skills and experience, local economic conditions, the local market for ChiroWay Services, the prevailing wage rate, competition, the amount of your initial investment you decide to finance, and the sales level reached during the initial period.
13. These figures are estimates only. We have relied on the experiences of our affiliates [and franchisees](#) in opening ~~company-owned~~ locations ~~in Minnesota~~ to compile these estimates. ~~This is only an estimate of your initial investment and is based on our estimate of costs and market conditions prevailing as of the issuance date of this Disclosure Document. It is possible to significantly exceed costs in any of the areas above. You must bear any deviation or escalation in costs from the estimates that we have given. You~~ You should review these figures carefully with a business and a legal advisor before making any decision to purchase a franchise. ~~Many factors that are unique to your market can make a dramatic difference in the estimates provided. The availability and terms of any financing will depend on factors like the availability of financing generally, your credit~~

~~worthiness, your relationship with local banks, your business experience, and any additional collateral you may offer to a lender to secure the loan.~~ Our estimates do not include any finance charges, interest, or debt service obligations.

## **ITEM 8.**

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

To ensure a uniform image and uniform quality of products and services throughout the ChiroWay Network, you must maintain and comply with our quality standards.

#### **Designated Suppliers**

You must purchase for use or sale at the Center only those services or products we designate. You must purchase these items from us, our designees or from other suppliers we approve. We or our designees may be the designated or sole source of supply for certain services and products, although as of the date of this disclosure document we are not the sole supplier for any service or product except for the Proprietary Software and certain branded apparel. As of the date of this disclosure document, you must obtain certain furniture and equipment for the Center from a mandatory vendor. We may receive rebates from our approved and mandatory vendors. You are not entitled to receive any portion of such rebates. In the year 2024, we received \$5,312.28 in rebates from our approved vendors.

#### **Approved Services and Products**

You may only provide the services we approve at your Center, which includes various salutogenic chiropractic services, as set forth in our ChiroWay Operating Systems Manual (the “Approved Services”). Some of the Approved Services are mandatory and you will receive training on such mandatory Approved Services. We own the rights to a proprietary chiropractic method, the AMPT, which you are required to learn and implement at your Center.

We will provide you with lists of approved manufacturers, suppliers and distributors (“Approved Suppliers List”) and approved inventory, products, fixtures, furniture, equipment, signs, supplies and other items or services necessary to operate or manage the Center (“Approved Supplies List”). The Approved Suppliers List may specify the specific manufacturer of a specific product or piece of equipment. We, an affiliate or a third-party vendor or supplier periodically may be the only approved supplier for certain items. The lists specify the suppliers and the products and services that we have approved for use in the Business Method. We may revise these lists and provide you with a copy of approved lists as we deem advisable.

If you want to use any unapproved material, fixture, equipment, furniture or sign, or purchase any items from any supplier that we have not approved, you must first notify us in writing and must submit to us, at our request, sufficient specifications, photographs, drawings or other information or samples for us to determine whether the services, material, fixture, equipment, furniture or sign complies with our specifications and standards, or the supplier meets our approved supplier criteria. We will notify you of our decision within a reasonable period (not exceeding 90 days) following our receipt of all information requested. You or the supplier must pay the reasonable cost of the inspection and evaluation and the actual cost of the test. We may re-inspect the facilities and products of any supplier or approved item and revoke our approval of any item or supplier that fails to continue to meet any of our criteria. We will send written notice of any revocation of an approved supplier or supply. As part of the approval process, we may require that a proposed supplier sign a supplier agreement covering such items as insurance, product