

FRANCHISE DISCLOSURE DOCUMENT



Natural Awakenings Publishing Corp.

350 Main Street, Building 1, Ste. 9B

Bedminster, NJ 07921

239-206-2000

www.NaturalAwakenings.com

You will own a Natural Awakenings franchise, publishing a print and digital Natural Awakenings® magazine, which is a free, local, community magazine with content on natural lifestyles, organic and healthy foods, sustainable, green living, and whole health for people and the planet. Your business income is derived from the sale of advertising space and other services using our business system.

The total investment necessary to begin operation of a Natural Awakenings franchise is between ~~\$59,55074,500.00~~ to ~~\$86,275140,500.00~~. This includes the Franchise Fee of \$49,500 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 or grant. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact our corporate office at 350 Main Street, Suite 9B, Bedminster, NJ 07921 or via telephone at 239-206-2000.

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, such as 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-FTCHELP 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: July ~~3021~~, 2024~~3~~

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

Franchisor

Natural Awakenings Publishing Corp. is the Franchisor and is referred to in this Disclosure Document as “NAPC,” “we” or “us”. The franchise offered and sold by NAPC is referred to in this Disclosure Document as the “Natural Awakenings® Magazine.” “You” means the person or entity that buys the franchise from NAPC. If the franchise is purchased by a corporation, limited liability company, partnership or other entity, then “you” may also mean the shareholders, members, partners or other owners of that entity.

The Natural Awakenings concept was founded in Naples, Florida in 1993. NAPC is a Delaware corporation formed on September 1, 2022, and does business under its entity name. NAPC’s principal business address is 350 Main Street, Building 1, Suite 9B, Bedminster, New Jersey 07921. NAPC also owns a dating website located at www.NaturalAwakeningsSingles.com, which is administered by Conscious Dating Network. Franchises have not, nor will they ever be, offered from this website. Except for offering websites and [a National digital magazine on the NAPC website and](#) digital magazines in states where there is no franchise and offering a co-branded, online subscription magazine ~~that may~~ be called Knatural Awakenings, we do not operate Natural Awakenings Magazines. We do not offer franchises for any other line of business, other than the franchises being offered in this Disclosure Document.

The agents for service of process for NAPC are listed in the State Agency Exhibit attached to this Disclosure Document (Exhibit A).

Parents, Predecessors and Affiliates of NAPC

NAPC’s parent is KnoWEwell, P.B.C. (“KnoWEwell”), a Delaware Public Benefit Corporation formed on December 1, 2017. Its principal place of business is 350 Main Street, Building 1, Suite 9B, Bedminster, New Jersey 07921. KnoWEwell has never offered franchises in this or any other line of business.

NAPC’s predecessor is Natural Awakenings Publishing Corp., a Florida corporation (“NAPC Predecessor”). The principal business address of NAPC Predecessor was 4851 Tamiami Trail, Suite 200, Naples, Florida 34103. On December 1, 2022, NAPC Predecessor sold all or substantially all of its assets to NAPC, including, but not limited to, the franchise system (the “Asset Purchase Transaction”). NAPC Predecessor has not operated, and does not currently operate, any Natural Awakenings magazine franchises and has not offered franchises in any other line of business. The principal owner of NAPC Predecessor owns Natural Awakenings Magazine, Inc., a Florida corporation formed on June 24, 2004, that publishes the Naples/Ft. Myers Edition of Natural Awakenings Magazine. Natural Awakenings Magazine, Inc. was a “company-owned” unit until the Asset Purchase Transaction and is now a franchisee.

NAPC’s parent, KnoWEwell, will be providing, directly or indirectly, technology-related services and may provide, directly or indirectly, other services to NAPC’s franchisees. KnoWEwell, directly or indirectly, through its vendors and on behalf of NAPC, will also be providing technology, marketing and layout services. In addition, franchisees are required to offer for sale ~~and cross-market~~ [Franchise Community memberships that include](#) KnoWEwell’s memberships, business services, and other services to the franchisee’s customers. National regional and local advertising sold by NAPC or Franchisee may be bundled with KnoWEwell advertising and other services.

Franchised Business

You will conduct business as Natural Awakenings Magazine (sometime referred to as “NA magazine” or “NA Business” or “Franchised Business”), publishing a free, local, community print and digital magazine, ~~as well as~~ [and may include](#) marketing a co-branded, online subscription magazine; ~~that~~

may be called Knatural Awakenings, maintaining a public website with content focused on natural lifestyles, organic and healthy foods, sustainable, green living, and whole health for people and the planet, and maintaining a Natural Awakenings community within~~cross-marketing~~ KnoWEwell's Regenerative Whole Health Hub, an online, ecosystem, community and marketplace. Your business income is derived from the sale of advertising space in your print and digital magazine and on your website, and from selling NAPC-approved services to customers, including, but not limited to, ~~KnoWEwell~~ memberships, business services, and advertising and media kit offerings, paid subscriptions to Knatural Awakenings magazine, information technology development and infrastructure solutions and marketing agency services from NAPC-approved vendors, and NAPC-approved events and expos, and from commissions paid from cross-marketing memberships in KnoWEwell's Regenerative Whole Health Hub. Each Franchised Business carries with it the right and obligation to establish and maintain, under the terms of the franchise agreement attached to this disclosure document as Exhibit "D," one Natural Awakenings magazine business in a single language within a certain geographical area (the "**Territory**").

As a Natural Awakenings franchisee, you will have the right to use the "Natural Awakenings" service/trademark and other symbols used in the operation of a Natural Awakenings business (the "**Marks**"), within your protected Territory, selling advertising space in your Natural Awakenings Magazine to companies desiring to advertise their goods and services to our targeted readership.

You will be competing with other types of natural lifestyle magazines that sell advertising and business services to businesses of the same nature.

Regulations Specific to the Publishing Industry

Operating a Natural Awakenings magazine franchise requires that you be in compliance with federal, state, local or other licensing and related requirements. Many of the laws, rules and regulations that apply to businesses generally have particular applicability to a Natural Awakenings magazine. You are required to obtain the necessary licenses and or permits for the operation of your Natural Awakenings franchise. Each state may differ in licensing and permit requirements for the services you will offer. It is your responsibility to research the requirements that apply to your specific Territory, to provide us with any research you perform, and to operate your franchise in full compliance with all federal, state and local laws that apply to your business.

ITEM 2 BUSINESS EXPERIENCE

The following persons are the directors, principal officers and other executives who have management responsibilities in the operation of our business. Background information includes their present positions within the organization and their principal occupational information over the past five years.

Kimberly Whittle, CEO

Ms. Whittle has been the CEO of NAPC since December 2022 to the present. From December 2017 to the present, Ms. Whittle has been the Founder and CEO of KnoWEwell in Bedminster, New Jersey. Ms. Whittle has been the CEO of Integrative Health & Wellness Corp. (IHWWell) in Gladstone, New Jersey, since March 2018 to the present. IHWWell has been inactive since December 2019.

Dr. Brian Stenzler, VP of Operations

Dr. Stenzler has been the Vice President of Operations of NAPC and KnoWEwell from January 2023 to the present. From May 1999 to the present, Dr. Stenzler has been the CEO, President and owner of DREAM Wellness in San Diego, California.

Vytautas (Vee) Banionis, Chief Marketing Officer

Mr. Banionis has been the Chief Marketing Officer of NAPC since July 1, 2023. From 2009 to the present, Mr. Banionis has been the CEO of Flip180, LLC, a digital publishing and marketing firm, in Woodland Hills, California.

Joe DunneJohn Voell, Director of Franchise Sales Manager

~~Mr. Voell has been our Franchise Sales Manager since April 2024. From June 2023 to the present, Mr. Voell, along with his wife, Trina Voell, have been owners of the Volusia and Flagler Counties, Florida (Daytona, Florida) Natural Awakenings Magazine and the Jacksonville, Florida Natural Awakenings Magazine. From December 2023 to the present, Mr. Voell, along with his wife, have also been owners of the Gainesville, Florida Natural Awakenings Magazine. From 2022 to the present, Mr. Voell and his wife have published the Lansing, Michigan Natural Awakenings Magazine. From 2019 to the present, Mr. Voell and his wife have owned the Detroit, Michigan and Traverse City, Michigan Natural Awakenings Magazines. From 2008 to the present, Mr. Voell has owned, along with his wife, the Ann Arbor, Michigan Natural Awakenings Magazine. He resides in Ann Arbor, Michigan. Mr. Dunne has been our director of franchise sales since December 2022 to the present. From January 2019 to December 2022, Mr. Dunne was the Chief Operating Officer and Director of Franchise Sales for NAPC Predecessor in Naples, Florida. From January 2018 to the present, Mr. Dunne has been the franchisee of the Natural Awakenings Magazine Bucks and Montgomery Counties, Pennsylvania edition, in Bedminster, New Jersey. From January 2017 to the present, Mr. Dunne has been the franchisee of the Natural Awakenings Magazine Morris, Union, Sussex and Essex Counties, New Jersey edition in Bedminster, New Jersey. From August 2012 to the present, Mr. Dunne has been the franchisee of the Natural Awakenings Magazine Somerset, Middlesex, Hunterdon, Mercer and South Warren Counties, New Jersey edition, in Bedminster, New Jersey.~~

Trina Voell, Franchise Sales Manager

~~Mrs. Voell has been our Franchise Sales Manager since April 2024. From June 2023 to the present, Mrs. Voell, along with her husband, John Voell, have been owners of the Volusia and Flagler Counties, Florida (Daytona, Florida) Natural Awakenings Magazine and the Jacksonville, Florida Natural Awakenings Magazine. From December 2023 to the present, Mrs. Voell, along with her husband, have also been owners of the Gainesville, Florida Natural Awakenings Magazine. From 2022 to the present, Mrs. Voell and her husband have published the Lansing, Michigan Natural Awakenings Magazine. From 2019 to the present, Mrs. Voell and her husband have owned the Detroit, Michigan and Traverse City, Michigan Natural Awakenings Magazines. From 2006 to the present, Mrs. Voell has owned, along with her husband (in 2008), the Ann Arbor, Michigan Natural Awakenings Magazine. She resides in Ann Arbor, Michigan.~~

Melanie Rankin, Publisher Training Manager

Ms. Rankin has provided proofreading services to NAPC since January 2023 to the present. Ms. Rankin had been the Publisher Training Manager of NAPC Predecessor from February 2020 to December 2022, and has been the Publisher Training Manager of NAPC since December 2022. From March 2006 to the present, Ms. Rankin has been the owner of Full Circle Publications in Pensacola, Florida.

Sandra Yeyati, National Editor

Ms. Yeyati has been the National Editor for NAPC since January 2023 to the present. From 2017 to the present, she has been the CEO and owner of Good Eye Press, LLC in Naples, Florida.

ITEM 3 LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4 BANKRUPTCY

No bankruptcies are required to be disclosed in this Item.

ITEM 5 INITIAL FEES

When you sign the Franchise Agreement, you will pay NAPC, in cash or other form of payment acceptable to NAPC, an initial franchise fee of \$49,500 for the right to establish and operate one Natural Awakenings Magazine in a Territory that consists of approximately 500,000 in general population (the “Initial Franchise Fee”).

You must submit your formal application and only if approved will you be offered a Natural Awakenings franchise. Once you sign the Franchise Agreement, you must pay the initial franchise fee. The initial franchise fee is due upon the signing of the Franchise Agreement, is fully earned by us and is entirely non-refundable in consideration of administrative and other expenses incurred by us in entering into the Franchise Agreement and for our lost or deferred opportunity to enter into the Franchise Agreement with others. During fiscal year 2023~~2~~, we ~~did not collect any charged~~ Initial Franchise Fees ~~of \$5,000 to \$10,000 per territory for existing NAPC franchisees. This does not mean we will discount the Initial Franchise Fee for you. We are not aware of any Initial Franchise fees collected by NAPC Predecessor during fiscal year 2022.~~

You are not required to pay us or our affiliates any other fees or payments for goods or services before your Franchised Business opens, which is the date that you launch your Natural Awakenings website, or the date that is 30 days from the execution of the Franchise Agreement, whichever occurs first.

ITEM 6 OTHER FEES

NAME OF FEE	AMOUNT	WHEN DUE	REMARKS
Royalties	Months 1 – 6 of operations, 7% of Gross Revenues or \$250.00 per month, whichever is greater, plus two full pages of your Magazine for NAPC use, sale or transfer. Month 7 of operations and through the term of the franchise agreement, 7% of Gross Revenues or \$500.00 per month, whichever is greater, plus two full pages of your Magazine for NAPC use, sale or transfer.	Payable with your monthly report and due between the 1 st and the 10 th day of the issue month.	Note 1 below
<u>Minimum Layout Services Fee</u>	<u>32 Standard Pages National Print and Digital Layout Only (No Local) is \$165 per month, plus:</u> <u>- for 8 Local Pages (40 page magazine), an additional \$230 per month</u> <u>- for 16 Local Pages (48 page magazine), an additional \$427 per month</u> <u>- for 24 Local Pages (56 page magazine), an additional \$582 per month</u> <u>- for 32 Local Pages (64 page magazine), an additional \$773 per month</u> <u>- for 40 Local Pages (72 page magazine), an additional \$965 per month</u>	<u>Due by the 10th day of each month, in advance for the following month.</u>	<u>Note 2 below</u> <u>These fees are subject to change.</u>

NAME OF FEE	AMOUNT	WHEN DUE	REMARKS
Layout Services Fee (<u>Full Service</u>)	\$3,500 per month <u>for our full service layout services</u> ; however, if your print magazine exceeds 72 pages, in addition to the flat monthly fee, you will be charged additional fees for the excess pages, which will be based on the then-current rate card.	-Due by the 10 th day of each month, for the prior <u>in advance for the following month</u> . For new Franchised Businesses, this fee will not be charged for the first publication of the print magazine	Note 2 below <u>This fee is subject to change.</u>
Technology Fees	Currently, \$557,680.00 to \$1,105.00 per month	Due by the 10 th day of each the month, <u>in advance for the following month</u> .	Note 3 below These fees are subject to change at any time. We will be collecting these fees. We may, however, require you to pay some or all of these fees to our affiliate or designated vendors.
National Advertising Fund	<u>If established, 32%</u> of Monthly Gross Revenues	Due by the 10 th day of each month, for the prior month	Note 4 below
Regional Advertising Cooperative	1% of Monthly Gross Revenues	ONLY if activated in your area. Due by the date determined by the Cooperative Members.	<u>Note 4 below</u>

NAME OF FEE	AMOUNT	WHEN DUE	REMARKS
Late Fee and Interest	\$5/day; 1.5%/month	When and if lateness occurs	Note 10 below
National Advertising Default Fee	The greater of the (i) then current full retail price of the advertisement, or (ii) the prorated amount we are indebted to the National Advertiser for each time you fail to publish the National Advertising, based on the price of the advertisement sold and the number of markets it was to be placed in, if applicable, plus a \$250 administrative fee.	If you fail to include advertising from a National Advertiser or any portion of the advertisements, we require you to include our in your publication, payable on the same day that Royalty Fees are due	Note 11 below
Insurance Default Fee	The cost of insurance plus \$ 1 200.00 per month administrative fee.	If you fail to purchase the required minimum insurance and we do so on your behalf.	Note 12 below
Damages, Costs and Attorney Fees	Actual amount of damages, reasonable attorney's fees and costs incurred by us.	After adjudication of legal action	Note 13 below
Audit Fees	Actual cost of audit plus interest on overdue amounts.	Upon receipt of bill	Note 14 below
Non-Compliance Fees	\$250 for the first violation of the Franchise Agreement, \$500 if the violation remains uncorrected 30 days after notice, and \$100 per day for each day the violation remains uncorrected	Upon demand	Note 15 below
Indemnification amounts	Actual amount of damages we suffer, including reasonable attorney's fees and costs.	As incurred	Note 16 below

NOTE: Except where otherwise specified above or in the following footnotes, no other fees or payments are to be paid to us, nor do we impose or collect any other fees or payments for any other third party. Any fees paid to us are non-refundable and uniformly imposed and collected unless otherwise noted.

Footnotes to Item 6

1. **Royalty Fees.** Royalties are payable with your monthly report and due by the 10th of the issue month to NAPC. We have the right to debit your Bank Account or charge your credit card on file for the amount due on the day that Royalties are due and payable, and you must complete any forms required

for us to do so. In addition, you must provide two full pages or separate smaller sections to equal two full pages of advertising space for NAPC's use, sale or transfer. If NAPC elects not to use the two full pages of advertising, the remaining portion will not be cumulative to the next month/issue, and NAPC will forfeit the remaining portion for that month/issue. The first Royalty Fee payment is due on the tenth (10th) day of the month after the earlier of either (i) Franchisee's launch of its Natural Awakenings website, or (ii) thirty (30) days after execution of the Franchise Agreement. (Franchise Agreement, Sections 6.2 and 6.15)

“Gross Revenues” means all revenues and income of any type or nature and from any source that you derive or receive, directly or indirectly, from, through, by, or on account of the operation of the Franchise and/or use of our marks, whether generated within or outside of the Approved Territory, and whether received in cash, in services, in kind, from barter and/or exchange, on credit, or otherwise, other than goods or services received by you in a barter exchange to promote the Franchised Business. Gross Revenues will include, without limitation, all revenues you receive after the expiration or termination of this Agreement in connection with Pendings, as defined in the Franchise Agreement, as well as revenues received from national and regional advertisers and commissions on sales of memberships, products and services (including, but not limited to Affiliates' memberships, products and services). For purposes of calculating Gross Revenues, you may not deduct or exclude any of the following items: commissions paid to your sales associates; payments required under the Franchise Agreement; the expenses of operating your business, including expenses related to the Franchised Business; any other costs incurred by you; or, any other deductions or exclusions that are not specifically authorized by the Franchise Agreement or the Operations Manual. Gross Revenues do not include, however, any sales taxes or other taxes collected by you for transmittal to the appropriate taxing authority. The use of any discounts, waivers, or any bartering or exchange transactions, or the sale of any products or services bearing the Trade Name or Marks outside the operation of the Franchised Business without prior written approval by Franchisor is prohibited and the amount of the discount, unapproved exchange or unauthorized sale offered by Franchisee in such case shall also be included in the definition of Gross Revenues (Franchise Agreement Section 1.7).

Bartering cannot exceed 10% of your total Gross Revenue in any given month. If you receive an offer to barter services that is more than 10% of your total monthly Gross Revenue, you may submit a written request for consideration to us prior to accepting the barter. We will provide an answer to your request within 15 days of the request receipt. (Franchise Agreement, Section 7.13)

If you continue to operate the Franchised Business after the expiration of the Initial Term and have not renewed the term; then, the Royalty Fee will be the greater of 14% of Gross Revenues or \$1,000.00 per month. (Franchise Agreement, Section 3.6.3.9)

2. **Layout Services Fee.** You may choose to use full service layout services or the minimum layout services. The Layout Services Fee for full service layout services includes operations management, local magazine production and layout, customer relations coordination and support, which services are subject to change. The Minimum Layout Services Fee for minimum layout services includes layout services only with 3 rounds of revisions and no graphic design, no editing or proofreading, and no coordination. This monthly fee will not be charged for the first publication of your Natural Awakenings digital magazine and the first publication of your first print magazine if your Franchised Business is a new franchise. We require you to use us for at least the minimum layout services and pay us ~~this fee~~ either the Layout Services Fee (for full service) or the Minimum Layout Services Fee for the layout of your Natural Awakenings print and digital magazine (Franchise Agreement, Section 6.5).
3. **Technology Fees.** We have established our own website using the Marks and our domain name (NaturalAwakenings.com), and we require you to use our website exclusively and pay us a fee for providing and maintaining it. We require you to use and pay us or our affiliates for our services and associated services fulfilled through our third-party vendors for technology services. Such service

charges cover the cost of monthly technology licensing, website hosting, customer relationship management (CRM), digital marketing applications, other subscription services, enterprise-wide operations systems, mobile application, data hosting, email, IT security, and other technology services or software fees that NAPC requires and may add and require in the future. (See Franchise Agreement, Sections 6.6 and 7.11). The first Technology Fee payment is due on the tenth (10th) day of the month after the earlier of either (i) Franchisee's launch of its Natural Awakenings website, or (ii) thirty (30) days after execution of the Franchise Agreement. (Franchise Agreement, Sections 6.6 and 6.15)

4. **National Advertising.** NAPC ~~has~~^{may} established a National Advertising Fund. The purpose of the National Advertising Fund is to pool advertising money of NAPC franchisees to achieve greater benefits for all in promoting the Trade Name and Marks.

~~If established,~~ You will pay a monthly contribution of ~~2%~~^{three percent (3%)} of the Gross Revenues for the preceding month to the National Advertising Fund, paid in the same manner as the Royalty Fee. (See ITEM 11 and Franchise Agreement, Section 6.11) ~~If established,~~ ^{The} first National Advertising Fund Fee payment is due on the tenth (10th) day of the month after the earlier of either (i) Franchisee's launch of its Natural Awakenings website, ~~or~~ (ii) thirty (30) days after execution of the Franchise Agreement, ~~or (iii) upon the establishment of the National Advertising Fund.~~ (Franchise Agreement, Sections 6.11 and 6.15)

5. **Training / Extended Support and/or Services Fees.** We will provide an initial training program for franchisees at no charge, unless you are purchasing an existing franchise. If NAPC agrees to provide additional training, extended support or additional services at Franchisee's request, NAPC may, in its sole discretion, provide such training, support or services (either through itself, its Affiliate or required or approved vendors) and Franchisee agrees to pay NAPC its then-current fees, which will depend on the scope of the requested training, support or services, plus related travel costs. We require you to use and pay us or our affiliates for our services and associated services fulfilled through our third-party vendors for additional training. Such extended support and additional services may include, but are not limited to, accounting services, editorial services (ex: writing, editing, proofreading), magazine production services (ex: magazine layout, graphic design for advertisements, etc.), marketing and graphic design services (ex: customization of market documents beyond standard provided by NAPC), website management services (ex: uploading content other than POP to the Franchisee's website), technical support, sales and/or business coaching, extended/repeat training on items for which initial training was provided, general training for personal computers, and other prerequisite subject matter of which you are required to have, prior to your opening, and miscellaneous operational support beyond the scope of NAPC's obligations. If resources are available by NAPC at our sole discretion, we may agree to provide support or services beyond the scope of our obligations. You will pay NAPC our or our affiliate's then-current rate for each type of extended support and/or additional service provided. (Franchise Agreement, Section 6.4)

If Franchisee, Franchisee's Business Manager and/or Responsible Agent does not successfully complete the Initial Training Program, Franchisee may substitute another trainee, but must pay a fee of \$1,500.00 per trainee. Any replaced Business Manager must attend and satisfactorily complete NAPC's next scheduled Initial Training Program, and pay NAPC \$1,500.00 per person attending the training program. (Franchise Agreement, Section 4.1.1) You are responsible for travel, accommodation and out-of-pocket expenses related to attending the training. This training does not include the general training for personal computers. You are required to have, prior to your opening, a full operational understanding of the personal computer and software.

NAPC may in its discretion provide ongoing training to you. NAPC requires that you attend and participate in these ongoing trainings. NAPC, at its discretion, may deliver these trainings in person or through the use of tele-conferencing, web or internet communication systems or physical attendance at a location to be determined by NAPC. You are responsible for any travel, accommodations and any

out-of-pocket costs necessary to allow you to attend these sessions. NAPC may require you to attend one online or in person training session each year for a fee of \$500 per participant (“Ongoing Training Fee”). (Franchise Agreement, Section 7.7)

NAPC requires that you attend the NAPC Owners Conference at least once every 2 years. These conferences will be held at locations to be determined by NAPC. You are responsible for the conference fee, not to exceed \$1,000 per person, and the cost of attending these conferences to the extent that travel, accommodations and any out-of-pocket expenses will be associated with your attendance (Franchise Agreement Section 7.7).

6. **Training Fee Upon Transfer.** If the Franchised Business is purchased from an existing owner and not NAPC, then the transferee/purchaser must pay NAPC this fee for the initial training (Franchise Agreement Section 18.5.9).
7. **Renewal.** When you renew your franchise agreement, NAPC will charge you a renewal fee, and you will be required to accept the terms of the then current Franchise Agreement at the time you renew (Franchise Agreement, Section 3.6.3).
8. **Transfer Fee.** NAPC charges a transfer processing fee of \$7,500 if you transfer your franchise to a third party. This fee compensates us for costs we incur to process the transfer, including administrative, legal and personnel costs. (Franchise Agreement, Section 6.9).
9. **Convenience Fee.** We offer you the opportunity to pay any fees due to us by ACH and credit card. Because we are charged a fee by the credit card processor to offer you this convenience, we will charge you 3.99% of the amount you pay using your credit card at the time of payment. We can increase this fee to reflect increases in the fees charged to us to process credit card payments. (Franchise Agreement, Section 6.10.2).
10. **Late Fee and Interest.** If any amounts owed to us are not paid by the payment due date, any such past due amount shall bear interest at the total rate of Five Dollars (\$5) per day plus one and one-half percent (1.5%) per month. (Franchise Agreement, Section 6.8)
11. **National Advertising Default Fee.** If you fail to include a National Advertiser’s advertisement in your publication without our prior written approval or you fail to include any of the advertisements that we require you to include in your magazine, we have the right to debit your Bank Account for the amount due on the day that Royalties are due and payable. (Franchise Agreement, Section 4.5.2)
12. **Insurance Default Fee.** If you fail to purchase the required minimum insurance, we can debit your Bank Account to reimburse us for the insurance premiums, plus an administrative fee of \$~~1~~200 per month. (Franchise Agreement, Section 10.4)
13. **Damages, Costs and Attorney’s Fees.** You must pay for our damages, expenses, costs and attorney’s fees if we are successful in enforcing any term of the Franchise Agreement, or any other rights that we may have as a matter of law arising out of the franchise relationship. You must also pay our reasonable attorney’s fees, expert fees and court costs if we become a party to any action or proceeding concerning the franchise agreement, the Franchised Business, acts by you, or in any bankruptcy proceeding regarding you or the Franchised Business (Franchise Agreement, Sections 22.7 and 22.8).
14. **Audit.** If NAPC audits your franchised location and finds that you have underreported Gross Revenues by 3% or more, or the audit is caused by your failure to provide certain supporting records or reports to NAPC, then you will be required to pay the costs of the audit. You will also be required to pay interest on past-due amounts as per note 10 above (Franchise Agreement, Section 9.1).

- 15. **Non-Compliance Fees.** NAPC may assess these fees in addition to any other monetary penalties described in the Franchise Agreement and in addition to any other rights and remedies available to NAPC under the Franchise Agreement or at law. (Franchise Agreement, Section 9.3)
- 16. **Indemnification.** You must indemnify us against any and all losses, costs, expenses (including reasonable attorneys’ fees), court costs, claims, demands, damages, liabilities, arising from your ownership or operation of the Franchised Business. (Franchise Agreement, Section 11.2)
- 17. **Right to Increase Fees.** With the exception of the Royalty Fee required in Section 6.2 of the Franchise Agreement, NAPC has the right to increase the fees in Section 6 of the Franchise Agreement with 90 days advance written notice. (Franchise Agreement, Section 6.18)

ITEM 7 ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

EXPENSE	ESTIMATES LOW	ESTIMATES HIGH	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAID
Initial Franchise Fee See Note 1	\$49,500	\$49,500	Cashier Check or as determined by NAPC	At signing	NAPC
Travel Expenses and meals while training See Note 2	\$0	\$1,500	As required	As incurred	NAPC or Vendors
Furniture, Fixtures, Racks & Equipment Computer See Note 3	\$2,100 4,000	\$6,350 12,000	Check on order	Before opening	Vendors
Additional Funds – first 6 months See Note 4	\$5,850 16,000	\$24,675 70,000 0	As required	As incurred	Various
Additional Misc. Fees & Expenses See Note 5	\$2,100 5,000	\$4,250 7,500	As incurred	Before Opening	Various
TOTAL See Note 6	\$59,550 74,500 0.00	\$86,275 140,500 00.00			

All fees in the table above are approximate based on the most recent suggested retail pricing from the manufacturers and vendors. These prices do not include freight from these vendors to your location.

Notes: to Item 7

- 1. Initial Franchise Fee will be payable by you upon execution of the Franchise Agreement and your approval by us. The Franchise Fee is fully earned and non-refundable.
- 2. If you are a new or transferee franchisee, the bulk of your initial training program will be held remotely but you may be required to travel to our corporate headquarters in Bedminster, New Jersey, or other place we designate, to receive a portion of the required training. You will be responsible for the cost of transportation, hotel and meal expenses during training.

3. You will be required to purchase a new personal computer or laptop or provide proof that your current computer or laptop is appropriate to run the software applications and the requisite security software we require. You must also purchase a printer/scanner, modem, and related connections. Franchisees who do not have ~~furniture, fixtures, a printers, equipment~~ computer, and distribution racks ~~and signage~~ may purchase them from any legitimate distributor. You may not need to purchase any of these items if you already have them and do not need to purchase any signage. You also do not need to purchase racks until the publication of your first print magazine. You have until the thirteenth month of signing your franchise agreement to publish your first print magazine. The “Low” number includes computer, printer/scanner, modem, related connections and a limited number of racks and the “High” number also includes estimates for office furniture, equipment and a larger quantity and quality of racks.
4. You will need operating and working capital to support the ongoing expenses of your business, including royalties, ~~and~~ the purchase of required services from us, technology fees and other software fees, as well as your living expenses (if your Natural Awakenings magazine is your only source of income) during the first six months, ~~such as payroll, utilities, rent, software fees, etc.~~ We do not anticipate that you will hire outside writers to write local content during the first 6 months of operations and, therefore, do not include payroll or contractor fees in this estimate. If you do, however, your initial investment will be higher to account for payroll and/or contractor fees. New businesses often generate a negative cash flow. We believe that the amount estimated will be sufficient to cover ongoing expenses of the business during the start-up phase of business; however, we provide no assurances that additional operating or working capital will not be necessary during this initial start-up phase or at other times in the future.
5. This miscellaneous category includes any business licenses, ~~temporary labor and~~ supplies, insurance, and other miscellaneous expenses.
6. In compiling this list of expenditures, we relied on our experience in the industry. The amounts shown are estimates only and may vary for many reasons including the size of your Territory, your capabilities, where you locate your NA Business, and your business experience and acumen. For planning purposes, please note that most costs and expenses listed in this Item 7 are not within our control and are affected more by general economic conditions than our actions. This does not include any personal living expenses, your compensation, technology, royalty or marketing and promotion fund contributions. You should review these estimates carefully with a business advisor or accountant before making any decision to buy a franchise. We offer direct financing to you for your Initial Franchise Fee (see Item 10), however, if you choose not to use our direct financing for the Initial Franchise Fee, all or part of your investment may be financed by a bank or other lending institution on terms we cannot estimate. Once you sign the Franchise Agreement, no payment you make to us is refundable.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Supplies and Suppliers

You must operate the NA Business according to our System standards. System standards include the matters in the Operations Manual and they may regulate among other things, the types, models and brands of required equipment, signs, stationery, promotional materials and other items necessary to operate the NA Business. We require you to purchase from NAPC, our affiliates, designated vendors and/or approved vendors. In other instances, you may select a vendor of your choice and submit such vendor information to NAPC for its approval. We provide all branding specifications to be used by you whenever branded products are purchased. Vendors that you purchase from must use our approved branding specifications.

Any item used in the NA Business must conform to our established standards and specifications. We apply the following general criteria in approving a proposed supplier:

1. Ability to provide sufficient quantity of product;
2. Quality of products and/or services at competitive prices;
3. Production and delivery capability; and
4. Dependability and general reputation.

We may revoke approval of a supplier if a supplier no longer meets these general criteria. You will receive notice of our approval or disapproval of a proposed supplier within 30 days of our receipt of all pertinent information.

If you would like to use any product, material, equipment or supply or purchase any products from a supplier that is not designated or already approved by us, you must obtain our prior written approval. In that case, you must notify us and submit to us all information, specifications and samples that we may request regarding a supplier, service or product proposed by you. We may require that our representatives be permitted to inspect the proposed supplier's facilities and that samples from the proposed supplier be delivered to us for evaluation and testing. We have the right to determine whether such supplier's goods or products meet the System standards and our specifications and may approve or disapprove any proposed supplier. We will typically provide a response to such written request within 30 days from the date we receive your written request and the necessary items we require for review. Although products, services or suppliers may be approved by us, we and/or our affiliates expressly disclaim all warranties, including warranties of merchantability and fitness for any particular purpose, with respect to products, services, fixtures, furniture (including without limitation any required computer systems), signs, stationary, supplies or other approved items sold to or provided to you by us or any third-party. We reserve the right to designate exclusive suppliers, the right to designate us or our affiliate(s) as an approved or exclusive supplier, and the right to earn fees on Franchisee purchases from suppliers. We do not charge you a fee to obtain our approval for a supplier.

Currently, we require you to purchase from us: minimum layout services and technology services, including technology licensing, website hosting, customer relationship management (CRM), digital marketing and social media applications, accounting software subscription, other subscription services, enterprise-wide operations systems, mobile application, payment gateway, data hosting, email, IT security, and other technology services or software that NAPC requires and may add in the future. You pay us the Layout Services Fee and the Technology Fees for these services. We are your only source for these services. We may require you to purchase other products and/or services from us or our affiliate in the future.

Your website must be purchased from NAPC and maintain consistency of brand appearance and standards. The "home" page of your website must also include "membership call to action" with a hyperlink to the "membership benefits" webpage to join the Natural Awakenings online community and the KnowEwell Regenerative Whole Health® Hub. Your website must also contain a webpage with redirect to NAPC website entitled "Purchase a Franchise".

We may also require you to purchase bookkeeping, insurance, publishing, editorial, proofreading, printing, and distribution services from our designated or approved suppliers in the future.

You will also be required to market and participate in our subscription-based magazine and mobile app that may be co-branded as *Knatural Awakenings* or another name as we may determine.

Our Chief Marketing Officer, Mr. Banionis, owns Flip 180, LLC, which is the company that will be providing the layout services, and may provide marketing agency and social media services, to our franchisees. Our CEO, Kimberly Whittle, and our VP of Operations, Dr. Brian Stenzler, owns an interest in KnoWEwell. None of our other officers, directors and members own an interest in any of our approved or required suppliers.

Standards and Specifications

You are obligated to purchase items that meet our minimum guidelines, standards and specifications. Our guidelines, standards and specifications may impose minimum requirements for quality, uniformity, design and appearance. Those will be communicated to you in our Operations Manual or otherwise in writing. Presently, we have established guidelines, standards and specifications for all advertising, promotion and logo use. You must adhere to our guidelines, standards and specifications for content, size, color paper stock and typeface. You must publish at least a digital magazine edition within the first 30 days of signing the Franchise Agreement. You have the option of publishing a digital-only magazine for no longer than the first 12 months of signing the Franchise Agreement. Commencing the thirteenth month from signing the Franchise Agreement, You must publish a minimum of 5,000 copies of your Natural Awakenings Magazine each month for the first six (6) months and 7,500 copies of your Natural Awakenings Magazine each month ~~for the seventh thereafter and all other months of~~ for the remaining Initial Term and each Renewal Term. Your digital magazine and offer to purchase *Knatural Awakenings* (or other named) online subscription-based magazine, must ~~also~~ be available ~~in a digital format on the home page of~~ on your website. All advertisements are subject to our approval or disapproval, and we must be given at least 10 business days to review your advertisements. If we or our designated agent fails to respond to you in 10 business days, then such advertisements will be deemed to be approved by us. We will also provide you with an array of operating forms and other supplies which you will reproduce and must use in the operation of your NA Business, as defined within our Operations Manual and other materials.

Computer Hardware and Software

You are required to purchase and utilize computer hardware that meets our specifications and our required software as more fully described in Item 11 of this Franchise Disclosure Document.

Insurance

Minimum Standards and Limits for Certain Types of Insurance Coverage. We prescribe minimum standards and limits for certain types of insurance coverage. You should seek counsel on any insurance coverage above and beyond these minimums to ensure your business is covered properly. We may modify the required minimum limits of insurance coverage from time to time by written notice to you, by means of supplements to the Operations Manual or otherwise. Upon receipt or attempted delivery of such written notice, you must immediately purchase insurance conforming to the newly established standards and limits we prescribe. You must obtain and keep in force throughout the term of the Franchise Agreement and for a period of one (1) year from the date of the last delivery of Services hereunder, policies of insurance providing the following coverage, issued by an insurer with a minimum rating of A by A.M. Best:

- a) Commercial general liability insurance and contractual liability insurance with a minimum limit of One Million Dollars (\$1,000,000) combined single limit coverage per occurrence. Such insurance may not have a deductible or self-insured retention of over Five Thousand Dollars (\$5,000).
- b) Professional liability insurance in the coverage amounts, if any, required by applicable state law or by NAPC from time to time in its reasonable discretion.
- c) Fire and extended coverage insurance on your Franchised Business and property in an amount adequate to replace both the Office and the property in case of an insured loss.
- d) Business interruption insurance in sufficient amounts to cover the rental of the Office, previous profit margins (in order that we receive the monthly payments, which would have been due were it

not for the interruption), maintenance of competent personnel and other fixed expenses during the life of the business interruption.

- e) Workers' compensation and employer's liability insurance in the amount required by statute, unemployment insurance and state disability insurance (as required by law).
- f) Insurance coverage of such types, nature and scope sufficient to satisfy your indemnification obligations under this Agreement.

Additional Insureds. Except for workers' compensation coverage, all policies are to contain language making NAPC an additional insured as our interest may appear for Claims relating to, arising out of, or made in connection with, the Franchise Agreement.

Certificate of Insurance. You must submit a certificate of insurance or coverage letter to us, on or before the date the Franchised Business is open for Business and thirty (30) days prior to the execution of any Renewal Agreement or upon our request. The certificate(s) of insurance or coverage letters delivered to us will specify the dates such coverage expires and provide further that you must provide thirty (30) days prior written notice to us of any cancellation of coverage, material reduction in the amount of coverage or elimination of coverage. If you fail to purchase the required insurance and NAPC is forced to purchase the insurance, then you must reimburse NAPC for the full cost of insurance, plus pay a \$200.00 per month administrative fee.

Miscellaneous

There are currently no purchasing or distribution cooperatives. We may negotiate discounted group rates, as we deem appropriate, for purchases of office supplies, printing, and other items necessary for the operation of the NA Business.

In 202~~32~~³², neither we nor KnoWEwell receive any revenues from the sale of products or services to franchisees. However, we expect that we and KnoWEwell will receive revenues in 202~~43~~⁴³ from the sale of required and optional products and services to our franchisees.

Neither we, KnoWEwell or our affiliates currently receive payments, rebates or other material consideration from suppliers based on required purchases or leases by franchisees. However, we, KnoWEwell and our affiliates reserve the right to receive rebates or other benefits based on purchases by franchisees, which we may retain for ourselves and/or themselves and for our and/or their benefit alone, in our sole discretion.

We estimate that approximately 61% of your expenditures and purchases in establishing your NA Business and less than 35% of your expenditures on an ongoing basis will be for goods and services which are subject to sourcing restrictions (that is, for which supplies or suppliers we must approve, require you to use, or which must meet our standards or specifications).

We do not provide or withhold material benefits to you (such as renewal rights or the right to open additional businesses) based on whether or not you purchase through the sources we designate or approve; however, purchases of unapproved products or from unapproved vendors in violation of the Franchise Agreement will entitle us, among other things, to terminate the Franchise Agreement.

ITEM 10 FINANCING

We offer qualified franchisees the opportunity to pay part of the Initial Franchise Fee in installments. The term of payments will depend upon our evaluation of your creditworthiness. The Promissory Note must be personally guaranteed by individual Guarantors as well as the Franchisee. The following table includes the options for the terms of the Promissory Note. The Promissory Note does not require the franchisee to waive defenses or other legal rights and does not bar the Franchisee from asserting a defense against the Franchisor or any assignee. See Exhibit E for a sample of the Promissory Note you will be required to sign if we offer you this opportunity.

Item Financed	Source of Financing	Down Payment	Amount Financed	Term (Yrs)	Interest Rate	Monthly Payment	Prepay Penalty	Security Required	Liability Upon Default	Loss of Legal Right on Default
Initial Franchise Fee	NAPC	\$25,000	\$24,500	4	Prime Rate +1%	Currently, \$615.52 612.60	None	None	Outstanding balance of Note and all accrued and unpaid interest	Termination of Franchise Agreement
Initial Franchise Fee	NAPC	\$25,000	\$24,500	5 6	Prime Rate + 2.5 %	Currently, \$656.68 517.54	None	None	Outstanding balance of Note and all accrued and unpaid interest	Termination of Franchise Agreement

Other than the Initial Franchise Fee, we do not offer direct or indirect financing. We do not guarantee your note, lease or other obligations. We offer only direct financing for the Initial Franchise Fee; however, we retain the right to sell, assign, transfer or grant a security interest in the Promissory Note and any amounts you owe to us and to delegate the right to collect such amounts to third parties.

ITEM 11 FRANCHISOR'S OBLIGATIONS

Except as listed below, NAPC is not required to provide you with any assistance.

Before you Open your Business, NAPC will:

1. **Site Requirements:** NAPC does not have any requirements for the location or appearance of your office space. We do not need to approve your site. We recommend you operate from your home office (See Franchise Agreement, Section 5).
2. NAPC will define and designate your territory (See Franchise Agreement, Section 3.3).
3. NAPC will provide a list of ~~computers, furnishings, fixtures, equipment,~~ distribution racks, computer hardware and software and supplies for your direct purchase, as well as software licensed through NAPC, to be used in your Franchised Business (See Franchise Agreement, Section 7.25).
4. NAPC provides an initial training program for you, your business manager, and your designated responsible agent (Franchise Agreement, Section 4.1)
5. Prior to the commencement of your Franchised Business and for a period of 30 days after you open for Business, NAPC will provide opening business and management consultation pertaining to the operation of the Franchised Business and effective implementation of the NAPC System through

telephone conferencing or online communication. The timing of such opening business and management consultation will be subject to the availability of NAPC personnel, and may be conducted off-site, by telephone, through electronic or other communication devices, as NAPC deems appropriate. (Franchise Agreement, Section 4.2)

6. NAPC will assist Franchisee with website setup and assist Franchisee with NAPC provided content for Franchisee's website. We must approve your website prior to making the site available to the public. (Franchise Agreement, Section 4.4)

7. NAPC will loan you our operations manuals (collectively "the **Manuals**"), proprietary business and advertising materials and other proprietary materials that we may publish and distribute to you periodically. (Franchise Agreement, Section 4.6) The NAPC Operations Manual and its online version are not to be duplicated or distributed to any person outside of your staff. Any violation of our proprietary rights will be cause for your default of the NAPC franchise agreement.

Opening

NAPC estimates that it will take no more than six (6) months after you sign a franchise agreement to publish your first Natural Awakenings print magazine. However, you may choose to publish a digital-only magazine for no more than the first 12 months of operations. Within 30 days from signing the franchise agreement, you must establish your website and publish your first digital magazine on your website. The factors that affect this time are the ability to attend training program, difficulty in arranging staffing and distribution, and soliciting advertisers. You must open your business and fulfill all the pre-opening obligations required by the Franchise Agreement and the NAPC Operations Manual within six-twelve (612) months of signing your franchise agreement, which includes publishing your first Natural Awakenings print magazine by the thirteenth month of signing your franchise agreement. (Franchise Agreement, Section 7.1)

During the Operation of your Franchised Business, NAPC will:

1. As further defined in the Operations Manual or elsewhere, NAPC will assist in providing layout services for the first print publication. Thereafter, you must pay us the monthly Minimum Layout Services Fee or the Layout Services Fee (for full service), as applicable. (See Franchise Agreement, Section 6.5)

2. You may purchase graphic design, editorial services for writing, editorial review, proofing and publishing of local content from NAPC, NAPC approved vendors, or obtain NAPC's prior written approval of alternative suppliers of such services. (Franchise Agreement, Section 7.9.1)

3. NAPC will furnish to Franchisee such assistance in connection with the operation of the Franchised Business that NAPC determines, in its discretion, are advisable. NAPC's representatives may render support services off-site, by telephone, through electronic or other communication devices or means, as NAPC deems appropriate. The timing of all such support services will be subject to the availability of NAPC's personnel. There is no particular type of assistance that is required to be provided by NAPC at any time or on an ongoing basis. (See Franchise Agreement, Section 4.3)

4. NAPC will maintain its proprietary website and host Franchisee's website (Franchise Agreement, Section 4.4).

5. Provide you with monthly editorial materials (Publishers Options Packages (POP)) and Cover Art options that you will use in the production of your magazine and website (See Franchise Agreement, Section 7.2).

6. Provide you with at least the minimum layout services, or if you choose, the full service layout services, for your magazine, for which we ~~and~~ will charge you the monthly Minimum Layout Services Fee or Layout Services Fee (for full service), as applicable, and any additional fees based on the current rate card and the number of pages you publish. These services are further detailed in the Operations Manual or elsewhere. You are responsible for the final review and approval of your local magazine. (See Franchise Agreement, Section 6.5).

7. Maintain its software system for customer inquiries and sales (Section 4.5.1).

8. Maintain the National Advertising Fund. (Franchise Agreement, Section 6.11)

Advertising Services:

1. NAPC does not have requirements for you to place advertising outside of your own Natural Awakenings magazine. (Franchise Agreement, Section 6.7)

2. You will prepare and place your own local advertising, at your own cost, using the specifications and standards for approved advertising located in your Operations Manual (See Franchise Agreement, Section 6.7). You may request NAPC to furnish you with advertising samples that may have been previously used. Any material that you prepare to advertise your Natural Awakenings magazine must be approved by NAPC prior to its use.

3. NAPC has the right to sell up to two pages of advertising in your Natural Awakenings magazine and to keep all of the revenues from these advertisements. In addition, NAPC has the right to market and administer to national and regional advertising customers for the benefit and placement in multiple issues/NAPC franchises (the “**National Advertising Program**”). Franchise owners are prohibited from joining together to solicit national advertisers with special discounts, placements, design/layout or services of any kind. This is the exclusive right of NAPC, except where written permission has been granted by NAPC. You must accept advertising from NAPC for national and/or regional advertisers. NAPC will pass on to you the net revenues from these National Advertising agreements less a NAPC commission of 25% to recover NAPC costs of implementing and soliciting these national and regional advertisers. (See Franchise Agreement, Sections 4.5 and 6.3)

4. As a Natural Awakenings magazine owner, you are required to participate in the National Advertising Program and may be required to participate in other marketing and advertising programs and opportunities under our required terms and conditions. You are subject to the National Advertising Default Fee if you fail to run an advertisement required by the National Advertising Program and termination if this occurs on 3 or more occasions. (Franchise Agreement, Section 4.5.2)

Advertising Programs

Local Advertising

You will have no requirements to advertise outside of your Natural Awakenings magazine. There is no requirement to participate in a local or regional advertising cooperative at this time. If you plan to advertise outside of your Natural Awakenings Magazine, you may only use advertising furnished or approved in writing in advance by us. NAPC does not pay for any advertising, identification or promotion by you. You must conduct all advertising which utilizes the Proprietary Marks or refers in any way to the NA Business in a dignified manner, and in a manner calculated to avoid fraud, deception, misrepresentation and/or embarrassment, shame, disparagement or liability of any type or nature whatsoever accruing to us, you, the NA Business, the NAPC System, or NAPC Affiliates. You must conform all advertising to all applicable laws, rules and regulations as well as the standards, specifications and requirements in the Operations Manual. If we discover that you have not done so, we will notify you in writing of the facts, which we believe have given rise to a breach. If you do not cure the breach within three (3) days following

delivery of the notice, then we may terminate or remove any unauthorized advertising at your expense. We also will be entitled to terminate the Franchise Agreement immediately upon notice to you.

Except for local advertising materials, programs and campaigns furnished by you to us, and for which we have granted our approval, you must submit to us for approval, before use or dissemination, copies of all proposed advertising placed outside of your Natural Awakenings magazine.

National Advertising Fund.

1. In addition to the National Advertising Program described above, you must contribute to the National Advertising Fund a monthly fee of ~~32~~³% of your monthly Gross Revenue if we establish the National Advertising Fund. (Franchise Agreement, Section 6.11)

2. We ~~are~~^{may} ~~establishing~~ a Marketing and Advertising Steering Committee, as well as other business steering committees. Each steering committee includes at least three volunteer franchisee representatives to help strategically identify and plan to optimize business resources, investment for the benefit of the NAPC brand and local franchisees.

3. If we establish affiliate or corporate-owned NA Businesses, they may contribute to the National Advertising Fund on the same basis as other franchisees.

4. If established, ~~We~~ will administer the funds contributed to the National Advertising Fund (“Fund”), as we deem appropriate. We will direct all advertising programs with sole control over the strategic direction, creative concepts, materials and media used in the programs, and the geographic, market and media placement and allocation of advertising. The Fund is intended to further general public and national advertiser recognition and acceptance of the Proprietary Marks for the benefit of the NAPC System. We and our designees undertake no obligation in administering the Fund to make expenditures for you which are equivalent or proportionate to your contributions, to ensure that any particular franchisee benefits directly or pro rata from the placement of advertising or to ensure that any advertising or marketing impacts or penetrates your Franchised Business or Approved Territory. The Fund is not a trust, and we are not a fiduciary with respect to the Fund. We will have the right to be reimbursed for our out-of-pocket expenses out of the Fund and to be paid a reasonable administrative fee for time and efforts in administering the Fund. This administration fee will not exceed 20% of funds collected.

5. The Fund may be used to meet any and all costs of administering, directing, preparing, placing and paying for national, regional or localized advertising (including, without limitation, the cost of preparing and conducting television, radio, magazine, newspaper or other advertising campaigns and other public relations activities) and employing advertising and promotional agencies or other advisors, including in-house employees or independent contractors, to assist in these activities; paying interest on monies borrowed by the Fund from third parties unaffiliated with NAPC; providing customer service surveys to Natural Awakenings franchisees; market research, market studies and customer satisfaction surveys; website, extranet, Intranet or mobile application development, implementation and maintenance; development, implementation and maintenance of a website that permits electronic commerce and/or related strategies; public relations and community involvement activities and programs; purchasing artwork and other components for advertising; conducting market research; creative development, preparation, production and placement of video, audio and written materials, electronic media and other marketing or promotional materials; sponsorship of sporting, charitable or other special promotional events, if NAPC chooses to do so at its sole discretion; and any reasonable administrative costs and overhead that Franchisor may incur in activities reasonably related to the administration or direction of the Advertising Fund and advertising programs, including, without limitation, bank fees; collecting and accounting for assessments for the Advertising Fund; and, other costs and overhead Franchisor incurs. NAPC need not maintain the sums paid by franchisees to the Fund or income earned from the Fund in a separate account from the other funds of NAPC, but NAPC may not use these amounts for any purposes other than those provided for in

this Agreement. NAPC may, however, expend the Fund for any reasonable administrative costs and overhead that NAPC may incur in activities reasonably related to the administration or direction of the Fund and advertising programs for franchisees including, without limitation, conducting market research; preparing marketing, advertising and promotional materials; working with advertising agencies, advertising placement services and creative talent; and, collecting and accounting for assessments for the Fund. The Fund may be used for advertising agency fees to secure the services of an advertising agency or to have print or broadcast advertising placed by an agency.

6. The monies contributed to the Fund will not be audited. NAPC will have no obligation to prepare or distribute to Franchisee any audited (or unaudited) statements detailing Fund income and expenses. If you send NAPC a written request, NAPC will provide Franchisee with an accounting of how the Fund contributions were spent during NAPC's last fiscal year within a reasonable time after NAPC receives your request, but never earlier than 45 days from when NAPC files its annual income tax returns such information is made available.

7. NAPC expects to expend most contributions to the Fund for marketing, advertising and promotional purposes during the fiscal year when the contributions are made. If NAPC expends less than the total sum available in the Fund during any fiscal year, NAPC may either expend the unused sum during the following fiscal year or roll it over to be used at the appropriate time as determined by NAPC. If NAPC expends an amount greater than the amount available in the Fund in any fiscal year (not including any sum required to be expended because NAPC did not expend all the sums in the Fund during the preceding year), NAPC will be entitled to reimburse itself from the Fund during the next fiscal year for all excess expenditures made during the preceding fiscal year.

8. The Fund was not yet established in 2023~~2~~. Since no funds have been collected for the National Advertising Fund during our most recently concluded fiscal year, we have not spent funds on production, media placement, administrative expenses, or any other use.

9. Although the Fund is intended to be of perpetual duration, NAPC maintains the right to terminate the Fund at any time. NAPC will not terminate the Fund, however, until it has expended all money in the Fund for marketing, advertising and promotional purposes.

10. We may spend advertising funds to principally solicit new franchise sales.

Computer Systems and Software: We require you to use a computer to operate your NAPC Business. Windows or Apple products can be utilized for compatibility of advertising and creative processes between NAPC, you, advertisers, printers, graphic designers, layout, editors, proofreaders, and creative others.

We will provide specifications for your direct purchase of required computer hardware and software to operate your NA Business and maintain security. The compatible computer requirements, as further defined in the Operations Manual, include hardware to accommodate required storage space with color printers. The specified computer hardware and software are required for each franchisee to have a common set of tools for compatibility of systems and to facilitate our support of your systems. (Item 7 includes the estimated initial costs of hardware and software) (See Franchise Agreement, Section 7.10)

To produce your Natural Awakenings magazine you must have the equipment and software listed in the Operations Manual. The currently required equipment includes, but is not limited to, a personal or business computer or laptop, a printer/scanner, modem, and related connections ("Computer System"). The currently required software ("Software") includes, but is not limited to, the most current versions of Adobe Creative Suites, Canva, electronic signature software, Microsoft Office, malware specified or approved by NAPC, CRM software, accounting software, licensed image software, and our e-mail, security, layout and enterprise-wide operations systems, and cloud storage. We estimate your initial costs for the Computer

System will range between \$32,100 and \$3,500~~5,100~~. Additionally, we estimate your on-going monthly Software and Internet fees, in addition to your Technology Fees, will range between \$92600 and \$3151,200 per month, which are subject to change. These other Software and Internet fees are paid directly to the vendors. NAPC is in the process of developing a proprietary enterprise-wide operations systems, which we expect to rollout in 2024~~3~~. You will be required to use and purchase this software from us, the cost of which is included in the Technology Fees.

You are responsible for all ongoing maintenance, repairs and upgrades to the Computer System and Software. The ongoing software and upgrade service maintenance is included in your Technology Fees. We ~~estimate that the do not expect that you will incur additional~~ annual costs ~~for you to provide~~ maintenance, repair or updates to the Computer System ~~will not exceed \$400.~~ However, we estimate that you will need to replace your computer every 5 to 8 years assuming you buy a new computer upon your purchase of the NA franchise.

If we find it will provide economically or systemically beneficial to you and to us, we may require you to upgrade or modify your computer, as necessary, to ensure that your Computer System and Software is sufficiently compatible with our computer system and software such that your Computer Systems and Software may communicate electronically with our computers or provide us with access to the information on your Computer Systems and Software. We may also require you to add memory, ports, accessories, peripheral equipment and additional, new or substitute software programs and/or hardware. We will notify you in writing at least sixty (60) days in advance of any such change in requirements.

We will have independent access to the information that will be generated or stored in the Computer System and Software. The data that will be generated or stored in the Computer System and Software will be customer information, sales information and logistical magazine printing volume and other figures related to the operation of the franchise. We may access all information about the operation of your NA Business, including customer and sales information at any time. There are no contractual limitations on our right to access the information.

Computer systems are vulnerable to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, date-related problems, and attacks by hackers and other unauthorized intruders. We have taken reasonable steps to ensure that these problems will not materially affect the System. We do not guarantee that information or communication systems supplied by us or our suppliers will not be vulnerable to these problems. You are solely responsible for protecting yourself from these problems. You must also take reasonable steps to verify that your suppliers, lenders, landlords, customers, and governmental agencies on which you rely, are reasonably protected. This may include taking reasonable steps, including steps that we may require, to secure your systems, including, but not limited to, firewalls, access code protection, anti-virus systems, and use of backup systems.

Training Programs

NAPC will conduct your initial training via a comprehensive “New Publisher Training Program” to educate you regarding how to operate your Natural Awakenings magazine business (See Franchise Agreement, Section 4.1). The Program is administered through a multimedia combination of online self-paced courses and scheduled live online training. Because of the variety of skill sets and experience that people have when they become franchisees, there is no predetermined number of hours for initial training. Training is customized according to each new franchisee’s needs within the scope of our Program and is approximately 2 to 5 days in duration.

Training will be held at a location(s) of NAPC’s choice prior to the opening of your business. Training is typically conducted remotely via Internet and Videoconference, self-paced online courses and modules, on-site at the franchisee’s location, at NAPC headquarters, at a facility in reasonable proximity to our headquarters, or may be conducted in any combination of these, as NAPC determines is appropriate.

Subject	Hours of Classroom Training	Hours of On-Site/On-The-Job Training	Location
Templates, Record Keeping & Data Management <i>*All business & tax compliance matters are the sole responsibility of the franchisee. Therefore, NAPC does not provide training designed to encompass federal/state/local business and/or tax compliance requirements</i>			
Tools & Technology & IT Security	2–5	0	Online/Remote
Total	15.5–39.5	0	

All subjects taught by NAPC executives and trained production staff.

Kimberly Whittle, CEO Ms. Whittle has been the CEO of NAPC since December 2022 to the present. From April 2017 to the present, Ms. Whittle has been the Founder and CEO of KnoWEwell P.B.C. in Bedminster, New Jersey. Ms. Whittle ~~was~~ a Certified Public Accountant ~~with-for~~ 25 years ~~and has 27 years~~ of experience in strategic and entrepreneurial business design and development, operations, and consulting, Big Four and Fortune 100 experience, and was the co-founder and president of a global strategic management consulting firm.

Melanie Rankin, our Publisher Training Manager, manages our training program and provides magazine production training, from content acquisition through printing, including, but not limited to, editorial, calendars, resource guide, layout, ad efficacy, organization and content management. Ms. Rankin has been the Publisher Training Manager of NAPC Predecessor from February 2020 to December 2022, and has been the Publisher Training Manager of NAPC since December 2022. Ms. Rankin’s areas of expertise encompass 35+ years and include writing and editing, graphic design, program development and training, operations management, teaching, customer satisfaction and web press printing (her husband’s family business). She has a graduate degree in English, with concentrations in Composition Theory and Technical and Professional Communications. She taught Composition and Business Communications at Auburn University for 5+ years, serving as the department’s Model Instructor for drop-in students and professors interested in their program. She has 15+ years’ experience with Natural Awakenings, having served as Managing Editor, Magazine Layout Artist/Graphic Designer and other key positions for many of our Natural Awakenings franchises. Ms. Rankin is a former magazine owner who operated her own Natural Awakenings franchise for five years, four of which included two franchises.

~~Joseph Dunne~~ John Voell, Franchise Sales Manager, trains on aspects of advertising sales. Mr. Voell has been our Franchise Sales Manager since April 2024. From June 2023 to the present, Mr. Voell, along with his wife, Trina Voell, have been owners of the Volusia and Flagler Counties, Florida (Daytona, Florida) Natural Awakenings Magazine and the Jacksonville, Florida Natural Awakenings Magazine. From December 2023 to the present, Mr. Voell, along with his wife, have also been owners of the Gainesville, Florida Natural Awakenings Magazine. From 2022 to the present, Mr. Voell and his wife have published the Lansing, Michigan Natural Awakenings Magazine. From 2019 to the present, Mr. Voell and his wife have owned the Detroit, Michigan and Traverse City, Michigan Natural Awakenings Magazines. From 2008 to the present, Mr. Voell has owned, along with his wife, the Ann Arbor, Michigan Natural Awakenings Magazine. Mr. Dunne has over 50 years of experience in general sales, B2B (business to-

~~business) sales and customer account management. He has over nine years' experience selling advertisements in Natural Awakenings magazines. From January 2019 to December 2022, Mr. Dunne was the Chief Operating Officer and Director of Franchise Sales for NAPC Predecessor in Naples, Florida. From January 2018 to the present, Mr. Dunne has been the franchisee of the Natural Awakenings Magazine Bucks and Montgomery Counties, Pennsylvania edition, in Bedminster, New Jersey. From January 2017 to the present, Mr. Dunne has been the franchisee of the Natural Awakenings Magazine Morris, Union, Sussex and Essex Counties, New Jersey edition in Bedminster, New Jersey. From August 2012 to the present, Mr. Dunne has been the franchisee of the Natural Awakenings Magazine Somerset, Middlesex, Hunterdon, Mercer and South Warren Counties, New Jersey edition, in Bedminster, New Jersey.~~

Trina Voell, sales trainer, also trains on aspects of advertising sales. Mrs. Voell has been our Franchise Sales Manager since April 2024. From June 2023 to the present, Mrs. Voell, along with her husband, John Voell, have been owners of the Volusia and Flagler Counties, Florida (Daytona, Florida) Natural Awakenings Magazine and the Jacksonville, Florida Natural Awakenings Magazine. From December 2023 to the present, Mrs. Voell, along with her husband, have also been owners of the Gainesville, Florida Natural Awakenings Magazine. From 2022 to the present, Mrs. Voell and her husband have published the Lansing, Michigan Natural Awakenings Magazine. From 2019 to the present, Mrs. Voell and her husband have owned the Detroit, Michigan and Traverse City, Michigan Natural Awakenings Magazines. From 2006 to the present, Mrs. Voell has owned, along with her husband (in 2008), the Ann Arbor, Michigan Natural Awakenings Magazine.

Peggy Malecki, Director of Communications, provides internal communications and intranet training. Ms. Melacki has been our Director of Communications since January 2023 and has been the owner and publisher of the Chicago Natural Awakenings Magazine for over 143 years. She facilitates training on our white label digital products through the delivery of materials and resources via the intranet and other means, and liaising with the product vendors, our sales trainer and/or training manager as needed.

Abdul Hammad, Security Director, provides infrastructure and information technology training. Mr. Hammad has been ~~our~~NAPC's Security Director since December 2022 and has over 176 years of industry experience.

~~Kristy Mayer, our Digital Content Director and Marketing Project Manager, manages and directs training and support on the use of our website platform as well as social media and other digital marketing assets. Ms. Mayer has been our Digital Content Director and Marketing Project Manager since January 2023. She works closely with new publishers to oversee the setup of their websites and serves the franchises as a resource for website guidance. Kristy has approximately 13 years of experience with Natural Awakenings managing our website content, working on the setup of franchisees' websites, and providing website training and support.~~

Initial training for a new NA Business is provided at no cost to you. However, if you purchased the Franchise from an existing owner and not us, then, the cost of the initial Training will be \$3,500.

You, your Responsible Agent and Business Manager must attend the initial training program within three (3) months after signing the Franchise Agreement and complete the initial training program to our satisfaction.

We may offer additional, ongoing training as needed by you. You may be required to participate in ongoing training that may be made available through teleconference or internet training. If your required trainees do not successfully complete our initial training or if your trained management personnel are terminated and/or replaced, the new operations personnel must attend our next scheduled training course. There is a fee of \$1,500 per person to attend. You must pay travel, meals and lodging expenses.

Agreement is terminated due to your default, your rights are not dependent upon achieving any certain sales volume, market penetration or any other contingency.

You may not solicit advertising or accept orders from customers outside of your Territory, or use other channels of distribution, such as the internet, catalog sales, telemarketing or other direct marketing, unless you receive prior approval from us. You can distribute your magazine only in your Territory.

We have the right to solicit advertisers anywhere for advertising in your magazine through our National Advertiser Program where advertisers for products and services outside your territory may wish to target your readership. You must agree to accept and place this advertising in your magazine, unless we give you our written approval. Failure to do so allows us to charge you the National Advertising Default Fee and we may terminate the Franchise Agreement if you fail to do so on three or more occasions. You must agree to the pricing offered to those National Advertisers. You must agree to the rules NAPC has set for the administrative process, including, but not limited to, timely reporting, acknowledgement and confirmation processes and invoice reporting. NAPC will bill the National Advertiser and remit to you the net of advertising rates charged less 25% sales commission and administrative fee to NAPC.

You will receive an exclusive territory. During the term of the Franchise Agreement, provided that you are in compliance with the Franchise Agreement and any other agreements with us and subject to Franchisor's reservation of rights set forth in the Franchise Agreement and below, neither we nor our affiliates will operate, nor will we grant anyone else the right to operate, a NA Business or a business offering the same or similar goods or services (i.e. a free print and digital local magazine that sells advertising) under the same or similar Marks within your Territory.

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

You do not have rights or options to acquire additional franchises after executing a Franchise Agreement. You may apply for the right to operate additional Natural Awakenings Franchised Businesses under separate Franchise Agreements.

We recommend that your Franchised Business (business location) is set up in your home (home-office) within your Territory. We must approve your office and any relocation of your office, in writing. We recommend that the office for the operation of your NA Business be in your Territory; but we do not require you to do so if you can demonstrate to our satisfaction that you can adequately service your Territory.

We reserve the right to use the Marks in alternative distribution methods inside and outside of your Territory, including, but not limited to, maintaining a website that is available over the Internet. We can both use the Internet as a method of distribution. You will establish a website with the assistance of NAPC, that must meet our standards and specifications. We will provide you with approved content and graphics for your website. We are not required to compensate you for advertisements that appear on our website. In addition, we and our Affiliates have the absolute right to:

1. Develop other business concepts under other brand names, provided such concepts are not the same or similar to a Natural Awakenings Business (i.e., a free print and digital local magazine that sells advertising), even if the locations for the concepts are within the Approved Territory;
2. Except as provided in the Franchise Agreement, and while we do not provide compensation to you, market, distribute and sell, on a wholesale or retail basis, goods or services under any of the Marks or other brand names, by direct sale, the Internet, mail order, infomercials, telemarketing or by any other method of marketing or distribution, even if such sales are made to customers, distributors or retailers who are located in the Approved Territory; and

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about your future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Kimberly Whittle, CEO, 350 Main Street, Bldg. 1, Suite 9B, Bedminster, New Jersey 07921 or kwhittle@knowewell.com, the Federal Trade Commission, and/or the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

**TABLE NO. 1: Systemwide Outlet Summary
For Fiscal Years ~~2021~~ to ~~2023~~**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	69	53	-16
	2021	53	50	-3
	2022	50	47	-3
	<u>2023</u>	<u>47</u>	<u>46</u>	<u>-1</u>
Company-Owned*	2020	1	1	0
	2021	1	1	0
	2022	1	0	-1
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>+1</u>
Total Outlets	2020	70	54	-16
	2021	54	51	-3
	2022	50	47	-4
	<u>2023</u>	<u>47</u>	<u>47</u>	<u>0</u>

*Due to the Asset Purchase Transaction, the Natural Awakenings magazine in Florida that was owned and operated by our predecessor's affiliate is no longer a Company-Owned outlet.

**TABLE NO. 2: Transfers of Outlets from Franchisees to New Owners
(other than the Franchisor or an Affiliate)
For Fiscal Years 202~~10~~ to 202~~32~~**

State	Year	Number of Transfers
Alabama	2020	0
	2021	1
	2022	0
	2023	0
Connecticut	2020	1
	2021	0
	2022	0
	2023	1
Florida	2020	1
	2021	0
	2022	0
	2023	2
Indiana	2020	0
	2021	0
	2022	0
Michigan	2020	0
	2021	0
	2022	0
New Jersey	2020	2
	2021	0
	2022	0
New York	202 10	0 2
	2021	0
	202 32	1 0
Virginia	202 10	0
	2021	1 0
	202 32	0 1
Wisconsin	2020	1
	2021	0
	2022	0
TOTAL	202 10	1 7
	2021	1
	202 32	4 1

**TABLE NO. 3: Status of Franchised Outlets
For Fiscal Years 202~~10~~ to 202~~32~~**

State	Year	Outlets at Start	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations	Outlets at End
-------	------	------------------	----------------	--------------	--------------	--------------------------	-------------------	----------------

		of the Year					- Other Reasons	of the Year
Alabama	2021 ₀	1	0	0	0	0	0	1
	2022 ₁	1	0	0	0	0	0	1
	2023 ₂	1	0	0	0	0	0	1
Arizona	2021 ₀	2	0	0	0	0	0	2
	2022 ₁	2	0	0	0	0	0	2
	2023 ₂	2	0	0	0	0	0	2
California	2020	1	0	0	1	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Colorado	2020	1	0	0	0	0	0	1
	2021	1	0	1	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Connecticut	2020	3	0	0	0	0	1	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
District of Columbia	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	1	0
	2023	0	0	0	0	0	0	0
Florida	2020	11	0	1	0	0	0	10
	2021	10	0	0	0	0	0	10
	2022	10	1*	0	0	0	1	10
	2023	10	0	0	0	0	0	10
Georgia	2021 ₀	1	0	0	0	0	0	1
	2022 ₁	1	0	0	0	0	0	1
	2023 ₂	1	0	0	0	0	0	1
Hawaii	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Idaho	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Illinois	2021 ₀	1	0	0	0	0	0	1
	2022 ₁	1	0	0	0	0	0	1
	2023 ₂	1	0	0	0	0	0	1
Indiana	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Louisiana	2021 ₀	1	0	0 ₁	0	0	0	1
	2022 ₁	1	0	0	0	0	0	1
	2023 ₂	1	0	0	0	0	0	1
Massachusetts	2021 ₀	1	0	0	0	0	0	1

	2022 ₁	1	0	0	0	0	0	1
	2023 ₂	1	0	0	0	0	0	1
Michigan	2021 ₀	4	0	0	0	0	0	4
	2022 ₁	4	0	0	0	0	0	4
	2023 ₂	4	0	0	0	0	0	4
Minnesota	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	1	0	0
Nevada	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
New Jersey	2021 ₀	6	0	0	0	0	0	6
	2022 ₁	6	0	0	0	0	0	6
	2023 ₂	6	0	0	0	0	0	6
New Mexico	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
New York	2021 ₀	3 ₅	0	0	0 ₁	0	0 ₁	3
	2022 ₁	3	0	0	0	0	0	3
	2023 ₂	3	0	0	0	0	0	3
North Carolina	2021 ₀	2 ₃	0	0	0	0	0 ₁	2
	2022 ₁	2	0	0	0	0	0	2
	2023 ₂	2	0	0	0	0	0	2
Oklahoma	2021 ₀	1 ₀	0 ₁	0	0	0	0	1
	2022 ₁	1	0	0	0	0	0	1
	2023 ₂	1	0	0	0	0	0	1
Oregon	2020	1	0	1	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Pennsylvania	2020	7	0	1	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	0	1	0	0	0	5
	2023	5	0	0	0	0	0	5
Puerto Rico	2020	1	0	0	1	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Rhode Island	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	1	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
South Carolina	2021 ₀	2 ₃	0	0	0	0	0 ₁	2
	2022 ₁	2	0	0	0	0	0	2
	2023 ₂	2	0	0	0	0	0	2
Texas	2021 ₀	2 ₄	0	0	0 ₁	0	0 ₁	2
	2022 ₁	2	0	0	0	0	0	2
	2023 ₂	2	0	0	0	0	0	2

Virginia	2021 0	1	0	0	0	0	0	1
	2022 1	1	0	0	0	0	0	1
	2023 2	1	0	0	0	0	0	1
Washington	2020	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
	2021	2	0	0	0	0	1	1
	2022	1	0	0	0	0	1	0
	2023	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Wisconsin	2021 0	1	0	0	0	0	0	1
	2022 1	1	0	0	0	0	0	1
	2023 2	1	0	0	0	0	0	1
TOTAL	2020	69	1	4	3	0	10	53
	2021	53	0	1	0	0	2	50
	2022	50	1	1	0	0	3	47
	2023	47	0	0	0	1	0	46

*Due to the Asset Purchase Transaction, the Natural Awakenings magazine in Florida that was owned and operated by our predecessor's affiliate is no longer a Company-Owned outlet, and is now a franchised-outlet.

**TABLE NO. 4: Status of Company-Owned Outlets
For Fiscal Years 2021~~0~~ to 2023~~2~~**

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Florida	2021 0	1	0	0	0	0	1
	2022 1	1	0	0	0	0	<u>0</u> ^{*1}
	2023 2	<u>0</u> ¹	0	0	0	0	0 [*]
Minnesota	2021	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2022	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2023	<u>0</u>	<u>0</u>	<u>1</u> ^{**}	<u>0</u>	<u>0</u>	<u>1</u>
TOTAL	2021 0	1	0	0	0	0	1
	2022 1	1	0	0	0	0	<u>0</u> ¹
	2023 2	<u>10</u>	0	<u>0</u> ¹	0	0	<u>10</u> [*]

*Due to the Asset Purchase Transaction, the Natural Awakenings magazine in Florida that was owned and operated by our predecessor's affiliate is no longer a Company-Owned outlet.

**This outlet is for sale by NAPC.

TABLE NO. 5: Projected Openings as of December 31, 2023~~2~~

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company Owned Outlets in the Current Fiscal Year
<u>Connecticut</u>	<u>2</u>	<u>2</u>	
Florida	<u>0</u> 1	1	0
Pennsylvania	<u>0</u> 3	<u>2</u> 3	0
Nevada	0	1	0
Texas	0	1	0
TOTAL	<u>0</u>6	<u>8</u>5	0

Exhibit C.1 lists the names of all current franchises and the addresses and telephone numbers of their outlets as of December 31, 2023~~2~~.

Exhibit C.2 lists the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, cancelled, not-renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during our most recently completed fiscal year ending December 31, 2023~~2~~, or who had not communicated with us within 10 weeks of the issuance date of this Franchise Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

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

We do not have any trademark-specific franchisee organization associated with the franchise system being offered which we have created, sponsored or endorsed; and, no independent franchisee organizations that have asked to be included in this disclosure document.

ITEM 21 FINANCIAL STATEMENTS

Exhibit B contains NAPC's audited financial statements for year ended December 31, 2023 and from September 1, 2022 (inception) to December 31, 2022~~unaudited opening balance sheet as of December 1, 2022~~. ~~We have not been in business for three years or more, and cannot include all financial statements required by the FTC's Franchise Rule. THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED THEIR OPINION WITH REGARD TO THE CONTENT OR FORM.~~



NATURAL AWAKENINGS PUBLISHING CORP.

EXHIBIT B

FINANCIAL STATEMENTS

~~THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.~~

NATURAL AWAKENINGS PUBLISHING CORP.

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

AND

FROM SEPTEMBER 1, 2022 (INCEPTION) TO DECEMBER 31, 2022

NATURAL AWAKENINGS PUBLISHING CORP.

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1 – 2
Financial Statements:	
Balance Sheets.....	3
Statements of Income.....	4
Statements of Stockholder's Equity	5
Statements of Cash Flows.....	6
Notes to Financial Statements.....	7 – 10
Supplementary Information:	
Schedules of Operating Expenses.....	11



Independent Auditors' Report

To the Board of Directors and Stockholder
of Natural Awakenings Publishing Corp.
Bedminster, New Jersey

Opinion

We have audited the accompanying financial statements of Natural Awakenings Publishing Corp., which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income, stockholder's equity, and cash flows for the period from inception (September 1, 2022) through December 31, 2022 and year ended December 31, 2023, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Natural Awakenings Publishing Corp. as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the period from inception (September 1, 2022) through December 31, 2022 and for the year ended December 31, 2023, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of operating expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Margate, Florida
April 30, 2024

NATURAL AWAKENINGS PUBLISHING CORP

BALANCE SHEETS

	As of December 31,	
	2023	2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 157,169	\$ 186,583
Accounts receivable, net of allowance of \$2,100 and \$ -	16,659	2,966
Prepaid expenses	7,964	7,330
Loan receivable from franchisees	28,000	-
Royalties receivables	24,825	27,074
Total current assets	234,617	223,953
Goodwill	110,000	110,000
Intangible assets, net of accumulated amortization of \$8,018 and \$ -	236,982	245,000
Total assets	\$ 581,599	\$ 578,953
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	\$ 40,094	\$ 24,476
Provision for state income taxes	4,000	-
Current maturities of long-term debt	50,000	50,000
Loan due to parent company	220,000	312,500
Total current liabilities	314,094	386,976
Long-term liabilities:		
Long-term debt, net of current maturities	93,415	150,000
Total long-term liabilities	93,415	150,000
Total liabilities	407,509	536,976
Stockholder's equity:		
Common stock (\$.001 par value, 10,000 authorized, 1,000 issued and outstanding)	1	1
Additional paid-in capital	42,500	42,500
Retained earnings (accumulated deficit)	131,589	(524)
Total stockholder's equity	174,090	41,977
Total liabilities and stockholder's equity	\$ 581,599	\$ 578,953

See independent auditors' report and accompanying notes to the financial statements

NATURAL AWAKENINGS PUBLISHING CORP
STATEMENTS OF INCOME

	Year ended December 31, 2023	Period from inception (September 1, 2022) to December 31, 2022
Revenues:		
Royalty fee income	\$ 334,667	\$ 27,040
National and corporate advertising	158,050	3,000
Franchise sales and transfers fees	62,500	-
Late fees and other	5,603	-
Total revenues	560,820	30,040
Cost of revenues:		
Publishing services	144,330	5,200
Commissions	66,875	450
Total cost of revenues	211,205	5,650
Gross profit	349,615	24,390
Operating expenses	183,167	21,847
Income from operations	166,448	2,543
Other income (expenses):		
Interest expense	(30,335)	(3,067)
Total other income (expenses)	(30,335)	(3,067)
Income before provision for income taxes	136,113	(524)
Provision for income taxes	4,000	-
Net income	\$ 132,113	\$ (524)

See independent auditors' report and accompanying notes to the financial statements

NATURAL AWAKENINGS PUBLISHING CORP
STATEMENTS OF STOCKHOLDER'S EQUITY

	Common Stock, \$.001 par value		Additional Paid-in Capital	Retained	Total
	Shares	Common Stock		Earnings (Accumulated deficit)	Stockholder's Equity
Balance as of Inception (September 1, 2022)		\$ -	\$ -	\$ -	\$ -
Issuance of common stock	1,000	1	-	-	1
Contribution of parent common stock for business acquisition	-	-	42,500	-	42,500
Net loss	-	-	-	(524)	(524)
Balance as of December 31, 2022	1,000	1	42,500	(524)	41,977
Net income	-	-	-	132,113	132,113
Balance as of December 31, 2023	1,000	\$ 1	\$ 42,500	\$ 131,589	\$ 174,090

See independent auditors' report and accompanying notes to the financial statements

NATURAL AWAKENINGS PUBLISHING CORP

STATEMENTS OF CASH FLOWS

	Year ended December 31, 2023	Period from inception (September 1, 2022) to December 31, 2022
Cash flows from operating activities:		
Net income (loss)	\$ 132,113	\$ (524)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Amortization	8,018	-
Bad debt allowance	8,100	-
Changes in assets and liabilities:		
Accounts receivable	(21,793)	(2,966)
Prepaid expenses	(634)	(7,330)
Loan receivable from franchisees	(28,000)	-
Royalties receivables	2,249	(27,074)
Accounts payable and accrued expenses	15,618	24,476
Provision for state income taxes	4,000	-
Net cash provided by (used in) operating activities	119,671	(13,418)
Cash flows from investing activities:		
Cash paid for acquisition of assets of a business	-	(112,500)
Net cash used in investing activities	-	(112,500)
Cash flows from financing activities:		
Proceeds from issuance of common stock	-	1
Proceeds from loan due to parent company	-	312,500
Payments on loan due to parent company	(92,500)	-
Payments on long-term debt	(56,585)	-
Net cash (used in) provided by financing activities	(149,085)	312,501
Net (decrease) increase in cash and cash equivalents	(29,414)	186,583
Cash and cash equivalents - beginning	186,583	-
Cash and cash equivalents - ending	\$ 157,169	\$ 186,583
Supplemental disclosures of cash flow information		
Cash paid during the year for interest	\$ 30,335	\$ 3,067
Cash paid during the year for income taxes	\$ -	\$ -

Supplemental disclosures of non-cash financing activities

During the 2022 reporting period, the Company participated in non-cash transactions associated with the acquisition of a business. Notably, a portion of the purchase price for the acquired business was settled through the assumption of \$200,000 in seller financing and the exchange of 50,000 shares of the Parent company's common stock. These non-cash transactions are disclosed to ensure transparency regarding the Company's investing and financing activities throughout the period.

See independent auditors' report and accompanying notes to the financial statements

NATURAL AWAKENINGS PUBLISHING CORP

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS

Natural Awakenings Publishing Corp. (the “Company”), a Delaware corporation, was formed September 1, 2022, by KnoWEwell, P.B.C. (the “Parent”), a Delaware public benefit corporation, for the purpose of owning and operating the Natural Awakenings magazine franchise system (the “System”). The magazine provides information regarding living a “natural lifestyle” and is distributed in the franchise territories throughout the United States where franchise owners generate income from the sale of ads to local advertisers.

On December 1, 2022, the Company acquired the assets, principally intangible assets and goodwill, and assumed the rights and obligations of the System’s franchise agreements from Natural Awakenings Publishing Corp., a Florida corporation (“NAPC-FL”) and began operations. The business acquisition was funded through a loan from the Parent, issuance of shares of contributed Parent common stock, and seller financing.

NOTE 2 – SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting

The financial statements and accompanying notes are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers highly liquid investments with maturity of three months or less at the time of purchase to be cash equivalents.

Accounts Receivable

Accounts receivable represent amounts due from individual franchises for royalty fees from the continuing operation of the franchises. All amounts are expected to be collected within one year. An allowance for bad debts, when considered necessary, is established and recorded based upon the Company’s historical bad debt experience and management’s judgment.

Loans Receivable from Franchisees

Loans receivable-franchisees represent amounts due from the sale of new franchise territories. All amounts are considered collectible. Any amounts considered to be uncollectible are charged off directly to bad debt expense. The loans carry no interest and are due within one year. Any amounts received prior to signing of the franchise contract are recorded as unearned revenue. No unearned revenue is recorded at December 31, 2023 and 2022.

Long-Lived Assets and Disposal of Assets

The Company reviews long-lived assets, to be held and used, for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the difference between the asset’s carrying value and fair value at the date of the impairment. Long-lived assets to be disposed of, if any, are reported at the lower of carrying amount or fair value less the cost to sell.

NATURAL AWAKENINGS PUBLISHING CORP

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Goodwill

Goodwill represents the excess of the purchase price of an acquired entity over the fair value of its identifiable net assets acquired. Goodwill is recognized as an intangible asset on the balance sheet at the acquisition date. Goodwill is not amortized but is subject to annual impairment testing. The Company assesses whether there are indications of impairment by considering both external and internal factors. If the carrying amount of the reporting unit exceeds its fair value, an impairment loss is recognized for the amount by which the carrying amount exceeds the reporting unit's fair value.

The Company performed its annual impairment test as of December 31, 2023 and 2022, and based on the results of the test, no impairment loss was identified.

Accounts Payable

Accounts payable represents amounts due to vendors for services provided and materials purchased, but not yet paid at December 31, 2023 and 2022.

Revenue Recognition

Royalty fees from franchises are recognized on the accrual basis consistent with ASC 606 revenue from contracts. The royalty fees are based on the greater of a percentage of each franchisee's sales or a minimum dollar amount per month.

Revenue from sales of new franchise territory is recognized when substantially all significant startup services to be provided by the Company have been performed. Generally, these startup services include training, setup of the new franchisee's website, and layout and editorial services for the first three months of operations.

Revenue from the sale of advertisements is recognized upon publishing of the advertising, which represents the point in time that the performance obligation is complete. Any amounts received in advanced of publishing an advertisement are recorded as unearned revenue on the balance sheet. Revenue and any related commission expense are reported on a gross basis.

Income Taxes

The Company recognizes and measures its unrecognized tax benefits in accordance with FASB ASC 740, Income Taxes. Under the guidance, the Company assesses the likelihood, based on technical merit, that the tax positions will be sustained upon examination based on the facts, circumstances and information available at the end of the reporting period. The measurement of unrecognized tax benefits is adjusted when new information is available, or when an event occurs that requires a change. The Company recognizes the accrual of any interest and penalties to unrecognized tax benefits in income tax expense. The Company does not have any uncertain tax positions which must be considered for disclosure.

The Company is included in the consolidated tax return of the Parent. To the extent that Parent's net operating losses offset the Company's taxable income, no income taxes are paid by the Company except for statutory minimum taxes by jurisdiction.

Advertising costs

The costs of advertising are expensed as incurred and amounted to \$12,169 and \$2,125 for the year and period ended December 31, 2023 and 2022, respectively.

NOTE 3 – CONCENTRATION OF CREDIT RISKS

The Company maintains its cash at a single financial institution. At times, some cash balances may be in excess of the Federal Deposit Insurance Corporation ("FDIC") insurance limits. At December 31, 2023 and 2022, the Company had no cash on deposit exceeding the FDIC limit.

NATURAL AWAKENINGS PUBLISHING CORP

NOTES TO FINANCIAL STATEMENTS

NOTE 3 – CONCENTRATION OF CREDIT RISKS (CONTINUED)

Financial instruments, which potentially subject the Company to credit risks, consist primarily of cash, receivables, payables, and accrued liabilities and are carried at amounts which reasonably approximate their fair value due to the short-term nature of these amounts or due to variable rates of interest which are consistent with current market rates.

NOTE 4 – INTANGIBLE ASSETS

The Company financial statements include intangible assets primarily composed of franchise agreements and trademarks. Franchise agreements represent contractual arrangements that grant right to operate franchised locations and utilize the Company's brand, trademarks, and operating systems. Franchise agreements acquired by the Company are initially recognized at the present value of the average monthly expected royalties, net of expected income taxes, at the date of acquisition.

Franchise agreements are amortized over their estimated useful lives, which are determined to be 15 years. Amortization is recognized on a straight-line basis over the useful life of the agreements.

The Company's intangible assets was are as follows:

	As of December 31,		Useful Lives (Years)
	2023	2022	
Franchise agreements	\$ 96,220	\$ 96,220	15
Trademarks	148,780	148,780	
Total intangible assets	245,000	245,000	
Less: accumulated amortization	(8,018)	-	
Intangible assets, net	\$ 236,982	\$ 245,000	

Amortization expense for the year and period ended December 31, 2023 and 2022 was \$8,018, and \$ -, respectively.

NOTE 5 – LOAN DUE TO PARENT COMPANY

The Company has a revolving loan due to Parent with a balance of approximately \$220,000 and \$312,500 at December 31, 2023 and 2022, respectively. The loan bears interest monthly at the greater of 8%, or prime plus 3%. The loan due to the Parent is classified as a current liability on the balance sheet. For the year and period ended December 31, 2023 and 2022, the Company paid interest to the Parent \$30,335 and \$3,067, respectively.

NOTE 6 – LONG-TERM DEBT

In connection with the acquisition of the assets of NAPC-FL on December 1, 2022, the Company entered into a \$200,000 of seller financing in the form of a four-year note (the "Note"). The Note is repayable in equal monthly installments of \$4,167. The Note does not bear interest and the owner of NAPC-FL, who also owns a franchise in the System, does not pay monthly royalties during the term of the Note provided such franchise continues to be owned and operated by the owner of NAPC-FL. The Note is personally guaranteed by the Company's chief executive officer. The balance due on the Note at December 31, 2023 and 2022 was \$143,415 and \$200,000, respectively.

NATURAL AWAKENINGS PUBLISHING CORP

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – LONG-TERM DEBT (CONTINUED)

The future minimum principle payments are as follows:

Year ending December 31,	Amount
2024	\$ 50,000
2025	50,000
2026	43,415
Total	\$ 143,415

NOTE 7 – OTHER RELATED PARTY TRANSACTIONS

The Company purchases employee services from the Parent, for the year and period ended December 31, 2023 and 2022, the total cost of employee services from the Parent was \$37,063 and \$13,940, respectively.

NOTE 8 – SUBSEQUENT EVENTS

The Company has evaluated subsequent events through April 30, 2024 the date which the financial statements were available to be issued.

NATURAL AWAKENINGS PUBLISHING CORP
SCHEDULES OF OPERATING EXPENSES

	Year ended December 31, 2023	Period from inception (September 1, 2022) to December 31, 2022
Advertising	\$ 12,169	\$ 2,125
Legal and professional fees	58,160	7,500
Contract labor	52,406	11,256
Provision for bad debts	8,100	-
Rent	1,585	288
Bank and merchant services fees	9,384	25
Information technology and software	11,605	126
Business licences and permits	3,933	-
Dues and subscriptions	1,045	95
Amortization expense	8,018	-
Insurance	3,778	432
Conferences, travel and entertainment	12,111	-
Telephone	873	-
Total operating expenses	\$ 183,167	\$ 21,847

See independent auditors' report

EXHIBIT C-1
ROSTER OF FRANCHISEES
As of December 31, 202~~3~~²

ALABAMA	
Gulf Coast Alabama/Mississippi TeamWorks, LLC Michelle Smith	123 Fig Avenue Fairhope, AL 36532 (251) 990-9552
ARIZONA	
Phoenix Desert Sky Publishing, LLC Tracy Patterson	17470 N Pacesetter Way Scottsdale, AZ 85255 (480) 589-8800
Tucson Naturally Tucson, LLC Holly Baker	4880 N. Sabino Canyon Rd., #12149 Tucson, AZ 85750 (520) 760-2378
CONNECTICUT	
Fairfield & Southern Litchfield Counties Erica Mills	241 Catherine Street Buchanan, NY 10511 (203) 885-4674
New Haven & Middlesex Counties LLJ Enterprises, LLC Flowing Energy Communications LLC Gail Heard Ariana Fine	229 Branford Road #206 North Branford, CT 06471 (203) 988-1808 Stratford, CT 203-900-4525
FLORIDA	
Broward County (Ft. Lauderdale Area) SQ International, LLC Susan Q Wood	3900 Galt Ocean Dr., Ste. 1403 Ft. Lauderdale, FL 33308 (954) 630-1610
Jacksonville / St. Augustine Go Direct Marketeam, LLC Rebecca Young Healthy Living Michigan LLC John Voell & Trina Voell	PO Box 731466 Ormond Beach, FL 32173 (386) 736-3838 P.O. Box 2717 Ann Arbor, MI 48106 (734) 757-7929
Central Florida / Greater Orlando Margaret Jones	PO Box 2230 Winter Park, FL 32790 (407) 628-0705
Palm Beach County SQ International, LLC Susan Q Wood	3900 Galt Ocean Dr., Ste. 1403 Ft. Lauderdale, FL 33308 (954) 630-1610
Northwest FL (Pensacola/Panama City/Emerald Coast Area) Daralyn Chase	PO Box 945 Destin, FL 32540 (888) 228-8238
Sarasota, Manatee, Charlotte & DeSoto Counties Janet Lindsay	4305 62nd St. E. Bradenton, FL 34208-6663 (941) 564-0885
Tampa Bay (Hillsborough & Pinellas Counties) Natural Awakenings of Tampa Bay, Inc. Debbey Wilson	1117 Pinellas Bayway S. #102 Tierra Verde, FL 33715 (727) 865-9339
Collier/Lee County, FL Natural Awakenings Magazine, Inc. Sharon Bruckman	4851 Tamiami Trail, Suite 200 Naples, FL 34103 239-434-9392
Space & Treasure Coast Kris Urquhart & Laurie Davey	14307 Royal Lytham Ct Orlando, FL 32828 (321) 426-0080

Volusia / Flagler Counties <u>Healthy Living Michigan LLC</u> <u>John Voell & Trina Voell</u> <u>Go-Direct Marketeam, LLC</u> <u>Rebecca Young</u>	<u>PO Box 731466</u> <u>Ormond Beach, FL 32173</u> <u>(386) 736 3838</u> <u>P.O. Box 2717</u> <u>Ann Arbor, MI 48106</u> <u>(734) 757-7929</u>
GEORGIA	
Atlanta Awakenings Atlanta, Inc. Paul Chen	1402 Dancing Fox Road Decatur, GA 30032 404-474-2423
ILLINOIS	
Chicago Cultivating Consciousness, LLC Peggy Malecki	PO Box 72 Highland Park, IL 60035 (847) 858-3697
LOUISIANA	
Acadiana Edition (Lafayette Area) Liteon Investments, LLC Steve & Michelle Castille	100 E. Angelle St. Carencro, LA 70520 (337) 280-3363
MASSACHUSETTS	
Boston Daisy Publishing, Inc. Maisie Raftery	829 Greenwich Ave. Warwick, RI 02886 (617) 906-0232
MICHIGAN	
Greater Ann Arbor John & Trina Voell	P.O. Box 2717 Ann Arbor, MI 48106 (734) 757-7929
Western Michigan Gallina Ventures, LLC Pamela Gallina	18881 N. Fruitpoint Rd. Spring Lake, MI 49456 (616) 604-0480
East Michigan Michigan Healthy Living & Sustainability Inc. Jerry & Tracy Neale	P.O. Box 283 Oxford, MI 48371 (248) 628-0125
Detroit/Wayne & Monroe Counties Healthy Living Michigan, LLC John & Trina Voell	P.O. Box 2717 Ann Arbor, MI 48106 (734) 757-7929
MINNESOTA	
Twin Cities <u>Bold Expressions LLC</u> <u>Candi Broeffle</u>	<u>PO Box 292</u> <u>Moose Lake, MN 55767</u> <u>(763) 270 8604</u>
NEW JERSEY	
Bergen & Passaic Counties Anil Singh	247 Ehret St. Paramus, NJ 07652 (201) 781-5577
Hudson County Claire Byers	PO Box 4155 River Edge, NJ 07661 (201) 264-4290
Central NJ (Somerset/Middlesex/Hunterdon & Mercer Counties and S. Warren County) Full Circle Resources, LLC Joseph Dunne & Asta Dunne	388 Terrace Lane Bedminster, NJ 07921 (908) 405-1515
Ocean & Monmouth Counties The New Day Shift, Inc Sharon Shaffery	P.O. Box 61 Leonardo, NJ 07737 (732) 230-7337
North Central NJ (Essex, Morris, Sussex & Union Counties) Full Circle Resources, LLC Joseph Dunne & Asta Dunne	388 Terrace Lane Bedminster, NJ 07921 (908) 405-1515

South Jersey Vybe Media LLC Shanan Drabin	12 Sweetgum Court Marlton, NJ 08053 (867) 797-2227
NEW YORK	
Long Island NA Media Productions, LLC Michael Lehrman & Cyrece Lehrman	244 5th Avenue, Suite T250 New York, NY 10001 (212) 726-1420
Westchester, Putnam & Dutchess Counties Dana Boulanger & Marilee Burrell <u>Erica M. Mills</u>	PO Box 313 Lincolndale, NY 10540 (914) 617-8750 Buchanan, NY (203) 885-4674
New York City NA Media Productions, LLC Michael Lehrman & Cyrece Lehrman	244 5th Avenue, Suite T250 New York, NY 10001 (212) 726-1420
NORTH CAROLINA	
Charlotte Health Green Living, Inc. Shannon McKenzie	19823 Henderson Rd. Unit G Cornelius, NC 28031 (704) 778-6863
Coastal Carolinas (Northern tip—Cedar Island NC down to Southern tip—North Santee SC) Lori & David Beveridge	PO Box 4753 Wilmington, NC 28406 (910) 833-5366
OKLAHOMA	
Manna Services Group, LLC Mark & Shanna Warner	7941 E. 57 th Street, Suite 3 Tulsa, OK 74145 (405) 928-9285
PENNSYLVANIA	
South Central PA Free Hawk Publishing, Inc. Dave Korba	2 Grandview Ave. Hanover Township, PA 18706 (570) 350-4590
Lancaster/Berks Counties PA Ten Branches Publishing, LLC Kendra Campbell & Jacqueline Mast	PO Box 6274 Lancaster, PA 17607 (717) 399-3187
Pittsburgh Common Culture Institute Inc. Michelle Dalnoky	157 Springer Rd. McClellandtown, PA 15458 (724) 271-8877
Bucks & Montgomery Counties Full Circle Resources LLC Joseph Dunne & Asta Dunne	388 Terrace Lane Bedminster, NJ 07921 (267) 544-9585
Greater Lehigh Valley & Far West NJ Deka Rodger (a/k/a Derek Rodger) & Michele Rodger	PO Box 81 Three Bridges, NJ 08887 (610) 421-4443
SOUTH CAROLINA	
Charleston Lowcountry Lotus Blossom, Inc. Toni Conover	1934 Tison Lane Mount Pleasant, SC 29464 (843) 819-5455
Columbia Annette Carter Briggs	PO Box 2812 Columbia, SC 29202 (803) 233-3693
TEXAS	
Dallas Metroplex Bernice Butler	4813 N O'Connor Road, #226 Irving, TX 75062 (972) 992-8815
Houston Mike & Cindy Hart	318 W. 24 th Houston, TX 77008 (713) 443-3186

ROSTER OF FRANCHISEES SIGNED BUT NOT OPENED

As of December 31, 202~~3~~²

None

<u>CONNECTICUT</u>	
<u>Hartford and Tolland Counties, CT</u> <u>Flowing Energy Communications LLC</u> <u>Ariana Rawls Fine</u>	<u>Stratford, CT</u> <u>203-900-4525</u>
<u>Windham and New London Counties, CT</u> <u>Flowing Energy Communications LLC</u> <u>Ariana Rawls Fine</u>	<u>Stratford, CT</u> <u>203-900-4525</u>
<u>FLORIDA</u>	
<u>Alachua and Marion Counties, FL (Gainesville Ocala)</u> <u>Healthy Living Michigan LLC</u> <u>Trina Lynn Voell & John Raymond Voell III</u>	<u>P.O. Box 2717</u> <u>Ann Arbor, MI 48106</u> <u>(734) 757-7929</u>
<u>PENNSYLVANIA</u>	
<u>Philadelphia Central PA</u> <u>VYBE Media, LLC</u> <u>Shanan Drabin</u>	<u>Marlton, NJ</u> <u>(867) 797-2227</u>
<u>Philadelphia North PA</u> <u>VYBE Media, LLC</u> <u>Shanan Drabin</u>	<u>Marlton, NJ</u> <u>(867) 797-2227</u>
<u>Philadelphia South PA</u> <u>VYBE Media, LLC</u> <u>Shanan Drabin</u>	<u>Marlton, NJ</u> <u>(867) 797-2227</u>

EXHIBIT C-2

**ROSTER OF FRANCHISES TRANSFERRED, TERMINATED,
CEASED OPERATION AND NON-RENEWALS**

As of December 31, 202~~3~~²

TRANSFERS

Former Franchisee	City/State	Telephone Number
4 Leaf Productions, Jessica Coffey	Richmond, VA 23221	804 405 6724
LLJ Enterprises, LLC, Gail Heard	North Branford, CT	203-988-1808
Go Direct Marketeam, LLC, Rebecca Young	Ormond Beach, FL	386-736-3838
Dana Boulanger	Lincolndale, NY	914-617-8750

REAIQUIRED BY FRANCHISOR

Former Franchisee	City/State	Telephone Number
Bold Expressions LLC Candi Broeffle	Moose Lake, MN	(763) 270-8604

TERMINATED

Former Franchisee	City/State	Telephone Number
Northeast PA Reid Boyer	Emmaus, PA	610-421-4443

CEASED OPERATIONS

Former Franchisee	City/State	Telephone Number
Stephen Ellis	Bethesda, MD	202-505-4835
Sunshine Publishing Group, LLC Sheila Mahan	Winter Springs, FL	352-366-0088
Holistic Northwest Living, Inc. Amber McKenzie	Spokane, WA	509-869-4361

NON-RENEWALS:

None

1.2 “Bank Account” has the meaning set forth in Section 6.13.

1.3 “Barter” or “Bartering” means exchange (goods or services) for other goods or services without using money, other than goods or services received by the Franchisee to promote the Franchised Business.

1.4 “Confidential Information Nondisclosure and Noncompetition Agreement” means an agreement in the form of the sample agreement attached as Exhibit B whereby each partner, proprietor, shareholder, member, trustee, trustor or beneficiary or person named as included or having an interest in Franchisee obligates itself to (i) keep Confidential Information confidential and not disclose Confidential Information to third parties, and (ii) not compete with NAPC or NAPC’s franchisees or Affiliates.

1.5 “Franchise Agreement” means this Agreement.

1.6 “Franchised Business” means the Natural Awakenings Business operated and managed by Franchisee during the Initial Term of this Agreement and contemplated by this Agreement. It includes all assets of Franchisee’s business relating to this Agreement, tangible and intangible, including but not limited to real property.

1.7 “Gross Revenues” means all revenues and income of any type or nature and from any source that Franchisee derives or receives, directly or indirectly, from, through, by or on account of the operation of the Franchised Business or the use of the Proprietary Marks, whether generated within or outside of the Approved Territory, and whether received in cash, in services, in kind, from Barter and/or exchange, on credit, or otherwise. Gross Revenues will include, without limitation, all revenues Franchisee receives after the expiration or termination of this Agreement in connection with Pendings, as defined in Section 19.5.3 herein, as well as revenues received from national and regional advertisers and commissions on sales of memberships, products and services (including, but not limited to Affiliates’ memberships, products and services). For purposes of calculating Gross Revenues, Franchisee may not deduct or exclude any of the following items: commissions paid to Franchisee’s sales associates; payments required under this Agreement, including payments listed in SECTION 6 of this Agreement; the expenses of operating Franchisee’s business, including expenses related to the Franchised Business, such as, but not limited to, credit card fees paid in connection with Franchisee’s collection of revenues; any other costs incurred by Franchisee; or any other deductions or exclusions that are not specifically authorized by this Section 1.7 or the Operations Manual. Franchisee agrees that the use of any discounts, waivers, or any bartering or exchange transactions, or the sale of any products or services bearing the Proprietary Marks outside the operation of the Franchised Business without prior written approval by Franchisor is prohibited and the amount of the discount, unapproved exchange or unauthorized sale offered by Franchisee in such case shall also be included in the definition of Gross Revenues.

1.8 “Open for Business” or the “Commencement Date” means the date that Franchisee launches its Natural Awakenings website, or the date that is thirty (30) days from the execution of this Agreement, whichever occurs first.

1.9 “NAPC System” or “System” means the composite of elements designed to enable all NAPC franchisees to benefit from brand name identification in market competition, including but not limited to, the elements set forth in SECTION 2.

1.10 “Natural Awakenings Business” includes, in addition to the Franchised Business, a proprietary system for franchising and operating Natural Awakenings® franchises to provide the Services to the general public.

1.11 “Personal Guarantee Agreement” means the agreement attached as Exhibit A whereby each partner, proprietor, shareholder, member, trustee, trustor or beneficiary or person named as included or having an interest in Franchisee obligates itself jointly and severally to fulfill any and all obligations of the Franchisee.

1.12 “Proprietary Marks” or the **“Marks”** means the trademark, service mark and trade name, “Natural Awakenings”, owned by NACP or its affiliate and listed on Schedule 1, and such other trade names, service marks, related logotypes, displays, designs, signs and symbols as are now or may hereafter be designated by NACP as part of the NACP System.

1.13 “Responsible Agent” may be the Franchisee’s designated Business Manager (as defined at Section 7.5.2). Franchisee may appoint more than one Responsible Agent.

1.14 “Services” has the meaning set forth in the Recitals of this Agreement.

SECTION 2 THE NACP SYSTEM

Franchisee acknowledges that the distinguishing characteristics of the NACP System and of the services provided, some of which constitute trade secrets, and may include, but are not limited to the following:

2.1 Common use and promotion of the Proprietary Marks and a Brand Book with color scheme and guidelines associated with the service;

2.2 Distinctive sales materials associated with the service;

2.3 Distinctive promotional materials used by NACP and/or its Affiliates as part of the NACP System;

2.4 Supplies and other materials used by NACP and/or its Affiliates as part of the NACP System;

2.5 A co-branded Ssubscription magazine and mobile app ~~co-branded as “Natural Awakenings,” as may be changed in NACP’s and/or its Affiliates’ discretion;~~

2.6 Procedures for operations of offices under the NACP System, publicity and record keeping;

2.7 A standardized uniform magazine layout with unique content, design, marketing and advertising system for operation of a Natural Awakenings Business in accordance with NACP’s standards for quality, value, efficiency, and courtesy;

2.8 Software programs and systems, which may change from time to time in NACP’s discretion, for the operation of the Franchised Business; and

2.9 Other specialty programs that may be developed by NACP for its System locations.

SECTION 3 GRANT OF FRANCHISE; TERRITORY; TERM AND RENEWAL

3.1 The Franchise. Franchisee wishes to obtain a franchise to operate one (1) NACP Designated Office under the Proprietary Marks and the NACP System in the Approved Territory described in Section 3.3. NACP wishes to grant Franchisee this franchise, on the terms and subject to the conditions of this Agreement.

3.2 Grant of Franchise. Subject to the provisions of this Agreement, NAPC hereby grants to Franchisee a franchise (the “**Franchise**”) to operate one (1) Natural Awakenings magazine business in the Approved Territory (as defined in Section 3.3) at, and only at, the business premises identified in Schedule 2 (“**Designated Office**”) and to use the Proprietary Marks and the NAPC System in the operation thereof, for a term of five (5) years (the “**Initial Term**”) commencing on the date of this Agreement, unless sooner terminated in accordance with the terms, conditions and provisions of this Agreement.

3.3 Approved Territory.

3.3.1 “**Approved Territory**” means the geographic area described in Schedule 2 by a map or written description. The exclusive license granted herein relates solely to one (1) Natural Awakenings magazine in the Approved Territory. During the Term of this Agreement, provided that Franchisee is in compliance with this Agreement and any other agreements with NAPC, and subject to Section 3.3.2 below, NAPC and its affiliates shall not operate a Natural Awakenings Business or grant a franchise for the operation of a Natural Awakenings Business within the Approved Territory. Franchisee may not solicit, service, advertise and offer its services, programs and products to any individual or entity outside of its Approved Territory without the prior written approval of NAPC. Franchisee may not distribute their magazine outside of its Approved Territory (See Section 4.5.2 which describes inter-territory sales or Advertising Network Distribution requirements) without the prior written approval of NAPC. NAPC shall not, in any event or under any circumstances, be liable to Franchisee for any loss, injury or damage to Franchisee which may result from the failure of another Natural Awakenings franchisee to comply with this or similar obligation.

3.3.2 NAPC reserves the right to use the Proprietary Marks in alternative distribution methods both inside and outside of Franchisee’s Approved Territory, including, but not limited to, maintaining a website(s) that is available over the Internet. NAPC can use the Internet as a method of distribution. In addition, NAPC and its Affiliates have the absolute right to:

3.3.2.1 Develop other business concepts under other brand names, provided such concepts are not the same or similar to a Natural Awakenings Business (i.e. a free print and digital local magazine that sells advertising), even if the locations for the concepts are within the Approved Territory;

3.3.2.2 Except as provided in this Agreement, and while NAPC does not provide compensation to Franchisee, market, distribute and sell, on a wholesale or retail basis, goods or services under any of the Proprietary Marks or other brand names, by direct sale, the Internet, mail order, infomercials, telemarketing or by any other method of marketing or distribution, even if such sales are made to customers, distributors or retailers who are located in the Approved Territory; and

3.3.2.3 Own, operate, manage, franchise and/or license other individuals or entities to own, manage and/or operate businesses that are not the same or similar to a Natural Awakenings Business in the Approved Territory.

3.4 Grant of License to Proprietary Marks. NAPC grants to Franchisee, and Franchisee accepts, a limited, non-exclusive license to use and display the Proprietary Mark(s) shown on Schedule 1 (as long as NAPC does not subsequently designate them as being withdrawn from use), together with such additional or substitute Proprietary Marks which NAPC may later designate in writing, subject to the terms and provisions of this Agreement and all related agreements. This license is limited to, and applies solely to, the operation of the Franchise in the Approved Territory, and the services, programs and products offered

6.4 Additional Training, Support and Services. If NACP agrees to provide additional training, extended support or additional services at Franchisee’s request, NACP may, in its sole discretion, provide such training, support or services (either through itself, its Affiliate or required or approved vendors) and Franchisee agrees to pay NACP its then-current fees, which will depend on the scope of the requested training, support or services (“Additional Training Fees”). If Franchisee requests assistance that requires NACP personnel to incur travel, living or incidental expenses by providing this training to Franchisee, and if NACP agrees to provide such assistance, then Franchisee will be responsible for such costs.

6.5 Layout Services. Franchisee agrees to use NACP (or its approved vendor) for at least the minimum magazine layout services and to pay NACP ~~a fee for such services of Three Thousand Five Hundred Dollars (\$3,500.00) per month for such services; however, if Franchisee’s print magazine exceeds 72 pages, in addition to the flat monthly fee, Franchisee will be charged additional for the excess pages, which will be based on the then-current rate card~~ (collectively, “Layout Services Fees”). Franchisee may choose to use full service layout services or the minimum layout services. The Layout Services Fee for full service layout services includes operations management, local magazine production and layout, customer relations coordination and support, which services are subject to change. The Minimum Layout Services Fee for minimum layout services includes layout services only with three (3) rounds of revisions and no graphic design, no editing or proofreading, and no coordination. If this Agreement is for a new NACP Business, NACP will provide such services to Franchisee at no cost for Franchisee’s first Natural Awakenings digital magazine and the first publication of your first print magazine. Thereafter, Franchisee shall pay NACP this monthly Layout Services Fee. If, however, this Agreement is a Renewal Agreement or entered into due to the transfer of the Franchised Business to Franchisee, the Layout Services Fees will commence upon execution of this Agreement. The Layout Services Fee for full service layout services is currently Three Thousand Five Hundred Dollars (\$3,500.00) per month; however, if Franchisee’s print magazine exceeds 72 pages, in addition to the flat monthly fee, Franchisee will be charged additional for the excess pages, which will be based on the then-current rate card. Currently, the Layout Services Fee for the minimum magazine layout services is the following: for 32 Standard Pages National Print and Digital Layout Only (No Local), the Layout Services Fee is \$165 per month, plus: (i) for 8 Local Pages (40 page magazine), an additional \$230 per month; (ii) for 16 Local Pages (48 page magazine), an additional \$427 per month; (iii) for 24 Local Pages (56 page magazine), an additional \$582 per month; (iv) for 32 Local Pages (64 page magazine), an additional \$773 per month; and (v) for 40 Local Pages (72 page magazine), an additional \$965 per month. The Layout Services Fees are due by the tenth day (or such other day as designated by NACP) of each month in advance for the following month. These fees are subject to change.

6.6 Technology Support and Maintenance. We have established our own website using the Marks and our domain name (NaturalAwakenings.com) and require you to use our website exclusively and pay us a fee for providing and maintaining it. Franchisee agrees to pay for the monthly technology licensing, website hosting, email services, customer relationship management (CRM), digital marketing applications, accounting software subscription, other subscription services, enterprise-wide operations systems, mobile application, payment gateway, data hosting, and other technology services or software fees that NACP requires and may add and require in the future (collectively, “Technology Fees”). Franchisee will pay these monthly fees directly to NACP or the third-party vendor that NACP designates. These fees are subject to change at any time. NACP and each third-party vendor has the right to increase or decrease this amount to compensate it for costs incurred to provide such services. Notwithstanding the foregoing, Franchisee acknowledges that NACP does not have any responsibility for any maintenance or support for any software or other technology provided by third parties directly or through NACP.

6.7 Local Advertising. Franchisee has no obligation under this Agreement to place or purchase any advertising outside of their Natural Awakenings magazine. Local magazine advertising must be placed by Franchisee in accordance with the specification of use of our Marks and as indicated in our Operations Manual.

6.8 Interest and Late Fee.

6.8.1 All payments due from Franchisee pursuant to this Agreement are due and payable in accordance with the terms and conditions of this Agreement or the Operations Manual (as the case may be). If any payment due pursuant to this Agreement is not paid by the payment due date, any such past due amount will bear interest at the maximum interest rate permitted by New Jersey law, plus a late fee equal to Five Dollars (\$5.00) per day. If there is no applicable legal maximum rate, interest will be one and one-half percent (1.5%) per month measured from the due date of such payment until such payment is made. The payment of such late fee and interest will not prevent NAPC from exercising any other rights it may have as a consequence of any late payment.

6.8.2 Franchisee acknowledges that this Section 6.8 is not an agreement by NAPC or its Affiliates to accept any payments after such payments are due, or a commitment by NAPC or its Affiliates to extend credit to Franchisee or otherwise finance the Franchised Business. Franchisee also acknowledges that, if it does not pay all amounts due under this Agreement, it will have materially breached this Agreement, which unless Franchisee cures the breach pursuant to Section 19.3, will result in this Agreement being terminated immediately.

6.9 Transfer Fee. In the event that Franchisee seeks to transfer its rights and obligations under this Agreement, and NAPC approves such transfer, Franchisee will pay to NAPC, a non-negotiable fee of Seven Thousand Five Hundred Dollars (\$7,500.00) (“**Transfer Fee**”) to compensate NAPC for the costs NAPC incurs to process the transfer, including administrative, legal and personnel costs. The Transfer fee is due before closing or will be deducted from the sale proceeds at closing.

6.10 Reporting and Payments.

6.10.1 Reporting. For each month during the term of this Agreement, Franchisee agrees to electronically submit monthly reports to NAPC at the time and in the form and manner specified in the Operations Manual. The monthly reports will consist of a monthly Profit and Loss statement reporting all Gross Revenues and production, distribution and logistics costs for the preceding month, as well as other information, including but not limited to sales, other income, allowable deductions, social media analytics, Google analytics, and other reporting metrics required by NAPC, and personnel changes specified in this Agreement and in the Operations Manual, including but not limited to all amounts to be remitted to NAPC.

6.10.2 Payments. Royalty Fees (Section 6.2), Technology Fees (Section 6.6), Layout Services Fees (Section 6.5), and National Advertising Fund Fees (Section 6.11) are due on the tenth (10th) day of every month and must be accompanied by required monthly reports and any other monthly requirements defined in the Operations Manual. All training fees and their related expenses shall be billed by NAPC at the conclusion of the training and will be due 15 days from the date of the invoice. Conference Fees (Section 7.7) shall be billed and payable at least one month in advance of a scheduled conference. If any fees or any other amounts due to NAPC or its Affiliates under this Agreement are not received timely, NAPC may elect to charge Interest and Late Fees, in accordance with Section 6.6.8 of this Agreement. NAPC may utilize an electronic debit system that will automatically debit the Franchisee’s Bank Account for the Royalty Fees, Technology Fees, Layout Services Fees, National Advertising Fund Fees, and any other fees due to NAPC or its Affiliates under this Agreement. NAPC may alternately require Franchisee to pay such fees by Electronic Funds Transfer (EFT) or Automated Clearing House (ACH) or charge Franchisee’s credit card on file. In lieu of the electronic debit system, NAPC may allow Franchisee to pay any amounts due to NAPC by credit card; however, NAPC will charge a convenience fee of 3.99% of the amount charged to Franchisee’s credit card at the time of payment to compensate NAPC for the credit card processing fees. NAPC has the right to increase this fee to reflect increases in the fees charged to it to process credit card payments.

6.11 National Advertising Fund. NACP ~~will maintain~~may establish a National Advertising Fund (the “Fund”). If established, the purpose of the Fund ~~is~~would be to pool advertising money of NACP franchisees so as to achieve greater benefits for all in promoting the Trade Name and Marks. The money in this fund will be kept in a segregated account. If established, Franchisee will pay monthly to the National Advertising Fund a monthly contribution of ~~three-two~~three percent (32%) of the Gross Revenue for the preceding month (“National Advertising Fund Fee”). NACP reserves the right to reimburse NACP’s out of pocket expense out of the Advertising Fund and to pay NACP a reasonable administrative fee for time and efforts in administering the Fund. This administration fee will not exceed twenty percent (20%) of funds collected.

6.11.1 NACP, or its designee, will administer the Fund as NACP deems appropriate. NACP will direct all advertising programs with sole control over the strategic direction, creative concepts, materials and media used in the programs, and the geographic, market and media placement and allocation of advertising. Franchisee acknowledges that the Fund is intended to further general public recognition and acceptance of the Proprietary Marks for the benefit of the NACP System. Franchisee further acknowledges that NACP and its designees undertake no obligation in administering the Fund to make expenditures for Franchisee which are equivalent or proportionate to Franchisee’s contributions, to ensure that any particular franchisee benefits directly or pro rata from the placement of advertising or to ensure that any advertising or marketing impacts or penetrates Franchisee’s Franchised Business or Approved Territory. The Fund is not a trust and NACP is not a fiduciary with respect to the Fund.

6.11.2 The Fund may be used to meet any and all costs of administering, directing, preparing, placing and paying for national, regional or localized advertising (including, without limitation, the cost of preparing and conducting television, radio, magazine, newspaper or other advertising campaigns and other public relations activities) and employing advertising and promotional agencies or other advisors, including in-house employees or independent contractors, to assist in these activities; paying interest on monies borrowed by the Fund from third parties unaffiliated with NACP; providing customer service surveys to Natural Awakenings franchisees; market research, market studies and customer satisfaction surveys; website, extranet, Intranet or mobile application development, implementation and maintenance; development, implementation and maintenance of a website that permits electronic commerce and/or related strategies; public relations and community involvement activities and programs; purchasing artwork and other components for advertising; conducting market research; creative development, preparation, production and placement of video, audio and written materials, electronic media and other marketing or promotional materials; sponsorship of sporting, charitable or other special promotional events, if NACP chooses to do so at its sole discretion; and any reasonable administrative costs and overhead that Franchisor may incur in activities reasonably related to the administration or direction of the Advertising Fund and advertising programs, including, without limitation, bank fees; collecting and accounting for assessments for the Advertising Fund; and, other costs and overhead Franchisor incurs. NACP need not maintain the sums paid by franchisees to the Fund or income earned from the Fund in a separate account from the other funds of NACP, but NACP may not use these amounts for any purposes other than those provided for in this Agreement. NACP may, however, expend the Fund for any reasonable administrative costs and overhead that NACP may incur in activities reasonably related to the administration or direction of the Fund and advertising programs for franchisees including, without limitation, conducting market research; preparing marketing, advertising and promotional materials; working with advertising agencies, advertising placement services and creative talent; and, collecting and accounting for assessments for the Fund. The Fund may be used for advertising agency fees to secure the services of an advertising agency or to have print or broadcast advertising placed by an agency. NACP will have no obligation to prepare or distribute to Franchisee any audited (or unaudited) statements detailing Fund income and expenses. If Franchisee sends NACP a written request, NACP will provide Franchisee with an accounting of how the Fund contributions were spent during NACP’s last fiscal year within a reasonable time after NACP receives Franchisee’s request, but never earlier than forty-five (45) days from when NACP files its annual income tax returns~~such information is made available.~~

6.18 Payment Amount Increases. Franchisee acknowledges that NAPC has the right to increase each payment identified in SECTION 6, with the exception of the Royalty Fee required in 6.2, with ninety (90) days advance written notice.

6.19 Right to Sell Amounts Due to NAPC. NAPC has the right to sell, assign, transfer or grant a security interest in any amounts Franchisee owes to NAPC and to delegate the right to collect such amounts to third parties.

6.20 Right to Implement Services to be Provided by NAPC or its Affiliates. NAPC has the right to implement services for centralized operation services, publishing, distribution, and social media services, as well as other services in NAPC's discretion, that must be purchased from NAPC and/or Affiliates of NAPC.

SECTION 7 DUTIES OF FRANCHISEE

7.1 Commencement Date. “**Commencement Date**” means the date Franchisee launches its Natural Awakenings website or thirty days (30) from the execution of this Agreement, whichever occurs first. Before commencing operations under this Agreement, Franchisee must fulfill all the pre-opening obligations required by this Agreement and the Operations Manual (“**Pre-Opening Obligations**”). Unless otherwise provided in this Agreement, Franchisee must fulfill all the pre-opening obligations within ~~six~~ **twelve (612)** months of executing the Agreement. Failure to publish Franchisee's Natural Awakenings digital magazine and launch Franchisee's Natural Awakenings website within thirty (30) days of execution this Agreement, or failure to publish Franchisee's Natural Awakenings print magazine within ~~six-twelve~~ **(612)** months of executing this Agreement, or failure to timely fulfill all of the Pre-Opening Obligations, will be material and incurable breaches of this Agreement, which, unless waived by NAPC, will entitle NAPC to terminate this Agreement immediately upon notice to Franchisee, without opportunity to cure. NAPC will, in its sole discretion, determine whether Franchisee has fulfilled all the Pre-Opening Obligations. If NAPC terminates the Agreement for this or any other reason, all funds paid to NAPC to date, including the Initial Franchise Fee, will be deemed fully-earned and nonrefundable.

7.2 Manner of Operation. Franchisee will comply at all times with every provision of this Agreement, the NAPC System, the Operations Manual and all Supplements to the Operations Manual. Franchisee acknowledges that every component of the NAPC System is critical to NAPC, to other NAPC franchises, and to the operation of the Franchised Business. Franchisee will conduct the activities and operations of its Franchised Business at all times in compliance with the NAPC System, including but not limited to all cover art standards, editorial content and production procedures, and policies established by NAPC from time to time, as though specifically set forth in this Agreement. Franchisee agrees to disseminate to the public any and all promotional materials, which NAPC requires to be disseminated. NAPC provides Franchisees with content material for their magazine and website (Publishers Options Package (POP)) on a monthly basis at no additional charge. If Franchisee does not use this material, produces its own material or desires to use any other material not provided by NAPC, then NAPC has the right to request review and approval of such content, prior to the production of Franchisee's magazine or posting to a website.

7.3 Best Efforts. Franchisee, and each person or entity executing a Personal Guarantee Agreement of Franchisee's obligations under this Agreement, and any other agreement between the parties, covenants, individually, to the extent set forth in this Agreement or the Personal Guarantee Agreement, to use its best efforts in operating the NAPC Franchise and in recommending, promoting and encouraging the use of NAPC services.

7.4 Modifications to the NAPC System.

elsewhere; and (ii) determine the name(s) of the domain(s) of the website(s) established and maintained in connection with the Franchised Business.

7.11.3 NAPC has the right to establish and host a website and, pursuant to the terms and conditions to be contained in the Operations Manual, provide Franchisee headers, footers, font style, webpage layout, article categories, as well as pages of content of NAPC's design promoting the Franchised Business.

7.11.4 Franchisee may not participate or market on any other website or other form of electronic media (including social technology, social media and social networking platforms) using the Proprietary Marks unless Franchisee first obtains written approval from NAPC.

7.12 Customer Service Requirements. Franchisee will comply with all customer service requirements, procedures and standards for customer service as set forth in the Operations Manual.

7.13 Sales, Barter and Exchange. Bartering of any kind relating to the business and business services must be documented in writing and reported as Gross Revenue to NAPC each month, other than goods or services received by the Franchisee to promote the Franchised Business. Failure to report any and all bartering done by the business or utilizing business services, shall place this Agreement in default, which could result in this Agreement being terminated. Bartering cannot exceed ten percent (10%) of Franchisee's total Gross Revenue, in any given month. If Franchisee receives an offer to barter services that is more than ten percent (10%) of its total monthly Gross Revenue, Franchisee may submit a written request for consideration to NAPC prior to accepting the barter. NAPC will provide an answer to Franchisee's request within fifteen (15) days of the request receipt.

7.14 Hours of Operation. Franchisee will continuously operate the Franchised Business on the days and during the minimum hours that NAPC may from time to time specify in the Operations Manual or otherwise. Franchisee may establish hours in addition to the required minimum hours.

7.15 Minimum Print and Digital Publication Requirements. Franchisee must publish at least a digital magazine edition within the first thirty (30) days of signing this Agreement. Franchisee has the option of publishing a digital-only magazine for no longer than the first twelve (12) months of signing this Agreement. Commencing the thirteenth month from signing this Agreement, Franchisee must publish a minimum of 5,000 copies of its Natural Awakenings Magazine each month for the first six (6) months and 7,500 copies of its Natural Awakenings Magazine each month thereafter for the ~~seventh and all other months of the remaining~~ Initial Term and each Renewal Term.

7.16 Adequate Reserves and Working Capital. Franchisee will maintain adequate financial reserves and working capital sufficient for Franchisee to fulfill all of its obligations under this Agreement and to cover the risks and contingencies of the Franchised Business for at least six (6) months. Such reserves may be in the form of cash deposits or lines of credit.

7.17 Inspection and Operational Audit. NAPC may at any time during regular business hours enter the Franchised Business to conduct an inspection and operational audit to determine compliance with this Agreement and with NAPC's policies, procedures, programs, standards, specifications and techniques as set forth in the Operations Manual. Following any such inspection and operational audit, Franchisee will immediately incorporate into its Franchised Business, at its own expense, any corrections and modifications NAPC requires to maintain the standards of quality and uniformity NAPC prescribes. Franchisee will execute such changes as soon as is commercially reasonable, but not longer than the applicable cure periods set forth in Section 19.

NAPC of any cancellation of coverage, material reduction in the amount of coverage or elimination of coverage.

10.4 Purchase of Insurance on Franchisee's Behalf. If Franchisee fails to purchase insurance conforming with the standards and limits prescribed by NAPC in Section 10.1 above or in the Operations Manual, NAPC in its sole discretion may (but is not required to) obtain the insurance necessary to meet such standards on behalf of Franchisee, through agents and providers of NAPC's choice. In the event that NAPC purchases insurance on behalf of Franchisee, it will immediately notify Franchisee. Within ten (10) business days of receiving such written notification, Franchisee must pay the required premiums directly to the insurer. If Franchisee fails to pay timely the required premiums, Franchisee authorizes NAPC to debit the Bank Account to reimburse itself for the premiums, plus an administrative fee of ~~One~~Two Hundred Dollars (\$~~1~~200.00) per month. Nothing in this agreement imposes any duty or obligation on NAPC to obtain or maintain any specific forms, kinds or amounts of insurance coverage on behalf of Franchisee.

10.5 Notice of Claims. Franchisee will notify NAPC of all actions, suit, proceeding, claim, demands, inquiries, investigations, legal actions or arbitral proceedings (collectively, "**Claims**"), asserted or commenced against NAPC, Franchisee, the Responsible Agent, Business Manager or Franchised Business within two (2) days of Franchisee's receiving notice of any such Claim. Franchisee also will respond to all Claims within the time required by law, rule or regulation. Franchisee will cooperate with NAPC (or its designee) in every way possible to defend itself and NAPC against all Claims made by employees, customers or other third parties. Franchisee will make all appearances NAPC deems necessary at administrative or other hearings to present or reinforce such defenses. (See also, Section 11.2.)

10.6 Failure to Purchase Required Insurance. Failure to purchase or maintain any insurance required by this Agreement, or Franchisee's failure to reimburse NAPC for NAPC's purchase of insurance under Section 10.4, is a material breach of this Agreement which, unless cured by Franchisee as set forth in Section 19.3 or waived by NAPC, will entitle NAPC to terminate this Agreement immediately upon notice to Franchisee.

SECTION 11 RELATIONSHIP OF PARTIES AND INDEMNIFICATION

11.1 Independent Contractor. Franchisee is and will be an independent contractor. Nothing contained in this Agreement will be construed to create a partnership, joint venture, fiduciary or agency relationship, employment or other relationship between the parties. Neither Franchisee nor NAPC will act as an agent for the other or as guarantor or surety for the obligations of the other. Franchisee does not have the authority to bind or obligate NAPC in any way by any representation. No employee of Franchisee will be deemed to be an employee of NAPC. Neither Franchisee nor any employee of Franchisee whose compensation for services is paid by Franchisee may, in any way, directly or indirectly, expressly or by implication, be construed to be an employee of NAPC for any purpose, including, but not limited to, with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state or federal governmental agency. NAPC will not have the power to hire or fire Franchisee's employees, and Franchisee alone controls Franchisee's employees' wages, hours, assignments, hiring, firing and any benefits. NAPC will have no liability for any action or settlement related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision, and discipline of Franchisee's employees and Franchisee agrees to indemnify NAPC for any such liabilities that it incurs.

11.2 Indemnification. Under no circumstances will either party be liable for any act, omission, contract, debt, expense, or other obligation of the other party, including any violation of the intellectual property rights of third parties. Franchisee will indemnify and hold NAPC, its Affiliates, assigns, designees, officers,

NATURAL AWAKENINGS PUBLISHING CORP.

PROMISSORY NOTE

\$24,500

Bedminster, New Jersey USA
[DATE]

FOR VALUE RECEIVED, the undersigned, [FRANCHISEE NAME] (“Franchisee”) and [GUARANTOR NAMES] (“Guarantors”) (Franchisee and Guarantor(s) are collectively referred to as “Borrower”), promises to pay to the order of NATURAL AWAKENINGS PUBLISHING CORP. (“Holder”) or its registered assigns, by wire transfer, or in such other manner as the holder of this Note from time to time specifies by notice in writing to the Borrower, in lawful money of the United States of America, the principal sum of **Twenty-Four Thousand and Five Hundred Dollars (\$24,500)**, as set forth below, with interest at the rate of _____ percent (____%) per annum.

This Note is entered into pursuant to a Franchise Agreement between the Borrower and Holder dated on or about [FRANCHISE AGREEMENT DATE] (the “Franchise Agreement”).

The principal balance and all accrued interest will be paid in *forty-eight (48)*/~~sixty-seventy-two (7260)~~ monthly installments of \$____, commencing on [DATE OF FIRST PAYMENT] and continuing each month until the entire principal balance and all accrued interest is paid in full. At the election of the Holder, all payments will be made by electronic funds transfer to the account to the holder.

Borrower has the right to prepay all or any portion of the outstanding balance of this Note at any time and from time-to-time without penalty.

If any installment of the principal under this Note is not paid in full when due, or Borrower defaults in the performance of its obligations or payments of amounts due pursuant to the Franchise Agreement, whether or not Borrower or any person or entity acting on Borrower’s behalf cures the default in the performance of the Franchise Agreement or payment of any amounts due pursuant to the Franchise Agreement; then, thereafter, a fee of One Thousand and Five Hundred Dollars (\$1,500) is due every 30 days for a period of 60 days, of which Seven Hundred and Fifty Dollars (\$750) will be applied first towards any accrued but unpaid interest and the balance, if any, to the principal balance, and Seven Hundred and Fifty Dollars (\$750) will be due as a late fee. If the principal balance and all accrued but unpaid interest is not paid in full by [DATE LAST PAYMENT IS DUE], a late fee of One Thousand and Five Hundred Dollars (\$1,500) will be due as of such date and every subsequent 30 days thereafter until payment is made in full and none of such late fee will be applied to the principal balance or any accrued but unpaid interest.

No delay on the part of the holder in exercising any right or remedy hereunder will operate as a waiver of or preclude the exercise of such right or remedy or of any other remedy under this Note or the Franchise Agreement. No waiver by the holder hereof will be effective unless in writing signed by such holder. A waiver on any one occasion will not be construed as a waiver of any such right or remedy on any other occasion.

Presentment or other demand for payment, notice of dishonor and protest are expressly waived.

If this Note is not paid when due, in addition to the late fee that Borrower is required to pay, Borrower will be in default in the performance of its obligations in the Franchise Agreement; and, Holder will have the right to terminate the Franchise Agreement and enforce any and all remedies for non-payment in the Franchise Agreement. The provisions of the Franchise Agreement will govern payment of the principal balance of this Note and will be enforced in accordance therewith.

All capitalized terms not defined in this Note have the same meaning as in the Franchise Agreement.

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 NAPC offers you a franchise, it must provide this Disclosure Document to you at least 14 calendar days before you sign a binding agreement with, or make a payment to, NAPC or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that NAPC give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the Franchise Agreement or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that NAPC give you this Disclosure Document at least 10 business days before the execution of any binding Franchise Agreement or other agreement or the payment of any consideration, whichever occurs first.

If NAPC 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed in the State Agency Exhibit (Exhibit A).

Issuance Date: July ~~24~~³⁰, 202~~43~~⁴³. The effective dates for this Disclosure Document in the franchise registration states are listed in Exhibit G.

The franchise sellers for this offering are: Kimberly Whittle, 350 Main Street, Building 1, Suite 9B, Bedminster, NJ 07921, ~~Joe Dunne~~John Voell and Trina Voell, P.O. Box 2717, Ann Arbor, MI 48106388 Terrace Lane, Bedminster, NJ 07921, and: _____ [Any other franchise seller involved in a particular franchise transaction must be disclosed here before the Disclosure Document is given to the prospective franchisee].

NAPC authorizes the respective state agencies identified in the] State Agency Exhibit to receive service of process for it in the particular state.

I received this Disclosure Document, dated July ~~24~~³⁰, 202~~43~~⁴³, that included the following exhibits:

- | | |
|--|---------------------------|
| A. State Authorities & Agents for Service of Process | D. Franchise Agreement |
| B. Financial Statements | E. Promissory Note |
| C. Roster of Franchisees | F. State Specific Addenda |
| C.1 Current Franchisees | G. State Effective Dates |
| C.2 Franchisees Who Left the System | H. Receipts |

Franchisee's signature: _____

Print Name: _____
Address: _____
City/State/Zip: _____
Telephone: _____
Dated: _____

Franchisee's signature: _____

Print Name: _____
Address: _____
City/State/Zip: _____
Telephone: _____
Dated: _____

Franchisee's Copy – Retain for your records.

RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If NAPC offers you a franchise, it must provide this Disclosure Document to you at least 14 calendar days before you sign a binding agreement with, or make a payment to, NAPC or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that NAPC give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the Franchise Agreement or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that NAPC give you this Disclosure Document at least 10 business days before the execution of any binding Franchise Agreement or other agreement or the payment of any consideration, whichever occurs first.

If NAPC 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed in the State Agency Exhibit (Exhibit A).

Issuance Date: July ~~3021~~, 2024~~3~~. The effective dates for this Disclosure Document in the franchise registration states are listed in Exhibit G.

The franchise sellers for this offering are: Kimberly Whittle, 350 Main Street, Building 1, Suite 9B, Bedminster, NJ 07921, ~~Joe Dunne~~ John Voell and Trina Voell, P.O. Box 2717, Ann Arbor, MI 48106388 Terrace Lane, Bedminster, NJ 07921, and: _____ [Any other franchise seller involved in a particular franchise transaction must be disclosed here before the Disclosure Document is given to the prospective franchisee].

NAPC authorizes the respective state agencies identified in the State Agency Exhibit to receive service of process for it in the particular state.

I received this Disclosure Document, dated July ~~3021~~, 2024~~3~~, that included the following exhibits:

- | | |
|--|---------------------------|
| A. State Authorities & Agents for Service of Process | D. Franchise Agreement |
| B. Financial Statements | E. Promissory Note |
| C. Roster of Franchisees | F. State Specific Addenda |
| C.1 Current Franchisees | G. State Effective Dates |
| C.2 Franchisees Who Left the System | H. Receipts |

Franchisee's signature:

Print Name: _____

Address: _____

City/State/Zip: _____

Telephone: _____

Dated: _____

Franchisee's signature:

Print Name: _____

Address: _____

City/State/Zip: _____

Telephone: _____

Dated: _____

Franchisor's Copy – Send to: Natural Awakenings Publishing Corp., 350 Main Street, Building 1, Suite 9B, Bedminster, NJ 07921 or kbwhittle@naturalawakenings.com