

FRANCHISE DISCLOSURE DOCUMENT



IV Nutrition Franchisor, LLC,
A Kansas Limited Liability Company
7108 West 135th St.
Overland Park, KS 66223
~~479-799-8518~~913-912-3006
Franchising@ivnutritionnow.com
Ivnutritionnow.com

As a franchisee you will operate a business under the name “IV Nutrition” where you will provide clients with a unique, personal, and relaxing experience as they receive nutrition through intravenous, intramuscular, or oral delivery.

The total investment necessary to begin operations of an IV Nutrition franchise is ~~\$190,250~~\$197,650 to ~~\$315,250~~\$324,950. This includes ~~\$114,500~~\$119,500 to ~~\$124,500~~\$129,500 that must be paid to the franchisor or affiliate.

The total investment necessary to begin operations under an Area Development Agreement for a ~~minimum of three~~2 to 5 units is ~~\$275,250~~\$247,150 to ~~\$400,250~~\$469,950. This includes ~~\$199,500~~\$169,000 to ~~\$209,500~~\$274,500 that must be paid to the franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact our Corporate Office at 7108 West 135th St., Overland Park, KS 66223 and ~~479-799-8518~~913-912-3006 or Franchising@ivnutrition.com~~franchising@ivnutritionnow.com~~.

The terms of your contract will govern your franchise relationship. Do not rely on the Disclosure Document alone to understand your contract. Read your entire contract carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or an accountant.

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

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

ISSUANCE DATE: ~~June 14, 2023~~ April 20, 2024

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit D.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only IV Nutrition business in my area?	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What’s it like to be an IV Nutrition franchisee?	Item 20 or Exhibit D lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit E.

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Kansas. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Kansas than in your own state.
2. **Financial Condition.** The franchisor’s financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor’s financial ability to provide services and support to you.
3. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.
4. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
5. **Unregistered Trademark.** The primary trademark that you will use in your business is not federally registered. If the franchisor’s right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.

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

THE INFORMATION AND NOTICES APPEARING ON THE FOLLOWING TWO PAGES APPLY ONLY TO FRANCHISES TO BE LOCATED IN THE STATE OF MICHIGAN AND ARE REQUIRED BY MICHIGAN LAW

IF YOU ARE NOT LOCATED IN MICHIGAN, THE FOLLOWING TWO PAGES OF INFORMATION DO NOT APPLY TO YOU

NOTICE FOR PROSPECTIVE FRANCHISEES WHO LIVE IN MICHIGAN OR WHOSE FRANCHISES WILL OPERATE IN MICHIGAN

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

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protection provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.

- (ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.
- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General
G. Mennen Williams Building, 7th Floor
525 W. Ottawa Street
Lansing, Michigan 48909
Telephone Number: (517) 373 7117

**Franchise Disclosure Document
TABLE OF CONTENTS**

ITEM 1 - THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES.....	1
ITEM 2 - BUSINESS EXPERIENCE.....	2
ITEM 3 - LITIGATION	3
ITEM 4 - BANKRUPTCY	3
ITEM 5 - INITIAL FEES	3
ITEM 6 - OTHER FEES.....	4
ITEM 7 - ESTIMATED INITIAL INVESTMENT.....	6
ITEM 8 - RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES.....	9
ITEM 9 - FRANCHISEE’S OBLIGATIONS.....	11
ITEM 10 - FINANCING	14
ITEM 11 - FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING.....	14
ITEM 12 - TERRITORY	22
ITEM 13 - TRADEMARKS	23
ITEM 14 - PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	25
ITEM 15 - OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	25
ITEM 16 - RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	26
ITEM 17 - RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION.....	26
ITEM 18 - PUBLIC FIGURES	33
ITEM 19 - FINANCIAL PERFORMANCE REPRESENTATIONS.....	33
ITEM 20 - OUTLETS AND FRANCHISEE INFORMATION.....	43
ITEM 21 - FINANCIAL STATEMENTS	46
ITEM 22 - CONTRACTS	46
ITEM 23 - RECEIPTS.....	46

EXHIBITS

<i>EXHIBIT A</i>	Franchise Agreement
<i>EXHIBIT B</i>	Area Development Agreement
<i>EXHIBIT C</i>	Financial Statements
<i>EXHIBIT D</i>	List of Franchisees
<i>EXHIBIT E</i>	List of State Administrators & Agents for Service of Process
<i>EXHIBIT F</i>	Manual Table of Contents
<i>EXHIBIT G</i>	State-Specific Addenda to The Franchise Disclosure Document
<i>EXHIBIT H</i>	Representations And Acknowledgments Statement

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

To simplify the language in this Disclosure Document, the words “we,” “our” and “us”, and “Franchisor” refer to IV Nutrition Franchisor, LLC the franchisor. “You” means the entity that has been granted the right to develop one or more IV Nutrition ~~franchised-businesses~~Clinics.

The Franchisor; Parents and Predecessors

We are a limited liability company established under Kansas law on June 6, 2018. Our principal business address is 7108 West 135th St., Overland Park, KS 66223. We conduct business under our corporate name, “IV Nutrition Franchisor, LLC,” and “IV Nutrition.” We have offered franchises since June 2018. We have no parents or predecessors.

Other than as stated above, we are not in any other business, we have not conducted business in any other line of business, and we have not offered or sold franchises in any other line of business.

Our Affiliates

We do not have any affiliates that offer franchisees in any line of business.

Our affiliate, IV Nutrition, LLC, has operated an IV Nutrition business in Kansas City, Kansas since February 2018. The principal address of our affiliate is 7108 West 135th St., Overland Park, KS 66223.

Our affiliate, Fechter Construction LLC, has provided products to franchisees since October 2022. The principal address of our affiliate is 7108 West 135th St., Overland Park, KS 66223. This affiliate will provide you with a “Store in a Box”, which contains furniture, millwork, interior signage, and technology that will be used in your ~~franchised-business~~Franchised Clinic; these products will be delivered to you and set up by our affiliate.

Our Agent for Service of Process

Our agent for service of process is disclosed ~~at the end of this Disclosure Document~~ in Exhibit E.

Our Business Operations

We offer and grant qualified candidates the right to develop and operate businesses using our uniform and proprietary operating system and identified by the IV Nutrition trade name and service mark, and other trade names, service marks, trademarks, logos and commercial symbols that we may designate from time to time. We do not operate businesses of the type being franchised, but our affiliate does.

General Description of the Franchise

The franchise described is known as “IV Nutrition”[®] (“IV Nutrition”). IV Nutrition is involved in the business of operating a support space for clients to receive intravenous, intramuscular, or oral delivery of therapeutic nutrition.

The general market for the IV Nutrition services is typically upper-middle class, ~~health-conscious~~health-conscious people. This market is underdeveloped and there are few franchises or other multi-unit clinics providing this type of therapy. Sales are not seasonal.

Single Unit Offering

You will develop and operate one or more ~~franchised-businesses~~IV Nutrition Clinics with the right to use our marks and our system, including operational guidelines, opening guidelines, our specifications for business design and proprietary information, our initial and ongoing training programs and marketing and promotional assistance. Our standards, guidelines, and specifications are outlined in our confidential

manual (the “**Manual**”) and otherwise in writing from time to time. You will own the underlying assets of the business; those assets will be operated by you, as our franchisee, under a license from us. ~~The franchise described is known as “IV Nutrition” (“IV Nutrition”). IV Nutrition is involved in the business of operating a support space for clients to receive intravenous, intramuscular, or oral delivery of therapeutic nutrition.~~

You may enter into a Franchise Agreement that lays out your rights and obligations in the operation of each franchised business (the “**Franchise Agreement**”). A copy of our current Franchise Agreement is attached as Exhibit A. If you enter ~~in to~~[into](#) a Franchise Agreement, as a franchisee, you will be required to develop, establish and operate a ~~franchised business~~[Franchised Clinic](#) in accordance with the requirements of our System.

Your rights under the Franchise Agreement will be limited to the establishment and operation of one ~~franchised business~~[Franchised Clinic](#), providing only our approved services and products in conformity with our System and within your designated Territory. Each Franchise Agreement will be between you and us, and each of your owners will guarantee your obligations to us.

Multi-Unit Offering

We also offer qualified individuals the right to open and operate multiple ~~location~~[Clinics](#) within a defined geographical area (the “**Development Area**”) by: (i) executing our current form of development agreement (the “**Development Agreement**”) attached as Exhibit B to this Disclosure Document; and (ii) paying our then-current development fee upon execution of your Development Agreement, which will depend on the number of ~~location~~[Clinics](#) you agree to open (the “**Development Fee**”).

You will be required to enter into our then-current form of franchise agreement, which may contain different terms from the franchise agreement in this Disclosure Document, for each of the ~~location~~[Clinics](#) you are required to open under the Development Agreement, and you must execute the Franchise Agreement for your initial ~~location~~[Clinic](#) contemporaneously with the execution of your Development Agreement. You must then ensure that you open and commence operations of each additional ~~location~~[Clinic](#) in the Development Area in accordance with a development schedule set forth in your Development Agreement (the “**Development Schedule**”).

Competition

Your competitors will include other nutritional clinics, medical/cosmetic spas, and, to a lesser degree, traditional hospitals. Depending on the number of other Franchisees in your area, you may compete with other IV Nutrition businesses (“**IV Nutrition Clinics**”).

Regulations

There are state and local laws, regulations and ordinances applicable to the operation and management of an IV Nutrition Clinic. The health care industry is heavily regulated at the federal, state, and local level. For example, state licensing and certification requirements may apply to persons who perform services for you or at your IV Nutrition Clinic, or to the legal structure of your business. These laws and regulations may also impose restrictions on referrals for designated health services to entities with whom you have financial relationships.

Health Insurance Portability and Accountability Act (“HIPAA”) laws, rules and regulations impose strict requirements as to safeguarding and maintaining the privacy of personal information and data collected and stored in medical records. We may provide you with a sample HIPAA business associate agreement. If we do provide sample HIPAA business associate agreement, you must consult with your own attorney to ensure that it complies with HIPAA and other applicable laws, rules and regulations. You are responsible for consulting with your own attorney to determine if your IV Nutrition Clinic is subject to HIPAA requirements.

You should consider these and other applicable laws and regulations when evaluating your purchase of a franchise.

You are prohibited from engaging in the practice of medicine or any other activities in violation of applicable state or federal law. You should be aware that some states may consider—or might in the future consider—some of our services to be “medical” or “clinical” in nature. In such event, we note that applicable laws may permit “medical” or “clinical” services to be performed in an entity that is owned by a person who is not a licensed health care provider. However, those applicable laws may require that the business make arrangements with certain health care providers to supervise medical or clinical aspects of the business. Other states have enacted laws that prohibit “corporate ownership” of entities that perform “medical” or “clinical” services. These laws might mean that if you are not properly licensed to provide “medical” or “clinical” services, you cannot own an entity that provides those services but you may be permitted to establish a separate management entity to provide administrative management services to the entity that provides “medical” or “clinical” services and that is owned by a licensed health care provider(s).

A number of states have enacted laws similar to the federal Anti-Kickback Act and the Stark Law prohibitions on self-referrals or prohibit certain fee splitting arrangements: These types of laws prohibit certain financial, compensation, and ownership/investment arrangements between (and among) certain types of health care providers and other individuals and/or entities. State requirements vary considerably. State laws may prohibit certain health care providers from being employed by, or providing services on behalf of, corporations and other business entities owned in whole or in part by non-licensed health care providers. In these states, you may be prohibited from employing certain health care providers, or from controlling in any way, the provision of health care services by providers.

It is your sole responsibility, to investigate, satisfy and remain in compliance with all local, state and federal laws in addition to obtaining and keeping in force all necessary certifications, licenses, registrations and permits required by public authorities, since they vary from place to place and can change over time. It will be your responsibility to research, understand, and comply with all applicable laws. Therefore, we strongly advise that before signing the Franchise Agreement, you engage an attorney and/or contact local, state and federal agencies to assist you in determining what laws, ordinances and regulations may affect your establishment or operation of an IV Nutrition business, and in complying with them, and determining your legal obligations and evaluate the possible effects on your costs and operations. You are responsible for obtaining all certifications, licenses, registrations and permits required to operate your ~~franchised business~~ Franchised Clinic.

ITEM 2. BUSINESS EXPERIENCE

Owner: Jason Fechter

Jason Fechter has served as our co-owner and Member since our inception. From February 2018 to present, Jason has served as co-founder of IV Nutrition, LLC with Dr. Tara Zeller in Overland Park, KS. Additionally, from March 2012 to present, Dr. Fechter has served as President of Cro Magnon Repast, LLC d/b/a Eat to Evolve in Kansas City, KS.

Owner: Tara Zeller

Tara Zeller has served as our co-owner and Member since our inception. From February 2018 to present, she has served as co-founder of IV Nutrition, LLC with Dr. Jason Fechter in Overland Park, KS. ~~Additionally, from 2013 to 2018, Tara Zeller operated a chiropractic and functional medicine practice in Fort Collins, CO.~~

~~Director of Operations~~ Chief Operating Officer: James Hart

James Hart has served as our ~~Chief Operations Officer since August 2023. From May 2022 to August 2023, Mr. Hart served as our Corporate Project Manager~~Director of Operations since May 2022. From July 2020 to May 2022 Mr. Hart worked as our Corporate Project Director. From February 2019 to July 2020, Mr. Hart worked as a Clinic Director for our ~~affiliate-franchisee-owned location~~Clinic in Tulsa, OK. From July 2018 to May 2019, Mr. Hart was a flight paramedic for Tulsa Life Flight/Air Methods in Keefeton, OK. From April 2016 to May 2019, Mr. Hart also served as a paramedic with Saint Francis Health Systems in Tulsa, OK.

Operations Manager: Jenn Tucker

Jenn Tucker has served as our Operations Manager since October 2022. From February 2017 to October 2022, Ms. Tucker worked as a Managing Partner for Texas Road House in Lee’s Summit, MO.

Project Operations Manager: Karl Okenfuss

Karl Okenfuss has served as our Operations Manager since April 2022. From May 2021 to April 2022, Mr. Okenfuss worked as a Manager for Eat to Evolve in Overland Park, KS. From May 2018 to April 2021, Mr. Okenfuss worked as a Workhouse Manager for Wilson Lighting in Overland Park, KS.

Project Manager: Kaitlyn McCullagh

Kaitlyn McCullagh has served as our Operations Manager since May 2022. From March 2018 to April 2022, Ms. McCullagh worked as a Client Service Associate for IV Nutrition in Overland Park, KS. From May 2019 to August 2021, Ms. McCullagh worked as a Shift Lead for Lawrence Beer Co. in Lawrence, KS.

~~Accounting Manager: Sheba Serfling~~

~~Sheba Serfling has served as our Operations Manager since February 2023. From October 2018 to February 2023, Ms. Serfling worked as a Controller for IMG in Taylorsville, NC. From December 2018 to January 2023, Ms. Serfling worked as a Controller for Custom Foods in Charlotte, NC.~~

Franchise Development Coordinator: Emily Tripp

Emily Tripp has served as our ~~Operations Manager~~Franchise Development Coordinator since November 2022. From August 2022 to November 2022, Ms. Tripp worked as an Events and Program Manager for Bark in Kansas City, MO. From June 2022 to August 2022, Ms. Tripp worked as an Assistant Events Coordinator for Bark in Kansas City, MO. From February 2022 to August 2022, Ms. Tripp worked as Bartender for Bark in Kansas City, MO. From December 2021 to June 2022, Ms. Tripp worked as a Program and Development Coordinator for Head for the Cure in Kansas City, MO. From August 2020 to November 2021, Ms. Tripp worked as a Building Substitute for Shawnee Mission West in Overland Park, KS. From December 2019 to April 2020, Ms. Tripp worked as an Assistant to the Athletic Director for Arkansas Tech in Russellville, AK. From May 2018 to December 2019, Ms. Tripp worked as a Graduate Assistant for Arkansas Tech in Russellville, AK.

Corporate Clinic Director: Chad Teeter

Chad Teeter has served as our ~~Operations Manager~~Corporate Clinic Director since April 2019. From January 2019 to April 2019, Mr. Teeter worked as a Paramedic for AMR in Independence, MD. From January 2009 to January 2019, Mr. Teeter worked as a Critical Care Paramedic for Monroe County Ambulance in Monroe City, MO.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

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

ITEM 5. INITIAL FEES

Initial Franchise Fee

You must pay us an Initial Franchise Fee of \$49,500, (the “**Franchise Fee**”) in a lump sum once you sign the Franchise Agreement. During our previous fiscal year ended December 31, ~~2022~~2023, our owners, Jason Fechter and Tara Zeller, each opened an IV Nutrition ~~Location~~Clinic under a franchise agreement and paid a \$0 initial franchise fee. No other discounts were given during our previous fiscal year ended December 31, ~~2022~~2023. Except for the sale listed above, the Initial Franchise Fee is uniform and is fully earned when paid and is non-refundable under any circumstances.

Training Fee

You must pay us a Training Fee of \$5,000 (the “Training Fee”) in a lump sum once you sign the Franchise Agreement. The Training Fee is uniform and is fully earned when paid and is non-refundable under any circumstances.

Initial Furniture and Equipment

Upon signing the franchise agreement, you will be required to pay our affiliate \$65,000 to \$75,000 for the Initial Furniture and General Supplies, which will all be included for a “Store in a Box”. This “Store in a Box” is provided by our affiliate, Fechter Construction, LLC, and will provide all items necessary to open your IV Nutrition ~~Location~~Clinic— including furniture, millwork, interior signage, and technology. The amounts paid for Initial Furniture and Equipment are fully earned when paid and is non-refundable under any circumstances.

Development Fee

If we grant you the right to open three or more Franchised ~~Location~~Clinics under a Development Agreement, you must pay us a one-time Development Fee upon executing your Development Agreement. Your Development Fee will depend on the number of Franchised ~~Location~~Clinic we grant you the right to open within the Development Area and is calculated as follows: ~~(i) \$99,000 for the right to open two Franchised Locations; (ii) \$134,500 for the right to open three Franchised Locations; (iii) \$164,500 for the right to open five Franchised Locations; and (iv) \$20,000 per Franchised Location if we grant you the right to open and operate six or more Franchised Locations.~~

<u>Number of Franchised Clinics</u>	<u>Initial Franchise Fee</u>	<u>Development Fee</u>
<u>1</u>	<u>\$49,500</u>	<u>N/A</u>
<u>2</u>	<u>\$49,500</u>	<u>\$99,000</u>
<u>3</u>	<u>\$35,500</u>	<u>\$134,500</u>
<u>4</u>	<u>\$30,000</u>	<u>\$164,500</u>
<u>5</u>	<u>\$30,000</u>	<u>\$194,500</u>

If we grant you the right to open 6 or more Franchised Clinics under a Development Agreement, the Development Fee is \$194,500 for the first five Franchised Clinics, plus \$20,000 for each additional Franchised Clinic you purchase the right to develop.

The Development Fee is fully earned when paid and is non-refundable under any circumstances.

ITEM 6. OTHER FEES

Type of Fee¹	Amount	Due Date	Remarks
Royalty	6% of your Gross Sales ²	Remitted bi-weekly by ACH ³ draft on the 1 st and the 15 th of each month.	
Brand Fund Fee	2% of your Gross Sales ²	Same as Royalty. ³	More information about Brand Fund is contained in Item 11.
Local Advertising, Marketing and Promotional Expenditure	2% of your Gross Sales ²	Monthly	More information about Local Advertising in contained in Item 11.
Co-op Contributions	As determined by the Co-op, not to exceed 1% of your Gross Sales ²	As determined by Co-op.	If established in your geographic area, you must join and actively participate. Your local advertising requirement will be reduced by the amount of the Co-op Contribution.
Technology Fee	Our then-current fee, currently \$750 per month	Monthly	You must pay us a monthly technology fee for our client management system, employee management system, client loyalty program, appointment bundle, email server, and media manager.
Additional Training ⁴	Our then-current fee, currently \$500 per day, plus expenses	As incurred.	More information about training is contained in Item 11.
Annual Conference	Actual Costs	On Demand, prior to conference.	Typically, \$500
Franchise Transfer Fee ⁵	\$12,000 plus any fees due for commissions	Prior to transfer	More information about transferring your franchise is contained in Item 17.
Late fees and interest charges on late payments	10% of the amount due	On demand.	Applies to any and all past due payments to Franchisor.
Insufficient Funds	5% or \$50, whichever is greater, or maximum fee allowed by law	On demand	Applies to any and all payments due to Franchisor.

Audit fee	Understated amounts, plus interest, plus amount of audit fees and related expenses	Within 15 days after receiving the examination report	Due if you fail to furnish and reports we require or understate your Gross Sales by more than 3%.
Interest	Lower of 1.5% per month or the highest commercial interest rate allowed by law	As incurred	Due on all overdue amounts and accruing as of the original due date.
Indemnification ⁶	Actual costs	As incurred	You must reimburse us if we are held liable for claims from your IV Nutrition Clinic's operation.
Renewal Fee ⁷	\$10,000	Due upon signing renewal Franchise Agreement	More information about renewing your franchise is contained in Item 17.
Supplier Review Fee	\$500	Upon requesting approval of a new supplier, material or service	
Relocation Fee	\$1,500	At least 60 days prior to the date of intended relocation	You must submit a written request in order to relocate your IV Nutrition Clinic. The new location Clinic must be within your granted territory.
Gift Card Fee	Varies	As incurred	The fees incurred by the processor for gift cards may vary based on the vendor used.
Re-Inspection Fee	\$1,500	On demand	We will perform an annual inspection of your IV Nutrition Clinic. If you fail such inspection, you will pay us a Re-Inspection Fee for the re-inspection of your IV Nutrition Clinic.

1. Except as otherwise noted, all amounts are nonrefundable and are uniformly imposed by and payable to us.
2. "Gross Sales" means all revenue that you receive, directly or indirectly, from operating your Business, including all amounts or other consideration you receive at or away from the Premises, and whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit transactions. Gross Sales includes the proceeds of any business interruption insurance or similar insurance. Gross Sales will also include amounts you earn from the sale of any online group-bought deals and the sale of any gift cards or gift certificates, in each case calculated using our then current guidelines, which may be based on the redeemed value or sale price of the deals, cards or certificates. Gross Sales does not,

however, include any federal, state, or municipal sales, use or service taxes, tips or gratuities collected from customers and paid to the appropriate taxing authority. We will require that you provide your profit and loss statements to us on a monthly basis for our review in a manner that we prescribe.

3. Unless otherwise restricted by applicable banking laws and regulations, we will establish a direct debit program with your bank to allow for the ACH draft of the bi-weekly royalty. You will be required to execute any necessary documents authorizing the ACH draft. We will automatically debit your bank account on the 1st and the 15th day of the month for the royalties and national marketing contributions due. For all fees to be remitted on a national holiday, fees will be due the following business day.

4. You will pay us an additional training fee (1) if we determine that you (or your Operating Partner) need training or assistance in addition to what is provided as part of the Training Program, (2) you request additional training or assistance for any person other than as provided as part of the Training Program, and/or (3) we require additional training for any other employee of yours who fails to perform services at your Business to our satisfaction.

5. All transfers must be in accordance with the terms and conditions of the Franchise Agreement and are subject to our prior approval.

6. You must indemnify us from all losses and expenses incurred in connection with any action, suit, proceeding, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement that arises out of or is based upon any of the items listed in the sections of the Franchise Agreement entitled "Indemnification." You must also pay for our legal expenses (fees and actual costs) incurred in any matter related to your ~~franchised business~~ Franchised Clinic and for any damages, costs, and expenses that we incur enforcing any of the provisions of the Franchise Agreement or as a result of your failure to pay amounts when due.

7. You will be required to pay a nonrefundable renewal fee upon the expiration of the initial term of the Franchise Agreement if you are eligible and elect to renew the Franchise Agreement.

ITEM 7. ESTIMATED INITIAL INVESTMENT

A. Franchise Agreement

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment¹	When Due	To Whom Payment is to be Made
Initial Franchise Fee	\$49,500	Lump Sum	Upon execution of Franchise Agreement	Us
<u>Training Fee</u>	<u>\$5,000</u>	<u>Lump Sum</u>	<u>Upon execution of Franchise Agreement</u>	<u>Us</u>
Computer Terminal/ POS	\$1,800 - \$4,400	Lump Sum	Prior to commencing operations	Vendors
Lease Deposit and Payment ²	\$3,000 - \$10,000	Lump Sum	Lease signing	Landlord
Utility Deposits ³ <u>Deposits plus 3 months utility payments³</u>	\$0 - \$2,000	As arranged	Prior to commencing operations	Utilities

Initial Inventory ⁴	\$13,750 - \$17,000	As arranged	Prior to commencing operations	Vendors
Store in a Box ⁵	\$65,000 - \$75,000	As arranged	Upon execution of Franchise Agreement	Affiliate – Fechter Construction, LLC
Leasehold Improvements/ Buildout ⁶	\$20,000 - \$85,000	As arranged	As incurred	Vendors
Signage ⁷	\$4,000 - \$12,000	Lump Sum	Prior to commencing operations	Vendors
Grand Opening Advertising ⁸	\$2,000 - \$5,000	In accordance with your initial marketing plan approved by us	Prior to commencing operations	Vendors
Insurance ⁹	\$1,000 - \$4,000	As arranged	Varies	Insurance Company
Permits and Licenses ¹⁰	\$150 - \$850	As incurred	Prior to commencing operations	Government Authorities
Accounting and Legal Fees	\$1,000 – \$2,000	As arranged	As incurred	Professionals
Travel and living expenses while training ¹¹	\$4,050 - \$8,500 10,000	As arranged	Prior to commencing operations	Hotels, Airlines, etc.
<u>Pre-opening Payroll Expenses</u>	<u>\$2,400 - \$3,200</u>	<u>As arranged</u>	<u>Prior to commencing operations</u>	<u>Employees</u>
Additional Funds – 3 months ¹²	\$25,000 - \$40,000	As incurred	As incurred	Vendors, employees, Utilities, etc.
TOTAL¹³	\$190,250 – \$315,250 <u>\$197,650</u> - \$324,950			

Explanatory Notes:

1. Except as otherwise provided, none of the amounts payable to us or our affiliates in this table are refundable under any circumstances. All amounts payable to third parties will be paid pursuant to the terms of your agreement with those respective third parties. We do not offer direct or indirect financing for these items.
2. Your landlord may require a lease deposit and will typically require monthly rent in advance; however, we anticipate based on our experience and that of our franchisees that you will receive rent abatement. Rent will vary depending upon the location of the premises and other related factors. The prepaid rent is usually nonrefundable, but that will ultimately be determined by the terms of the lease. The improved space for a new ~~franchised business~~IV Nutrition Clinic is between 1,800 to 2,200 square feet. We anticipate that you will rent the ~~location~~Clinic's premises. It is possible, however, that you will choose to buy, rather than rent, real estate on which a building suitable for the ~~Franchised Business~~Franchised Clinic already is constructed or could be constructed. Real estate costs depend on location, size, visibility, economic conditions, accessibility, competitive market conditions, and the type of ownership interest you are buying.

3. Most utilities, such as local water, sewer, gas, electric and telephone companies, require deposits prior to initial services unless these services are covered under your lease agreement.
4. The initial inventory requirements will include \$1,750 - \$2,000 for oral supplements, \$2,500 - \$3,000 for nutrients, \$3,500 - \$4,000 for IV and intramuscular supplies, \$1,500 - \$2,500 for initial IV Solution order, and \$4,500 - \$5,500 for brochures, cards, etc. Due to differences in local laws, prices, suppliers, geography and commercial practices, you may elect to carry a larger inventory. The cost of your opening supplies and inventory will depend on the brands purchased, local costs and other factors.
5. This estimate includes the cost of purchasing our “Store in a Box” from our affiliate. This package includes all the furniture, fixtures, and equipment you will need in order to open your ~~location~~ Clinic. The estimated costs include purchase price, delivery and installation.
6. Leasehold improvement costs, including floor covering, wall treatment, counters, ceilings, painting, window coverings, electrical, carpentry, and similar work. architect’s and contractor’s fees depend on various factors, including: (i) the site’s condition, location, and size; (ii) the demand for the site among prospective lessees; (iii) the site’s previous use; the build-out required to conform the site for your ~~location~~ Clinic; and (iv) any construction or other allowances the landlord grants. The lower figures provided here under “Leasehold Improvements” assume that you remodel an existing building that has previously been utilized for a similar purpose. Construction of a new building on a pad site or otherwise likely would require a greater initial investment, the amount of which would depend on market conditions.
7. The business is generally outfitted with a sign which must be approved by us. The estimated costs represent manufacture and installation.
8. You are required to spend at least \$2,000 in the four weeks before and the four weeks after the opening date. See Item 11 for more information regarding your initial marketing plan.
9. You must obtain and maintain on a primary and non-contributory basis at least a commercial general liability policy, commercial automobile liability policy, commercial property liability policy, workers’ compensation/employer’s liability policy, umbrella liability policy, employment practices liability policy, and cyber and privacy policy. See Item 8 for more information regarding your insurance requirements.
10. This amount reflects the estimated fees you will pay to apply for various permits and licenses, such as building permits, sales tax permits, incorporation fees, fire inspection fees and health department inspection fees. The application and fees required will depend upon the regulations of the governing agencies in your area.
11. These expenses include the cost of transportation, meals, accommodations, and similar expenses associated with the attendance of 3 people at the required initial training and reimbursement of up to \$2,500 for our travel and living expenses for training at your Franchised Clinic. More information regarding initial training can be found in Item 11 of this disclosure document.
12. This is an estimate of anticipated working capital that will be required during the first 3 months of operating your ~~franchised business~~ Franchised Clinic, including 3 months of rent payments. We have relied on the experience of our affiliate owned ~~location~~ Clinics in making this estimate.
13. We based these estimates on our affiliates’ and officers’ experience. The actual amount of your investment will vary based on location, real estate costs, local economy, location size, available real estate financing or investor capital and many other factors. These totals do not include the cost of purchasing real estate for the business. Except as described in Note 1 or as negotiated with a third-party vendor, all amounts are nonrefundable.

B. Development Agreement

YOUR ESTIMATED INITIAL INVESTMENT¹

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
---------------------	--------	-------------------	----------	-------------------------------

Development Fee ² (2-5 Clinics)	\$99,000 - \$134,500 194,500	Lump Sum	Upon execution of Development Agreement	Us
Initial Investment to Open Initial Location ³	\$140,750 - \$265,750 148,150 - 275,450	See Table A of this Item 7.		
TOTALS ¹³	\$275,250 - \$400,250 247,150 - 469,950	This is the total estimated initial investment to enter into a Development Agreement for the right to own a total of three (3) 2 to 5 Location Clinics, as well as the costs to open and commence operating your initial Location Clinic for the first three months (as described more fully in Table A of this Item 7). See Note 3.		

Explanatory Notes:

1. All fees and payments are non-refundable, unless otherwise stated or permitted by the payee. This chart details the estimated initial investment associated with executing a Development Agreement for the right to own and operate two to ~~ten-five~~ Location Clinics, as well as the initial investment to open your first Location Clinic under your Development Schedule.
2. The Development Fee is described in greater detail in Item 5 of this Disclosure Document, and this Development Fee is for the right to open and operate ~~a total of three (3)~~ 2 to 5 Location Clinics. ~~If you choose to open more than three (3) Locations, your Development Fee will be calculated as follows: (i) \$99,000 for the right to open two Franchised Locations; (ii) \$134,500 for the right to open three Franchised Locations; (iii) \$164,500 for the right to open five Franchised Locations; and (iv) \$20,000 per Franchised Location if we grant you the right to open and operate six or more Franchised Locations.~~
3. This figure represents the total estimated initial investment required to open the initial Location Clinic you agreed to open and operate under the Development Agreement. You will be required to enter into our then-current form of franchise agreement for the initial Location Clinic you open under your Development Agreement. The range includes all the items outlined in Table A of this Item 7, except for the Initial Franchise Fee because it is accounted for in the Development Fee. It does not include any of the costs you will incur in opening any additional Location Clinic(s) that you are granted the right to open and operate under your Development Agreement.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases and Source

You must buy the equipment and license the software for the required POS system from our current designated supplier, Soham Inc dba Zenoti. You are required to enter into a contract with Soham Inc dba Zenoti, our only approved vendor for point-of-sale data transmission service which facilitates the processing of credit cards and with one of our approved vendors, Adyn N.V., for payment card industry compliance. You must buy your furniture, fixtures, and equipment from our affiliate, Fechter Construction, LLC, through our “Store in a Box” package. You are also required to use Morrow Hill to select the location for your ~~franchised business~~ Franchised Clinic; there is no additional fee required to be paid by the franchisee for using Morrow Hill.

In addition to proprietary items, you must purchase or lease certain products or services required for your ~~franchised business~~ Franchised Clinic from suppliers and distributors designated and approved by us. We will provide a written list of approved suppliers for services, furniture, fixtures, leasehold improvements, signs, point of sale systems, computer hardware, computer software, and computer services. We will notify you of any additions to or deletions from this list and will provide you with written standards and specifications for your ~~franchised business~~ Franchised Clinic, your equipment, supplies, inventory and tools, the computer and POS systems, and insurance. We reserve the right, in our sole discretion, to

designate and require you to use a single supplier for any services, products, equipment, supplies, or materials.

We reserve the right to require you to purchase additional items from designated sources in the future. We designate these requirements in the Manual. We and our affiliates are currently not the only approved supplier of ~~any~~all required products or services. One of our officers, Jason Fechter, owns 100% interest in Fechter Construction LLC, which is one of our suppliers- and is the required supplier for all items necessary to open your IV Nutrition Clinic including furniture, millwork, interior signage, and technology.

We estimate that your purchases from our approved suppliers will represent approximately 80-85% of your total purchases in establishing your ~~franchised business~~Franchised Clinic and approximately 90-95% of your ongoing operating purchases.

We do not allow you to contract with any other vendor or supplier in satisfying your mandatory and ongoing purchases of proprietary products. This is regardless of an alternative supplier's ability to produce proprietary products of a similar quality at a competitive price. ~~Except as described in this Item 8, there are no other requirements for you to purchase or lease in accordance with specifications or from approved suppliers.~~

Purchases by Specification

To ensure that our standards and specifications of quality and service are maintained, and that, at all times, your ~~franchised business~~Franchised Clinic maintains a uniform and professional appearance, you must operate your ~~franchised business~~Franchised Clinic in strict conformity with the methods, standards, specifications and sources of supply that we designate and prescribe in our Manual. This requirement applies to equipment, supplies, signage, uniforms, the interior décor, advertising and marketing materials and services, inventory and other items.

Specifications may include minimum standards for quality, quantity, delivery, performance, design, appearance, durability, style, warranties, price range and other related specifications. We consider these specifications to be of critical importance to the success of the system. The Manual sets forth these specifications and we will make available to you a list of approved suppliers. We reserve the right to change the standards and specifications from time to time on written notice to you or as may be specified by the Manual.

Product Approval Process

If you want to purchase or lease any supplies, materials, tools, products or services not previously approved in writing by us as acceptable or from a supplier not approved by us, you can request our approval in writing, at your sole expense. You may need to submit, among other things, sufficient samples, specifications, photographs, drawings and other related information in order for us to determine whether the items meet our specifications and certain information about this proposed supplier. We may charge you or the supplier a fee to cover our costs to test its product for approval.

When considering and evaluating the approval of a particular supplier, among other things, we apply the following general criteria: ability to produce the products, services, supplies or equipment to meet both our standards and specifications for quality and uniformity and the customers' expectations; production and delivery capabilities and ability to meet supply commitments; financial stability; and the negotiation of a mutually satisfactory approved vendor or supplier agreement, copyright assignment and confidentiality agreement in a form satisfactory to us.

You must pay us a \$500 fee upon submission of a product or supplier for our consideration. We will

advise you within a reasonable time (in no event longer than 60 days after receipt of all applicable information required for approval) whether the proposed items and supplier(s) meet our specifications, and our approval will not be unreasonably withheld. The approval time may vary if we determine, in our independent judgment, that additional testing is needed. We will notify you in writing of our approval or disapproval and of revocation of approved suppliers. Suppliers must maintain our standards in accordance with written specifications and any modifications. If a supplier deviates from our specifications, we may terminate the supplier's status as an approved supplier.

Revenue Received from Purchases or Leases

During our fiscal year ending December 31, ~~2022~~2023, we received \$~~140,385.726,824.36~~ in revenues from required franchisee purchases from us, which represents 49.35% of our total revenues of \$1,500,907 for ~~this~~the 2023 calendar year.

During the fiscal year ending December 31, 2023, our affiliate, Fechter Construction, LLC, received \$495,797.07 in revenue from the sale of products to franchisees.

Vendor Purchase Arrangements

We currently negotiate purchase arrangements with manufacturers and suppliers (including pricing terms) for our franchisees' benefit.

We may, from time to time, receive rebates from Approved Suppliers based on the aggregate volume of items ordered. You will not be entitled to receive any portion of these rebates. We do not currently receive rebates based on purchases by franchisees. In addition, we may negotiate certain arrangements (including price terms) for the purchase of certain items, such as logoed products with suppliers. We do not provide material benefits to franchisees (for example, renewal or granting additional franchises) based upon their purchase of particular products or services or use of particular suppliers. There are currently no purchasing or distribution cooperatives for the System. We have derived no revenue in the form of rebates from manufacturers or vendors as a result of required purchases by franchisees.

Insurance

~~You will be required to procure and maintain insurance in the amounts we prescribe. You currently must purchase and maintain at least comprehensive general liability coverage of \$1,000,000 per occurrence for bodily injury and property damage, and multi-peril package, and umbrella coverage of an additional \$1,000,000; workers' compensation and employer's liability insurance as well as any other insurance that may be required by statute or rule in the state in which your Franchised Clinic is located; and any other insurance that we may require in the future or that may be required according to the terms of your lease.~~ You agree to provide us with proof of coverage on demand.

All insurance policies, except your workers compensation and commercial property liability policies, must contain, or be endorsed to contain, a provision naming us and our related entities as an additional insured. Specifically, with respect to liability arising from your premises, operations, products, and completed operations, the general liability policy should include an additional insured – grantor of franchise endorsement.

All required insurance policies, except for you' Workers' Compensation policy, must be written by insurance companies with a rating of A-VIII (eight) or better in the most recent ²A.M. Best's Insurance Report (or other comparable publication we specify)' Workers' Compensation policies can be ~~issued~~ written by insurance companies with a policyholder rating of B plus (B+) or better. Insurance coverage requirements are more specifically set forth in the Manual and are subject to change from time to time. We may require that you obtain all or a portion of your insurance policies from a supplier designated by

us.

Gift Cards, Loyalty, CRM, Social Media Software, Online and Mobile Ordering Programs

You may not create or issue any gift certificates or gift cards and may only sell gift certificates or gift cards that have been issued by us that are accepted at all locations. You must participate in all gift certificate and/or gift card administration programs as we may designate from time to time. You must honor all coupons, gift certificates, gift cards and other programs or promotions we direct. You must fully participate in all guest loyalty or frequent customer programs now or in the future adopted or approved by us. You must not issue coupons or discounts of any type for use at your Franchised ~~Location~~ **Clinic** except as approved by us in writing. In addition, you must purchase, enroll in or subscribe to, as applicable, all CRM, social media analytics and online and mobile ordering software or programs that we designate. We may change the designated suppliers of these or similar services in our discretion. You must change, purchase or subscribe to the additional programs or software, as applicable, after we give you notice to do so.

ITEM 9. FRANCHISEE’S OBLIGATIONS

This table lists Your principal obligations under the Franchise Agreement and other agreements. It will help You find more detailed information about Your obligations in these agreements and in other items of this Disclosure Document.

FRANCHISEE’S OBLIGATIONS

Obligation	Section in Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	§§ 1.2, 7.1, 7.3	Items 6 and 11
b. Pre-opening purchases/leases	§§ 4.3, 9.1	Items 5 and 8
c. Site development and other pre-opening requirements	§§ 9.1, 9.1.1, 9.2, 9.3, 9.4	Items 6, 7, 11
d. Initial and ongoing training	§§ 8.2, 8.3, 8.4, 8.7, 9.13	Item 11
e. Opening	§§ 6.1, 7.2	Item 11
f. Fees	§§ 4, 5, 6.2, 6.2.2, 6.3, 9.5.4	Items 5, 6 and 11
g. Compliance with standards and policies/operating manual	§§ 8.6, 9, 16.3	Item 11
h. Trademarks and proprietary information	§ 3	Items 13 and 14
i. Restrictions on products/services offered	§§ 9.3, 9.5, 9.9	Item 16

j. Warranty and customer service requirements	§§ 9.3, 9.5.3, 9.16	Item 16
k. Territorial development and sales quotas	§ 1.2	Item 12
l. Ongoing product/service purchases	§§ 9.20	Item 8
m. Maintenance, appearance and remodeling requirements	§ § 9.1-9.1.5, 9.2, 9.4	Item 11
n. Insurance	§ 11.1	Items 6 and 8
o. Advertising	§ Article 6	Items 6 and 11
p. Indemnification	§§ 11.2, 11.3	Item 6
q. Owner's participation/management/staffing	§ 9.13	Items 11 and 15
r. Records and reports	§§ 9.15, 10.2, 12.2	Item 6
s. Inspections and audits	§§ 9.9.4, 9.17, 12.1	Items 6 and 11
t. Transfer	Article 13	Item 17
u. Renewal	§§ 2.2-2.2.8	Item 17
v. Post-termination obligations	Article 16	Item 17
w. Non-competition covenants	§§ 17.1, 17.2	Item 17
x. Dispute resolution	§§ 18.2,18.3	Item 17

Area Development Agreement

This table lists Your principal obligations under the Franchise Agreement and other agreements. It will help You find more detailed information about Your obligations in these agreements and in other items of this Disclosure Document.

FRANCHISEE'S OBLIGATIONS

Obligation	Section in Development Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	§1.1	Items 6 and 11
b. Pre-opening purchases/leases	Not Applicable	Item 8
c. Site development and other pre-opening requirements	§1.2, 3.1, 3.2	Items 6, 7, 11
d. Initial and ongoing training	Not Applicable	Item 11
e. Opening	§ 3.1	Item 11
f. Fees	§ 2	Items 5, 6 and 11
g. Compliance with standards and policies/operating manual	Not Applicable	Item 11
h. Trademarks and proprietary information	Not Applicable	Items 13 and 14
i. Restrictions on products/services offered	Not Applicable	Item 16
j. Warranty and customer service requirements	Not Applicable	Item 16
k. Territorial development and sales quotas	§ 3.1	Item 12
l. Ongoing product/service purchases	Not Applicable	Item 8
m. Maintenance, appearance and remodeling requirements	Not Applicable	Item 11
n. Insurance	Not Applicable	Items 6 and 8
o. Advertising	Not Applicable	Items 6 and 11

p. Indemnification	Not Applicable	Item 6
q. Owner's participation/management/staffing	Not Applicable	Items 11 and 15
r. Records and reports	Not Applicable	Item 6
s. Inspections and audits	Not Applicable	Items 6 and 11
t. Transfer	Article 7	Item 17
u. Renewal	Not Applicable	Item 17
v. Post-termination obligations	Article 6	Item 17
w. Non-competition covenants	Not Applicable	Item 17
x. Dispute resolution	Article 8	Item 17

ITEM 10. FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligation.

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

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

Franchisor's Pre-opening Obligations under the Franchise Agreement

Before you open your Franchised Business, we will:

1. Grant you a non-exclusive search area within which you must locate acceptable sites for the operation of your clinic. Once a site for your Franchised Clinic has been submitted, we will Review-review your site information and approve of your site subject to our minimum standards and specifications. We will use reasonable efforts to approve your site within 30 days of our receipt of your site report, provided all required information has been submitted with the request. Factors considered in selection and confirmation of a site include population, traffic count, foot traffic, accessibility, visibility, demographics and competition in the area. You are exclusively responsible for selecting a location for your franchised businessFranchised Clinic. (Franchise Agreement, Section 8.1.)
2. Review your lease agreement for the site to confirm whether our minimum terms for inclusion in the lease are satisfied. (Franchise Agreement, Section 7.1). We do not assist with negotiating the purchase or lease of your site or assist with conforming the premises to local ordinances and building codes or obtaining any required permits.
3. Provide you with suggested staffing guidelines for hiring employees, operational instructions which you can use as part of training new employees. All hiring decisions and conditions of employment are your sole responsibility. (Franchise Agreement, Section 9.13.1)
4. Provide you access to the confidential Manual. The Manual currently consists of 196180 pages and may be amended from time to time. The Manual is confidential and remains our property because it is our intellectual property. We may modify the Manual from time to time, but these modifications will not alter your status and rights and obligations under the Franchise or Development Agreements. The table

of contents for the Manual are attached as Exhibit F to this disclosure document. (Franchise Agreement, Section 8.6)

5. If applicable, provide a set of prototype plans for construction, or guidelines for buildout. These plans and guidelines are for informational purposes only and are not to be relied upon by you in the construction and/or buildout. Your final construction or buildout plans must be approved by us in advance. You must use an approved architect and an approved civil engineer to customize your construction/buildout plans. (Franchise Agreement, Section 9.1)

6. Sell, deliver and install, in part through affiliate, Fechter Construction LLC, a “Store in a Box” which contains furniture, millwork, interior signage, and technology that will be used in your Franchised Clinic. Our affiliate will sell, deliver and install all furniture, interior signage and technology. You will be responsible for the installation of all millwork, ceiling tiles, chandeliers, etc. sold and delivered by our affiliate using approved contractors. (Franchise Agreement, Section 4.3)

~~6.7.~~ Provide you with written specifications for the operation and management of the business, primarily through the Manual, including recommended prices, lists of approved/required items of equipment and inventory and designated or approved suppliers of such items. We do not provide, deliver or install such items. (Franchise Agreement, Section 8.6)

~~7.8.~~ Within 3 months after you sign the Franchise Agreement, provide an initial training program, which must be successfully completed. More details about initial training appear later in this Item 11. You are solely responsible for your travel and lodging expenses for training. (Franchise Agreement, Section 8.2)

~~8.9.~~ Review and, if appropriate, approve your initial marketing plan. (Franchise Agreement, Section 6.1)

Time to Opening

The typical length of time between the signing of a Franchise Agreement and the opening of the ~~Franchised Business~~Franchised Clinic is 3 to 6 months. This time estimate may vary depending on the timing of the confirmation of your site, the extent of lease negotiations, any delays in obtaining governmental approvals and other factors affecting the completion of construction, completing training, and obtaining insurance among other things.

You will not open your ~~Franchised Business~~Franchised Clinic before (1) successful completion of the initial training program and all other required training, (2) purchasing all required insurance and providing us, at our option, proof of coverage, (3) obtaining all required licenses, certifications, permits and other governmental approvals, and (4) performing Grand Opening Advertising. Failure to open within ~~12-9~~ months from the signing of the Franchise Agreement may be considered a breach of the Franchise Agreement and may result in its cause for termination of the Franchise Agreement at our discretion.

Franchisor’s obligations during Your Operation of the Franchise

During the operation of your Franchised Business, we will:

1. Provide you with information on new developments, techniques and improvements related to the system and to operations. (Franchise Agreement, Section 8.7)
2. Provide you with suggested staffing guidelines for hiring employees, operational instructions which you can use as part of training new employees. All hiring decisions and conditions of employment are your sole responsibility. (Franchise Agreement, Section 9.13)
3. Offer certain additional training programs that we may require you to attend. (Franchise Agreement, Section 8.3)
4. Advise you of operating problems from your reports or our inspections. (Franchise Agreement, Section 9.17)

Franchisor’s Pre-opening Obligations under the Development Agreement

Our obligations regarding site selection assistance, training, computer hardware and software selections, and advertising for additional ~~Location~~Clinics developed under a Development Agreement will be

governed by the form of single-unit franchise agreement you sign for each additional ~~Location~~ Clinic.

Site Selection

You must obtain and maintain a site acceptable to us for your ~~Franchised Business~~ Franchised Clinic. If a site for your ~~Franchised Business~~ Franchised Clinic has not been selected by the date you sign the Franchise Agreement, you will be given a non-exclusive "Site Search Area" in which you must locate a site for your Franchised Clinic. The Site Search Area is delineated for the sole purpose of site selection and does not provide any territorial exclusivity or protection. You may submit a site for our approval outside of the Site Search Area if it is not within the protected territory or site search area of another franchisee. You must assume all costs, liabilities, expenses and responsibility for locating, obtaining and developing a site for the Franchised Clinic and for constructing and equipping the Franchised Clinic at the accepted site.

Once you have selected a site for your Franchised Clinic, you must submit to us a complete report for a site you propose. We will use reasonable efforts to approve or disapprove a proposed site within 30 days after receiving your site report. Our determination to approve or disapprove a site may be based on various criteria, which we may change in our discretion, including business count, traffic count, accessibility, parking, visibility, competition and license availability. Our acceptance only means that the site meets our minimum requirements for a Franchised Clinic. -You must send us all information we require for the proposed site. We do not typically own the site where your ~~Franchised Business~~ Franchised Clinic is located and lease it to you.

You must obtain our written approval of your ~~Franchised Business~~ Franchised Clinic' proposed site and sign a lease we approve for that premises within 120 days of the effective date of the Franchise Agreement. You must deliver to us a signed copy of the lease within ten (10) days after its execution for our review and approval. If you have not received our approval of your ~~Franchised Business~~ Franchised Clinic's proposed site and lease within 120 days after signing the Franchise Agreement, we may terminate the Franchise Agreement upon notice to you. (Franchise Agreement – Section 7.1).

Advertising

Brand Fund

We have established a Brand Fund that we will control and administer for the advertising, marketing, promotional, customer relationship management, public relations and other brand-related programs and materials for all or a group of our franchisees, as we periodically deem appropriate (the "Brand Fund"). Our company and affiliate owned ~~Location~~ Clinics may, but are not required to, contribute to the marketing fund on the same basis as franchisees. As disclosed in Item 6, each franchisee must remit to us a continuing nonrefundable contribution of 2% of Gross Sales due at the same time and in the same manner as Royalty payments. (Franchise Agreement - Section 6.2).

Brand Fund Contributions must be paid together with each payment of royalty fees. We have the right to designate and direct all programs that the Brand Fund finances with sole control over the creative and business concepts, materials and endorsements used and their geographic, market and media placement and allocation. We may use the funds contributed to the Brand Fund may, in our sole discretion, for market studies, technology development, advertising and public relations, product and service development, to produce materials, prepare miscellaneous artwork, conduct print, radio and/or television advertising, implement customer service programs or conduct consumer research on a national or regional level, employ an in-house or outside advertising agency and funding any other direct or indirect marketing activity, including funding or operating a charitable foundation or other charitable entities or activities, and administrative costs, which may include reimbursement for direct administrative and personnel costs

associated with advertising and public relations, and any other costs associated with the development, marketing and public relations materials, and for the purchase of media placement, advertising time and public relations materials in national, regional or other advertising and public relations media in a manner determined by us, in our sole discretion, to be in the best interest of the franchisees and the System. We are not obligated to expend monies from the Brand Fund in any particular franchisee's market in proportion to the payments to the Brand Fund made by the franchisee in that market. We do not represent that we will spend any particular amount of the Brand Fund locally, regionally, or nationally. The advertising is prepared by us and by outside sources.

We will not use the Brand Fund to pay any of our general operating expenses, except to compensate us and our affiliates for the reasonable salaries, administrative costs, travel expenses, overhead and other costs we and they incur in connection with activities performed for the Brand Fund and its programs, including conducting market research, preparing advertising and marketing materials, maintaining and administering the System website and/or social media, developing technologies to be used by the Brand Fund or its programs, collecting and accounting for Brand Fund contributions, and paying taxes on contributions. The Brand Fund is not a trust, and we do not owe you fiduciary obligations because of our maintaining, directing or administering the Brand Fund or any other reason.

The Brand Fund may spend in any fiscal year more or less than the total Brand Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will use all interest earned on Brand Fund contributions to pay costs before using the Brand Fund's other assets.

While we do not anticipate that the national Brand Fund will be used for advertising that is principally a solicitation for franchisees, we reserve the right to use the national Brand Fund for public relations or recognition of our brand, for the creation and maintenance of a web site, a portion of which can be used to explain the franchise offering and solicit potential franchisees, and to include a notation in any advertisement indicating "Franchises Available."

During our fiscal year ended December 31, ~~2022~~2023, we collected \$~~102,098.93~~182,079.27 in Brand Fund contributions. We contributed an additional \$94,531.94 ~~45,978.41~~ to the Brand Fund in ~~2022~~2023. The Brand Fund Contributions were spent as follows: ~~40~~25% on media production; ~~40~~60% on media placement, ~~13% on administrative expenses and~~ ~~and~~10% for other uses.

If we do not spend all Brand Fund Contributions by the end of each fiscal year, the funds will be carried forward into the next fiscal year. An unaudited statement of the operations of the marketing fund will be prepared each year and, upon request, will be available to you. We also reserve the right, but are under no obligation, to obtain and pay for audited financials. Any contributions not used during the current year will be carried over into the next year's budget.

If we terminate the Brand Fund, we will (at our option) either spend the remaining Brand Fund assets or distribute the unspent assets to System franchisees (including us and our affiliates, if applicable) then contributing to the Brand Fund in proportion to their Brand Fund Contributions during the preceding 12-month period.

Local Advertising, Marketing and Promotional Expenditure

You are required to engage in local advertising, and you are required to spend a minimum of 2% of your Gross Sales per month ~~to-on~~ your local marketing efforts. All marketing materials used in your local advertising must be submitted and pre-approved by us in writing. Further, we may make available to you and provide you with access to various monthly and seasonal print, direct mail and email marketing campaigns (in the form of a source document) that you may utilize. In those instances where we provide you with access to our marketing campaigns, we may provide you with the source designs and design

specifications. However, you will incur the direct costs associated with utilizing such marketing campaigns and in having such campaigns printed, distributed and/or placed with media sources. We may, in our discretion, require you to submit receipts documenting your local marketing activity. (Franchise Agreement – Section 6.3).

Local Marketing Cooperatives

You are not currently required to participate in a local or regional advertising cooperative or contribute to any local or regional cooperative fund, but we may require you to do so in the future.

We have the right, in our discretion, to designate any geographic area for purposes of establishing a regional advertising and promotional cooperative (“Cooperative”). Each cooperative must adopt written governing documents. A copy of the governing documents for the Cooperative, if established for your geographic area, is available upon request. The Cooperative’s members in any area are the owners of all of the IV Nutrition Clinics located and operating in that area (including us and our affiliates, if applicable) that we have the right to require to participate in the Cooperative. The members and their elected officers are responsible for administration and operation of the Cooperative. Each Cooperative will be organized and governed in a form and manner, and begin operating on a date, that we determine. We may change, dissolve or merge Cooperatives. Each Cooperative’s purpose is, with our approval, to develop, administer or implement advertising, marketing and promotional materials and programs for the area that the Cooperative covers. If a Cooperative has been established in your area prior to opening the Clinic, you must become a member of the Cooperative no later than 30-days after opening the Clinic. If a Cooperative is established subsequent to the opening of your Clinic, you must become a member of the Cooperative no later than 30-days after the date on which the Cooperative commences operation. If your Clinic is within a geographic area encompassing more than one+ Cooperative, you will not be required to be a member of more than one+ Cooperative.

If a Cooperative is established, you will be required to contribute up to 1% of your Gross Revenues on a monthly basis to the Cooperative. These, which will be credited toward your Local Advertising, Marketing, and Promotional Expenditure. Cooperative contributions will be credited towards your Local Advertising, Marketing, and Promotional Expenditure, and will only not exceed the Local Advertising, Marketing, and Promotional Expenditure if unless a majority of the Cooperative’s members vote to spend an amount greater than the Local Advertising, Marketing, and Promotional Expenditure on advertising.

Each Cooperative will be organized for the exclusive purpose of administering regional advertising programs and developing, subject to our approval, standardized advertising materials for use by the members in local advertising. All material decisions of the Cooperative, including contribution levels (which also require our approval), will require the affirmative vote of more than 50% of all Clinics that are required to participate in the Cooperative (including, if applicable, those operated by us or our affiliate), with each Clinic receiving 1 vote. The Cooperative must send us and the Cooperative any reports that we or the Cooperative periodically requires. The Cooperative will operate solely to collect and spend Cooperative contributions for the purposes described above. No promotional or advertising plans or materials may be used by a Cooperative or furnished to its members without our prior approval. All such plans and materials will be submitted to us in accordance with the procedure set forth in Section 6.4 of the Franchise Agreement. We may grant to any franchisee, in our sole discretion, an exemption for any length of time from the requirement of membership in a Cooperative, upon written request of such franchisee stating reasons supporting such exemption. Our decision concerning such request for exemption will be final. (Franchise Agreement – Section 6.4).

Franchisee Advisory Council

We have established an Advisory Council (“**Advisory Council**”) which functions as a representative

group of franchises that meets periodically with ~~the team~~ our team and management to advise us on initiative as well as challenges and concerns regarding the franchise system. This council serves in an advisory capacity only, and is selected from franchisees who are in good standing and want to participate. We have the right to modify or dissolve an Advisory Council at any time. (Franchise Agreement – Section 6.5)

Websites

You may not design, develop or host a website, or any web page, or use any domain name or email address containing the marks or regarding the ~~franchised business~~ Franchised Clinic other than as approved or required by us. (Franchise Agreement – Section 9.8).

Grand Opening Advertising

You must spend at least \$2,000 to conduct Grand Opening Advertising in your territory. While \$2,000 is the minimum amount required, we recommend that you spend at least \$5,000. You can expend any additional amounts that you wish on Grand Opening Advertising and we estimate that you will do so. (Franchise Agreement – Section 6.1).

Promotional Campaigns

We may conduct promotional campaigns on a national or regional basis to promote products or marketing themes. You must participate in all promotional campaigns which we may establish for the region in which your ~~Franchised Business~~ Franchised Clinic is located. (Franchise Agreement, Section 6.6).

Computer Requirements

We have the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, and hardware be used by you, including without limitation: (i) a “back office” computer system that complies with our standards and specifications; (ii) the point of sale system (“the “POS System”) that complies with our standards and specifications; (iii) three (3) iPads for client intake paperwork; (iv) all-in-one printer, scanner and fax machine; and (v) Internet access mode and speed (collectively, the “Computer System”). You will purchase, use and maintain any and all computer software programs (“Software”) which we have developed or may develop and/or designate for use for the System, and will purchase such computer hardware as may be necessary for the efficient operation of the Software. Specifically, you must obtain any software program designated by us for use in the operation of your ~~Franchised Business~~ Franchised Clinic. You will strictly comply with our standards and specifications for all items associated with the Computer System and any Software. You agree, at your own expense, to keep your Computer System in good maintenance and repair and install such additions, changes, modifications, substitutions, and/or replacements to the Computer System or Software as we direct from time to time in writing. We estimate that the cost of obtaining the required Computer System will be approximately \$2,820 to \$7,400. Although we estimate that you will not incur a substantial cost in updating the Computer System on an annual basis, we estimate that the annual costs of any optional or required maintenance, updating, or support contracts will be less than \$9,000, which includes the monthly fee for the POS System. Neither we nor any affiliate is obligated to provide ongoing maintenance, repairs, upgrades or updates to any component of your computer system.

If and at such time we develop and custom design any software programs for conducting scheduling, accounting, inventory and point-of-sale functions and related activities (“Proprietary Software Program”), you, at your own expense, agree to obtain the computer hardware required to implement the Proprietary Software Program into your ~~Franchised Business~~ Franchised Clinic, and to comply with all specifications and standards prescribed by us regarding the Proprietary Software Program, as provided in the Operating Manual or otherwise in writing. This Proprietary Software Program will be proprietary to us and Confidential Information of ours. It is possible that we might not be able to alter the Proprietary

Software Program to accommodate each and every franchisee of the System, and therefore, at such time that we require the implementation of such software, you will only utilize the program as prescribed by us. At such time as we require the implementation of such Proprietary Software Program, we or our designee agree to provide ongoing service and support to you regarding the Proprietary Software Program and will lease such Proprietary Software Program to you at the then current rates published by us. (Section 9.5 of the Franchise Agreement). We reserve the right to have independent access to any data you collect electronically, subject to applicable state law, ~~which may include, but not be limited to patient data.~~ You must install, at your expense, the necessary computer hardware and software to provide us with full and direct electronic access to all of your data, software systems, and related information. (Franchise Agreement – Section 9.5).

We reserve the right to specify and designate by brand, model, size, type and any other relevant standards or specifications the digital and other signs and displays which must be used or displayed in your ~~Franchised Business~~ Franchised Clinic, including the right to require that you purchase any relevant signs or displays from us or from our affiliates.

You may be required to enter into licenses and agreements with us or with designated or approved third party vendors for technical support, warranty service, or collateral software licenses.

Training

You or your Designated Principal, your IV Nutrition Clinic Director, and all Assistant Managers must attend and successfully complete to our satisfaction the training program. No tuition is charged for up to 3 trainees. ~~You will be required to remit to us a fee of \$500 per day plus travel, room, and board for each additional trainee trained at your Clinic.~~ You are also required to pay all travel and living expenses for your representatives while they attend the training program.

The initial training program will be conducted after you sign the Franchise Agreement. We offer the training program on an as-needed basis. The initial training program will take 10 days for your Clinic Director and a minimum of 3 days as the owner or your Designated Principal and will be held at one of our Corporate ~~location~~ Clinics that we designate and will be based on the Operating Manual. To reduce travel costs to the franchisee, we may also permit training to occur in other locations around the country. The initial training program consists of the following:

INITIAL TRAINING PROGRAM

Clinic Director Training

(Online Training must be completed prior to attending in-person training)

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Who We Are and What We Do	0.75 <u>3</u>	0	Online
Policies and Procedures	0.5 <u>3</u>	0	Online

Customer Experience	0.5	0	Online
Our Services	2 18	0	Online
Wellness Bloodwork & Consultation	0.5 2	0	Online
Nutrient Training	0.5 2	0	Online
Research	0.5 2	0	Online
POS/EHR System	0.25	0 10	Online
Consultations	0 1	35 20	TBD Corporate Location
Ordering	0 1	5 2	TBD Corporate Location
Invoicing/Receiving Orders	0	2 1	TBD Corporate Location
Scheduling	0	5 1	TBD Corporate Location
Employee Management	0 1	40 3	TBD Corporate Location
POS Administrative tasks and Reporting	0	40 1	TBD Corporate Location
Protocols	0 18	20 10	TBD Corporate Location
Hiring best practices	0	2.5	TBD Corporate Location
COGS/Labor Budget	0 1	2.5	TBD Corporate Location
Emergency Procedures	0.25	2.25	TBD Corporate Location
Other Employee Roles	0.25	5.25	TBD Corporate Location
Communication	0.5	2.5	TBD Corporate Location
TOTAL	53.75 5.5	100 50	

Owner Training

(Online Training must be completed prior to attending in-person training)

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Who We Are and What We Do	0.25	0	Online
Policies and Procedures	0.5	0 2	Online
Customer Experience	0.25	0 6	Online
Our Services	2	0 6	Online
Wellness Bloodwork & Consultation	0.5	0 1	Online

Nutrient Training	0.5	0 <u>1</u>	Online
Research	0.25	0	Online
POS/EHR System	0.25	0 <u>4</u>	Online
Clinic Flow	0	5.5	TBD Corporate Location
Ordering	0	2	TBD Corporate Location
Scheduling	0	2	TBD Corporate Location
Employee Management	0 <u>2</u>	2	TBD Corporate Location
POS Administrative tasks and Reporting	0	1	TBD Corporate Location
Protocols	0 <u>3</u>	1	TBD Corporate Location
Hiring best practices	0 <u>1</u>	2 <u>5</u>	TBD Corporate Location
Emergency Procedures	0.25 <u>0.25</u>	0.5 <u>2.25</u>	TBD Corporate Location
Employee Roles	0 <u>1</u>	2 <u>3</u>	TBD Corporate Location
Marketing	0 <u>1</u>	5 <u>1</u>	TBD Corporate Location
Financial Targets and Other Administrative Tasks	0 <u>2</u>	5 <u>0</u>	TBD Corporate Location
Communication	0 <u>2</u>	2 <u>0</u>	TBD Corporate Location
TOTAL	6.5 <u>16.75</u>	30 <u>38.25</u>	

The initial training program is provided primarily under the direction of Jason Fechter, Tara Zeller, and James Hart. Jason is the founder of our affiliate, IV Nutrition, LLC. He has 8 years of experience in the leadership of a multi-level nutrition-based business. In addition, he is a licensed chiropractor of 9 years. Tara Zeller is also a founder of our affiliate, IV Nutrition, LLC. She is a licensed Doctor of Chiropractic of 9 years. James Hart has worked for us for over 2 years and was a flight paramedic for over 4 years. Several other employees of ours, who are licensed Emergency Medical Technicians, may assist from time to time on different subjects in the training program.

The instructional material for the initial training program shall include on-line courses and material, PowerPoint presentations, pamphlets on specific subjects, handouts, classroom exercises and hands on instruction and demonstration are utilized in the initial training program. You may not make any disclosure, duplication or other unauthorized use of any portion of the training materials.

The initial training program must be successfully completed by all required attendees prior to opening the ~~Franchised Business~~Franchised Clinic. Failure to successfully complete any phase of the initial training program could lead to the need to retrain on certain aspects of the initial training program at your expense or to a delay of your opening. Failure by you or your Designated Principal to complete the initial training program to our satisfaction is a material breach of the Franchise Agreement and provides us with grounds to terminate the Franchise Agreement.

RECURRING TRAINING PROGRAM

You or your Designated Principal, your IV Nutrition Clinic Director, and all Assistant Clinic Directors must maintain minimum compliance, as noted for each subject below, with the recurrent training program. Additional subjects may be added as well as recurrent training for other employee roles.

Clinic Director Recurrent Training

Subject	Hours of Training & Frequency	Location	Minimum Acceptable Compliance Rate
Chart and Consultation Review; Case Studies	36 hours per quarter	Online/Self Directed	100%
Clinic Director Meeting	1 hour per month	Virtual Meeting	75%

Owner Recurring Training

Subject	Hours of Training & Frequency	Location	Minimum Acceptable Compliance Rate
Marketing and Business Strategies	12 hours per quarter	Virtual Meeting with Corporate Staff	75%
Owner's Meeting	1 hour per month	Virtual Meeting with Corporate Staff	100%
Training and Assessments	6 hours per quarter	Online	100%

We do not currently require additional in-person recurrent training programs or refresher courses, but we have the right to do so in the future. You, your Designated Principal, or your employee(s) must attend such programs, if required, and you are responsible for the reasonable costs of such programs and also for the travel, lodging and living expenses and any other costs incurred during these programs. You must complete this supplemental or additional training within one year of the time in which it is originally requested by us.

The instructional material for the recurrent training program shall include on-line courses and material, PowerPoint presentations, videos, digital pamphlets on specific subjects, digital handouts, virtual exercises and instruction and demonstration are utilized in the initial training program. You may not make any disclosure, duplication or other unauthorized use of any portion of the training materials.

ITEM 12. TERRITORY

Territory

The Franchise Agreement grants you the right to operate one clinic at the Approved Location identified in the Franchise Agreement or subsequently identified and mutually acceptable to both you and us. You must locate an Approved Location within the non-exclusive Search Area that we specify. The Approved Location will be added to the Franchise Agreement once we accept it and you secure it. Your Search Area is not exclusive and is only intended to give you a general indication of the area within which you may locate the site for the Approved Location. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. You will, however, have certain limited protected rights within an area around your ~~Franchised Business~~Franchised Clinic designated by us, in our sole discretion (the “**Territory**”). During the term of your Franchise Agreement, we will neither grant anyone else the right to, nor ourselves, operate a ~~Franchised Business~~Franchised Clinic by marketing, promoting, providing or performing competitive services within your assigned Territory. Continuation of this protection does not depend upon your achieving a certain sales volume, market penetration or similar contingencies. In return, you must not market, sell, promote, provide or perform competitive services outside of your Territory without our prior written consent.

We do not offer options, rights of first refusal or similar rights to acquire additional franchises.

We will designate the Territory, in our sole discretion, during the site confirmation process based upon the number of households, traffic count, foot traffic, competition, accessibility of the location, population density and other demographic factors. Because each location is different, the Territory for each ~~Franchised Business~~Franchised Clinic will be different. However, each Territory will be the lesser of three-miles or ~~400~~150,000 people.

We may not alter your Territory during the term of your Franchise Agreement. Your limited rights within the Territory also may not be modified and do not depend on you achieving a certain sales volume, market penetration, or other contingency.

The franchise granted to you under the Franchise Agreement is limited to permitting the use of the system and marks in the operation of the ~~Franchised Business~~Franchised Clinic only in the Territory and at the specific location confirmed in advance by us. You must operate the ~~Franchised Business~~Franchised Clinic only at this location.

Development Agreement

If you enter into a Development Agreement, you will obtain the right to own and operate a certain number of ~~Location~~Clinics in the Development Area where you must open each ~~Location~~Clinic in compliance with the Development Schedule.

ff

The size of the Development Area will depend upon the number of ~~Location~~Clinics you are obligated to open but will vary based on demographics. Upon signing a franchise agreement for each ~~Location~~Clinic, and beginning the site confirmation process, we will use our then-current site criteria to approve or disapprove of your proposed site. As it relates to each franchise agreement under the Development Agreement, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Provided you comply with the terms of the Development Agreement, and any Franchise Agreements signed for ~~Location~~Clinics within the Development Area, we will not locate another ~~Location~~Clinic

operating under the Proprietary Marks, whether franchised or company-owned, in your Development Area.

You must comply with your development obligations in the Development Schedule in order to maintain your Development Area exclusivity. In the event that you fail to meet your development obligations and the Development Agreement is terminated, you will retain your rights to any previously owned ~~LocationClinics~~, including the territorial rights described in the Franchise Agreement for such ~~LocationClinics~~, provided that the Development Agreement was not terminated as a result of your failure to comply with the terms of your existing Franchise Agreement(s). Your rights to any ~~LocationClinics~~ for which there is no Franchise Agreement and your exclusivity in the Development Area will terminate immediately upon termination of the Development Agreement. Thereafter, we will have the right to develop the Development Area on our own or through third parties.

Relocation and Establishing Additional Locations

If the site is acquired by a governmental entity through the power of eminent domain or your lease is terminated through no fault or breach by you (a “**Relocation Event**”), we may permit you to request an alternative location within the Territory for our confirmation for a relocation fee of One Thousand Five Hundred Dollars (\$1,500). You will have 60 days after the date of a Relocation Event to identify a proposed substitute location within the Territory. We will confirm your substitute site, in our sole discretion, after (i) reviewing information you submit to us about the site, including a preliminary site layout drawing and a copy of an executed contingent contract, option, or other commitment for the acquisition of the site, (ii) determining whether a revised area around the new proposed site would overlap with any other territory of ~~franchised-businessesIV Nutrition Clinics~~, and/or (iii) visiting the proposed site. Within 6 months of the Relocation Event, you must enter into and provide us a copy with a binding lease, in a form that we have approved, for the proposed site and begin constructing the ~~Franchised BusinessFranchised Clinic~~. Within 6 months of acquiring a lease to the site (or sooner if required by the lease), you must open the ~~Franchised BusinessFranchised Clinic~~ at the new site. After a Relocation Event, we require an agreed minimum royalty fee and marketing payment for the period the ~~Franchised BusinessFranchised Clinic~~ is not in operation.

The Franchise Agreement does not allow you to offer or sell products or services under the marks through any location (other than the ~~Franchised BusinessFranchised Clinic~~) or through any other channels of distribution (such as the Internet, catalog sales, telemarketing or other direct marketing).

Reservation of Rights under the Franchise Agreement and Development Agreement

We and our affiliates will have the right, in our sole discretion, under the Franchise Agreement and Development Agreement, without any compensation owed to you, to: (i) own and operate businesses at any location(s) outside your Territory/Development Area under the same or different marks, or to license others the right to own and operate businesses at any location(s) outside your Territory/Development Area under the same or different marks; (ii) use the Proprietary Marks and System in connection with services and products, promotional and marketing efforts or related items, or in alternative channels of distribution, including but not limited to sales via the Internet at any location, including within the Territory/Development Area; own and operate businesses, or market similar products and services, at any location(s) inside your Territory/Development Area under different marks, or to license others the right to own and operate businesses, or market similar products and services at any location(s) inside your Territory/Development Area under different marks; (iv) acquire, or be acquired by, merge, affiliate with or engage in any transaction with other businesses (whether competitive or not), with units located anywhere; and (v) engage and license other parties to engage in any other activities not expressly prohibited by the Franchise Agreement/Development Agreement.

Currently, we do not operate or franchise, and do not have any plans to operate or franchise, any other

businesses under alternative proprietary marks.

The Franchise Agreement and Development Agreement do not grant you any options, rights of first refusal, or similar rights to acquire additional franchises within the Territory/Development Area granted or any contiguous territories.

ITEM 13. TRADEMARKS

Registrations and Applications

Pursuant to the terms of the Franchise Agreement, we will grant you the non-exclusive right and license to utilize the “IV Nutrition” trademark and those other marks identified in this Item 13 to operate your ~~Franchised Business~~Franchised Clinic in accordance with the System.

We reserve the right to supplement and modify the Marks that you may or may not use in connection with the operations of your ~~franchised business~~Franchised Clinic. You may only use the Marks in the manner authorized by us in writing and pursuant to the terms of the franchise agreement. You may not use Marks in connection with the name of your corporation, limited liability company or other corporate entity that you may establish in connection with the operations of your ~~franchised business~~Franchised Clinic.

Our Affiliate, IV Nutrition, LLC, has granted us a license to use and sublicense to use the above-mentioned Marks. The term of the license is for 99 years. The Franchise Agreement may be terminated if we take any affirmative act of insolvency, if a receiver or trustee is appointed to take possession of our properties and is not discharged within 90 days, if we wind up, sell, consolidate or merge our business, or if we breach any of our duties and obligations under the license and do not cure the breach within 60 days following written notice of the breach. Within the Franchise Agreement, the term “Marks” includes any other trade names, service marks, trademarks, designs, logos, slogans and commercial symbols now in existence or later adopted by IV Nutrition, LLC that are used in connection with the System. This Franchise Agreement licensed to us any future trademarks acquired by IV Nutrition, LLC as well. In the event that IV Nutrition, LLC terminates our Agreement with them, they must honor all franchise agreements, including the right to renew. No other agreements significantly limit our right to use or license the use of our marks.

The following is a description of the principal trademarks and service marks our affiliate has applied for in the United States:

Mark	Registration Number	Registration Date
	5776824	June 11, 2019

Because no federal registration is at least six years old, no affidavits are required at this time. The trademark has not yet been renewed.

We do not have a federal registration for our principal trademark. Therefore, our trademark does not have as many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

We have no currently effective material determinations of the U.S. Patent and Trademark Office, the Trademark Trial and Appeal Board or any state trademark administrator or court. We have no pending infringement, opposition or cancellation proceeding or pending material federal or state court litigation regarding our use or ownership rights in a trademark. We have no actual knowledge of any superior prior rights or infringing uses which could materially affect your use of such marks.

If any administrative or judicial proceeding arising from a claim or challenge to your use of any of our marks, you must immediately notify us, and we may take any such action as we deem appropriate in order to preserve and protect the ownership, identity and validity of the marks. We are only obligated to defend you from any claims arising from your use of our primary marks. If we decide to modify or discontinue the use of any mark and/or use one or more additional or substitute marks, you ~~will be responsible for the tangible costs (such as replacing signs and materials) associated with such a change~~ must immediately discontinue using all marks which we have notified you have been modified or discontinued and must promptly begin using such additional, modified or substituted marks at your sole expense.

You are required to immediately notify us of any use of, or claims of rights to, a mark identical to or confusingly similar to our marks. We have the right, but not the obligation, to bring any action against any third party using such a similar mark. You are required to participate in any such action we bring against a third party at your own expense. We have the right to control any such litigation or administrative proceedings, including any settlement.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents are material to the franchise. We do not have any pending patent applications that are material to the franchise. We and/or our affiliates have copyrighted or may copyright advertising materials and design specifications, our Manual and other written materials and items. We consider this information to be proprietary trade secrets, protectable under common law and applicable state laws. We also claim common law copyrights to the operational and training materials, building plans and specifications, and other proprietary materials specifically created by us in connection with the system, including proprietary advertisements, all materials presented to prospective customers of our brand, all product related marketing research, certain information on web and printed materials and forms used in connection with the operation of an IV Nutrition Clinic franchised business. The Manual and other proprietary materials have not been registered with any copyright office.

There currently are no effective adverse determinations of the United States Copyright Office (Library of Congress) or any court regarding the copyrighted materials. No agreement limits our right to use or allow others to use the confidential information or copyrighted materials. We know of no infringing uses of our copyrights which could materially affect your using the copyrighted materials in any state.

You must immediately inform us if you learn of any unauthorized use, infringement or challenge to the copyrighted materials, proprietary or confidential information, including but not limited to our Operations Manual. We will take any and all action(s) (or refrain from same) that we determine, in our sole discretion, to be appropriate. We may control any action we choose to bring. We have no obligation to participate in or indemnify you for any infringement claims in regard to our copyrights. You must modify or discontinue use of the subject matter covered by any copyright if directed by us at your own expense.

In operating an IV Nutrition Clinic franchised business in accordance with our System, you will obtain access to our confidential information and trade secrets. Except as specifically authorized, you must not

communicate, divulge or use such confidential information or trade secrets. Each of your equity owners is required to execute confidentiality covenants and you are required to obtain similar covenants from each of your general and assistant managers.

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

If you are a business entity (e.g., corporation, partnership or limited liability company), you must designate one person who owns at least 25% of your equity interests as your “**Designated Principal**.” The Designated Principal must have the authority to bind you to obligations relating to the Franchise Agreement.

The ~~Franchised Business~~Franchised Clinic must be under the direct, on-premises supervision of a fully-trained manager or a fully-trained assistant manager selected by you and approved by us. We do not require that the Designated Principal or other persons who directly or indirectly own an ownership interest in your business entity provide direct on-premises supervision.

Each manager must successfully complete those portions of our initial training program required for their positions in their entirety. More information about our initial training program and its costs is contained in Items 6 and 11 of this disclosure document. Managers shall attend and complete special programs or periodic additional training as we may require in writing upon at least 60 days’ prior notice.

If you are a business entity, each of your owners that are active in the ~~Franchised Business~~Franchised Clinic at any time during the Term and any owner that has a beneficial ownership interest of 10% or more in you, must personally guarantee, jointly and severally, your obligations under the Franchise Agreement and agree to be personally bound by, and personally liable for the breach of, every provision of the Franchise Agreement. This includes both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities. The form of your Personal Guaranty is attached as Exhibit B. Spouses of all of your owners are not required to execute a Personal Guaranty.

We have the right to require you to obtain covenants against the use and disclosure of any confidential information and covenants not to compete from your owners, managers and any other employees or agents who have received or will have access to our training or confidential information. In addition, you ~~must~~ may be required to have each of your managers or employees who have access to confidential or proprietary information to execute an approved Confidentiality Agreement and Noncompetition Agreement, ~~but your managers are not required to execute a Noncompetition Agreement~~.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must only offer the products and services that we authorize. You may not offer or sell products or services not authorized by us. You must offer all goods and services that we designate for your ~~Franchised Business~~Franchised Clinic. We may also periodically set maximum or minimum prices for services and products that your Business offers-, staffing requirements, uniform requirements and minimum hours of operation. We may periodically change the required and/or authorized products and services, and there are no limits on our right to do so. You must promptly implement these changes and must discontinue selling any products or services that we at any time decide to disapprove in writing. Items 8, 9 and 12, as well as the Manual, provide additional information regarding your specific obligations and limitations.

You must use the ~~Franchised Business~~Franchised Clinic premises only for operation of the ~~Franchised Business~~Franchised Clinic and for no other unrelated purpose. You may not offer for sale or sell products or services related to the ~~Franchised Business~~Franchised Clinic through alternative channels of distribution,

such as the Internet. You must discontinue selling and offering for sale any services or products that we at any time decide to disapprove in writing.

~~There are no other limitations imposed by us on the persons to whom a franchisee may provide goods and services, except those imposed by the nature of the system itself.~~

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

THE FRANCHISE RELATIONSHIP

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

Provision	Section of Franchise Agreement	Summary
a. Length of the franchise term	§ 2.1	10 years from signing the Franchise Agreement
b. Renewal or extension of the term	§ 2.2	2 successor franchise terms of 10 years, if you meet certain requirements.
c. Requirements for franchisee to renew or extend	§§ 2.2.1-2.2.8	You must give us 180 days prior written notice; have complied with all material terms and conditions of your current Franchise Agreement; paid all monetary obligations owed to us; agree in writing to update your Franchised Business <u>Franchised Clinic</u> ; you and your principals sign a general release of any claims against us; and sign our then-current standard Franchise Agreement. The then-current form of Franchise Agreement may contain terms and conditions materially different from those in your previous franchise agreement, such as different fee requirements and territorial rights.
d. Termination by franchisee	§15	If you are in compliance with your FA and we materially breach the FA and fail to cure any breach within 30 days after written notice is delivered to us, you may terminate your FA and the franchise effective 10 days after delivery of notice to us.
e. Termination by franchisor without cause	Not Applicable	We may not terminate the FA without cause.
f. Termination by franchisor with cause	Article 14	The FA permits us to terminate the respective agreements for cause during their terms and before expiration.

<p>g. “Cause” defined -- curable defaults</p>	<p>§§ 14.2 – 14.2.5</p>	<p>The FA permits the franchisee an opportunity to cure the following defaults before a termination notice is effective: you fail to construct, remodel, and commence operating your Franchised Business <u>Franchised Clinic</u> within the time provided; you fail, refuse, or neglect to promptly pay when due any monies owing to us, our affiliates, to the Brand Fund, or to other creditors you have, or to submit the financial or other information required under this Agreement; a threat or danger to public health or safety results from the construction, maintenance, or operation of the Franchised Business <u>Franchised Clinic</u>; you sell non-approved products or services; or you, by act or omission in connection with the operation of your Franchised Business <u>Franchised Clinic</u>, permit a continuing violation of any applicable law, ordinance, rule, or regulation of a governmental body; provided, however, that if such act or omission damages the goodwill associated with the System or the Marks, we will have the right to terminate this Agreement if you do not cure such default within 24 hours after notice from us.</p>
<p>h. “Cause” defined -- non-curable defaults</p>	<p>§ 14.1</p>	<p>We may terminate the FA immediately upon written notice without providing you an opportunity to cure if any of the following conditions or events have transpired: you are liquidated or dissolved; your Franchised Business <u>Franchised Clinic</u> is not constructed strictly according to the plans we have approved and you do not remedy the deficiencies within 30 days after notice from us; you fail to operate for 5 consecutive days (unless prevented from so by fire, flood, or acts of nature), or otherwise abandon your Franchised Business <u>Franchised Clinic</u>, or forfeit the right to do or transact business in the jurisdiction where your Franchised Business <u>Franchised Clinic</u> is located, or lose the right to possession of the premises in which your Franchised Business <u>Franchised Clinic</u> operates; you or any of your owners make an unauthorized Transfer under this Agreement; you or any of your owners are proven to have engaged in fraudulent conduct, or are convicted of, or plead guilty or no contest to a felony or a crime involving moral turpitude, or any other crime or offense that we believe is reasonably likely to have an adverse effect on the System, the Marks or the goodwill associated therewith; you are given 3 or more notices of being in material violation of any of the terms or requirements of this Agreement within any 12 month period, whether or not such defaults are timely cured after notice; you misuse or make any unauthorized use of the Marks and do not</p>

		cease such misuse or unauthorized use within 24 hours' notice from us; or you, by act or omission, materially impair the value of, or the goodwill associated with, any of the Marks or the System.
i. Franchisee's obligations on termination/n on-renewal	Article 16	<p>You must cease representing yourself as a Franchisee; cease using our Marks and System; immediately pay what you owe us pursuant to the FA; immediately return all printed materials provided to you by us, including the Manual; de-identify your Franchised—Business<u>Franchised Clinic</u>; transfer your telephone directory listings to us; cease using proprietary products and our approved suppliers; and transfer your domain names, websites and social media accounts, etc. to us.</p> <p>Your obligations not to disclose or use for other purposes our trade secrets, confidential business information, or other proprietary materials remains in effect upon and after the termination, expiration or non-renewal of the FA.</p>
j. Assignment of contract by franchisor	§ 13.1	No restriction on our right to assign.
k. "Transfer" by franchisee--defined	§ 13.2	The FA defines transfers by you to include any assignment or transfer of the FA, any interest in the FA, any sale or transfer of any interest in your business entity not specifically authorized in the FA, or a transfer of the Franchised Business <u>Franchised Clinic</u> or its assets.
l. Franchisor approval of transfer by franchisee	§13.2.4	Transfers require our prior written consent, which may be granted or withheld in our discretion.
m. Conditions for franchisor approval of transfer	§§ 13.2.1-13.2.9	We will permit sales, transfers or assignments of interest in the entity to others provided: you are in full compliance with this Agreement, you have no uncured defaults, and all your debts and financial obligations to us and our affiliates are current; you provide us with all information we may require concerning the proposed transaction (including a copy of the purchase agreement and all related documents), and the proposed transferee; we are satisfied that the proposed transferee (and if the proposed transferee is an entity, all holders of any interest in such entity) meets all of the requirements for our new franchisees, including, but not limited to, good reputation and character, business experience, and financial strength, credit rating and liquidity, and that the sale price is not excessive; you sign a written agreement in a form

		<p>satisfactory to us in which you and your investors covenant to observe all applicable post-term obligations and covenants contained in this Agreement and release us and our affiliates from any claims you may have against us, or any further obligations we may have to you; the proposed transferee enters into a new franchise agreement with us, on the terms we then generally offer to new franchisees (including fees payable and size of territory); provided, however, that no new initial franchise fee will be required to be paid, and further provided that the term of that franchise agreement, unless otherwise agreed, will be the remaining term of your franchise agreement; the proposed transferee agrees in writing to perform such maintenance, remodeling and re-equipping of your Franchised LocationClinic that we determine necessary to bring your Franchised LocationClinic in compliance with our then-current standards, including any updates to your technology and security equipment that we determine necessary; prior to the date of the proposed Transfer, the proposed transferee's Designated Principal successfully completes such training and instruction as we deem necessary; you and all holders of an interest in you sign a general release, in the form prescribed by us, releasing, to the fullest extent permitted by law, all claims that you or any of your investors may have against us and our affiliates, including our and their respective shareholders, officers, directors and employees, in both their individual and corporate capacities; and prior to the Transfer, you pay us a transfer fee of \$12,000 plus any commissions incurred as a result of the sale.</p>
n. Franchisor's right of first refusal to acquire franchisee's business	§19	We have a 30-day right of first refusal and can match offers.
o. Franchisor's option to purchase franchisee's business	§16.11	We may purchase your Business at fair market value upon the termination or expiration of the Franchise Agreement, at our discretion. We may exercise this right by giving you written notice of our election within 30 days after the date of the Termination Event.

p. Death or disability of franchisee	§13.3	Upon death or disability of you (or your Operating Partner) or a Controlling Owner, your (or your Operating Partner's) or the Controlling Owner's executor or personal representative must transfer the ownership interest within 9 months of date of death or disability. A new Operating Partner must be appointed within sixty (60) days. We may assume your Business's management or appoint an interim manager to operate your Business.
q. Non-competition covenants during the term of the franchise	§ 17.1	You may not participate in any competing business except your franchise.
r. Non- competition covenants after the franchise is terminated or expires	§ 17.2	For 2 years after termination or expiration of your FA, you will not own or be engaged in any business that provides intravenous, intramuscular, or oral delivery of nutrition within 25 miles of the Location of your IV Nutrition Clinic or within 25 miles of any IV Nutrition Clinic.
s. Modification of the agreement	§ 20.11	Only by written agreement between you and us.
t. Integration/merger clause	§ 20.11	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and the Franchise Agreement may not be enforceable. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	§§ 18.2, 18.2.1,18.2.2,18.3	The FA requires disputes to be submitted first to mediation in Kansas and then to binding arbitration in Kansas. There is an exception permitting claims for temporary or preliminary injunctive relief to be asserted in state or federal courts in or over Johnson County, Kansas to prevent irreparable harm pending arbitration. The arbitrator has no authority to award punitive damages. These provisions are subject to State law.
v. Choice of forum	§ 18.5	Any mediation, arbitration or litigation must be held and conducted in (Johnson County, Kansas) or federal courts over (Johnson County, Kansas). These provisions are subject to state law.
w. Choice of law	§ 20.4	Kansas law will govern (subject to applicable state law)

Development Agreement

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

Provision	Section of Development Agreement	Summary
a. Length of the franchise term	§ 4	Varies depending on the agreement and the number of Location Clinics, 10 years for each Location Clinic opened.
b. Renewal or extension of the term	Not Applicable	No express renewal provision; Renewal or extension occurs only by mutual written agreement.
c. Requirements for franchisee to renew or extend	Not Applicable	No express renewal requirements or right are provided for in the DA; Individual franchise renewal requirements are those set forth in the FA.
d. Termination by franchisee	§5	No unilateral developer termination right is provided by the DA; the developer retains common law rights to terminate for material breach by us; individual franchise termination rights are those set forth in the FA. The DA permits termination by mutual agreement.
e. Termination by franchisor without cause	Not Applicable	As applicable
f. Termination by franchisor with cause	§5	The DA permits us to terminate the respective agreements for cause during their terms and before expiration, as applicable.
g. "Cause" defined -- curable defaults	Not Applicable	The DA does not provide any opportunity to cure defaults. FAs opened under the DA are subject to the same rights to cure set forth immediately above, as applicable.
h. "Cause" defined -- non-curable defaults	§ 5	We may terminate the DA immediately upon written notice without providing you an opportunity to cure if (a) you fail to meet the Development Schedule, (b) you or your owners fail to comply with any other provision of your DA, (c) you or your owners fail to comply with any DA or FA or any such agreement with any entity that you or your Designated Principal directly or indirectly owns in whole or in part is terminated by us in accordance with its terms, (d) you and your owners fail to maintain the capacity and necessary skills and experience to meet the Development Schedule and timely develop and operate the Locations required to be opened and operated under the DA based upon criteria established by us from time to time, or (e) the Designated Principal of the Developer under your DA is not at any time the Designated Principal of all approved entities

		<p>operating Locations in the development Area, unless a sale or transfer has been made with our express written consent, as applicable. We may terminate the DA immediately upon written notice without providing you an opportunity to cure if (i) you become insolvent, commit any affirmative action of insolvency or file any action or petition of insolvency, (ii) a receiver (permanent or temporary) of your property is appointed by a court of competent authority, (iii) you make a general assignment or other similar arrangement for the benefit of your creditors, (iv) a final judgment against you remains unsatisfied of record for 30 days or longer, (v) execution is levied against your business or property, or the business or property of any of your affiliates that have entered into franchise agreements with us, (vi) a suit to foreclose any lien or mortgage against premises or equipment is instituted against you and not dismissed within 30 days, or is not in the process of being dismissed, (vii) you fail to timely meet your development obligations set forth in the Development Schedule, (viii) you or any of your affiliates open any IV Nutrition Clinic before that person or entity has signed a franchise agreement with us for that center in the form we provide, (ix) you fail to comply with any other provision of this Agreement, or your or any of your affiliates fail to comply with any other agreement you or they have with us or our affiliates and do not correct the failure within 30 days after written notice of that failure is delivered to the breaching party (except that if the failure to comply is the third failure to comply with any provision of any agreement that you or any of your affiliates have with us or an affiliate of ours within 12 consecutive months, then we need not provide any opportunity to cure the default), or (x) we have delivered to you or any of your affiliates a notice of termination of a franchise agreement in accordance with its terms and conditions.</p>
i. Franchisee's obligations on termination/n on-renewal	§§ 6.1, 6.2	Other than maintaining the confidentiality of our confidential information and trade secrets before and after termination, expiration or nonrenewal, the DA does not impose any separate or additional obligations upon termination, expiration or nonrenewal other than those set forth above relating to the FA.
j. Assignment of contract by franchisor	§ 7	No restriction on our right to assign.

k. "Transfer" by franchisee--defined	§ 7	The DA defines transfers by you to include assigning, transferring or encumbering the DA or the development rights provided therein, including the sale, assignment or transfer of the interests of any owner owning more than 10% of the equity or ownership interest in your business entity.
l. Franchisor approval of transfer by franchisee	§7.2.2, 7.2.4	You cannot assign the DA without our express written consent, which may be granted or withheld in our sole and absolute discretion.
m. Conditions for franchisor approval of transfer	§ 7.2	You cannot assign the DA without our express written consent, which may be granted or withheld in our sole and absolute discretion.
n. Franchisor's right of first refusal to acquire franchisee's business	Not Applicable	Not applicable.
o. Franchisor's option to purchase franchisee's business	Not Applicable	Not applicable.
p. Death or disability of franchisee	Not Applicable	Not applicable.
q. Non-competition covenants during the term of the franchise	Not Applicable	You may not participate in any competing business except your franchise.
r. Non- competition covenants after the franchise is terminated or expires	Not Applicable	Not Applicable
s. Modification of the agreement	Not Applicable	Only by written agreement between you and us.
t. Integration/merger clause	§ 9	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and the Franchise Agreement may not be enforceable. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.

u. Dispute resolution by arbitration or mediation	§ 8	The DA requires disputes to be submitted first to mediation in Kansas and then to binding arbitration in Kansas. There is an exception permitting claims for temporary or preliminary injunctive relief to be asserted in state or federal courts in or over Johnson County, Kansas to prevent irreparable harm pending arbitration. The arbitrator has no authority to award punitive damages. These provisions are subject to State law.
v. Choice of forum	§ 8	Any mediation, arbitration or litigation must be held and conducted in (Johnson County, Kansas) or federal courts over (Johnson County, Kansas). These provisions are subject to state law.
w. Choice of law	§ 8	Kansas law will govern (subject to applicable state law)

ITEM 18. PUBLIC FIGURES

We do not use any public figure to promote, endorse or recommend our franchise.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

These revenue figures are derived from the actual historical performance as self-reported by IV Nutrition franchisee-owned and corporate/affiliate-owned Clinics.

~~The information provided below was compiled from 15 franchisee-owned location that have been open as of December 31, 2022 and reported to us an annual Profit and Loss statement (“P&L”). The information below also includes financial data from 2 company owned locations.~~

Bases:

As of December 31, ~~2022~~2023, we had ~~15~~22 franchisees ~~and 2 corporate locations~~ that were open and operational, 10 of which had been open and operational for at least 12 consecutive months or more. Additionally, as of December 31, 2023, we had 8 corporate/affiliate-owned Clinics that were open and operational, 6 of which had been open and operational for at least 12 consecutive months or more. We have not included any Clinics (franchisee-owned or corporate/affiliate-owned) that have been operational for less than 12 consecutive months or more. ~~-These locationClinics~~ (“Representative Units”) are as follows:

Unit	Location	Year Opened
0—4 Months		
1	Fayetteville, Arkansas	2022
2	Rogers, Arkansas	2022
3	Wash Park, Colorado	2022
4	Jax Beach, Florida	2022
5	Ankeny, Iowa	2022
5—8 Months		
8	Englewood, Colorado*	2022
9	Brookfield, WI	2022
9—12 Months		
11	Tulsa, Oklahoma—Cherry Street	2022
25—36 Months		
12	Oklahoma City, Oklahoma	2020
37+ Months		
13	Overland Park, Kansas *	2018
14	NorthEast Dallas, Texas	2019
16	Scottsdale, Arizona	2019
17	Liberty, Missouri	2019

*Denotes a company-owned location

Gross Revenue of Representative Units as of December 31, 2023

<u>Clinic Age</u>	<u>12-24 Months</u>		<u>37+ Months</u>	
	<u>Franchise</u>	<u>Corp/Affiliate</u>	<u>Franchise</u>	<u>Corp/Affiliate</u>
<u># of Clinics</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>1</u>
<u>2023 Avg Revenue</u>	<u>\$416,240</u>	<u>\$410,801</u>	<u>\$763,540</u>	<u>\$951,757</u>
<u># that Meet or Exceed Avg</u>	<u>3</u>	<u>2</u>	<u>3</u>	<u>1</u>
<u>% that Meet or Exceed Avg</u>	<u>60%</u>	<u>40%</u>	<u>60%</u>	<u>100%</u>
<u>2023 High</u>	<u>\$621,491</u>	<u>\$515,513</u>	<u>\$1,133,972</u>	<u>\$951,757</u>
<u>2023 Median</u>	<u>\$487,015</u>	<u>\$379,564</u>	<u>\$839,923</u>	<u>\$951,757</u>
<u>2023 Low</u>	<u>\$157,979</u>	<u>\$285,501</u>	<u>\$373,255</u>	<u>\$951,757</u>

Monthly Expenses of Representative Units as of December 31, 2023

					<u># of Clinics Meeting or Exceeding Average</u>		<u># of Clinics</u>
	<u>Avg.</u>	<u>High</u>	<u>Median</u>	<u>Low</u>	<u>Number</u>	<u>Percent</u>	
<u>COGS</u>	<u>20.89%</u>	<u>23.97%</u>	<u>20.89%</u>	<u>16.5%</u>	<u>4</u>	<u>67%</u>	<u>6</u>
<u>IV Fluids/Nutrients</u>							
<u>Medical Supplies</u>							
<u>Bloodwork & Labs</u>							
<u>Medical Director</u>	<u>\$945</u>	<u>\$1,173</u>	<u>\$945</u>	<u>\$750</u>	<u>3</u>	<u>50%</u>	<u>6</u>
<u>Marketing</u>	<u>\$3,226</u>	<u>\$3,853</u>	<u>\$3,226</u>	<u>\$1,284</u>	<u>4</u>	<u>67%</u>	<u>6</u>
<u>CC Processing</u>	<u>2.38%</u>	<u>2.5%</u>	<u>2.38%</u>	<u>2.3%</u>	<u>3</u>	<u>50%</u>	<u>6</u>
<u>Professional Fees</u>	<u>\$908</u>	<u>\$1,267</u>	<u>\$908</u>	<u>\$613</u>	<u>3</u>	<u>50%</u>	<u>6</u>
<u>Accounting</u>							
<u>Human Resources</u>							
<u>Utilities</u>	<u>\$742</u>	<u>\$948</u>	<u>\$742</u>	<u>\$580</u>	<u>3</u>	<u>50%</u>	<u>6</u>
<u>Rent</u>	<u>\$6,175</u>	<u>\$8,460</u>	<u>\$6,175</u>	<u>\$5,000</u>	<u>3</u>	<u>50%</u>	<u>6</u>
<u>Technology Fee</u>	<u>\$750</u>	<u>\$750</u>	<u>\$750</u>	<u>\$750</u>	<u>6</u>	<u>100%</u>	<u>6</u>
<u>Labor, Taxes and Benefits</u>	<u>\$17,265</u>	<u>\$22,280</u>	<u>\$17,265</u>	<u>\$13,589</u>	<u>2</u>	<u>33%</u>	<u>6</u>
<u>Miscellaneous</u>	<u>\$1,398</u>	<u>\$2,407</u>	<u>\$1,398</u>	<u>\$838</u>	<u>3</u>	<u>50%</u>	<u>6</u>
<u>Office Supplies</u>							
<u>Uniforms</u>							
<u>Travel</u>							
<u>Meals/Refreshments</u>							
<u>Taxes and Licenses</u>							
<u>Royalty</u>	<u>6%</u>	<u>6%</u>	<u>6%</u>	<u>6%</u>	<u>6</u>	<u>100%</u>	<u>6</u>
<u>Brand Fee</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>	<u>2%</u>	<u>6</u>	<u>100%</u>	<u>6</u>

Average Ticket for Representative Units open 37 months or greater as of December 31, 2023

<u>Year</u>					<u># of Clinics Meeting or Exceeding Average</u>		<u># of Clinics</u>
	<u>Avg.</u>	<u>High</u>	<u>Median</u>	<u>Low</u>	<u>Number</u>	<u>Percent</u>	
<u>Franchisee-owned Clinics</u>							
<u>2023</u>	<u>\$134.27</u>	<u>\$151.05</u>	<u>\$132.68</u>	<u>\$123.07</u>	<u>2</u>	<u>40%</u>	<u>5</u>
<u>2022</u>	<u>\$132.24</u>	<u>\$144.64</u>	<u>\$124.91</u>	<u>\$124.20</u>	<u>2</u>	<u>40%</u>	<u>5</u>
<u>2021</u>	<u>\$121.23</u>	<u>\$138.97</u>	<u>\$116.18</u>	<u>\$114.45</u>	<u>1</u>	<u>20%</u>	<u>5</u>
<u>Company-owned/Affiliate-owned Clinics</u>							
<u>2023</u>	<u>\$123.34</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>100%</u>	<u>1</u>
<u>2022</u>	<u>\$128.67</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>100%</u>	<u>1</u>
<u>2021</u>	<u>\$119.09</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>100%</u>	<u>1</u>

Gross Sales of Representative Units as of December 31, 2022:

The Gross Sales of the Representative Units as of December 31, 2022, is summarized in the table

below:

2022 Gross Sales							
Location Age in Months	High	Median	Low	Average	# of Locations	# & % of Locations at or above average	
0-4	\$51,093.00	\$21,362.90	\$1,795.71	\$22,332.48	7	2	29%
5-8	\$132,399.49	\$121,638.68	\$29,832.93	\$94,623.70	3	2	67%
9-12		\$432,319.62		\$432,319.62	1	1	100%
13-24	-	-	-	-	0	-	-
25-36		\$502,927.41		\$502,927.41	1	1	100%
37 and older	\$1,179,064.54	\$886,637.82	\$619,218.17	\$888,443.53	5	2	40%

Client Visits of Representative Units During the 2022 Calendar Year:

The Client visits of the Representative Units for 2022, is summarized in the table below:

2022 Client Visits							
Location Age in Months	High	Median	Low	Average	# of Locations	# & % of Locations at or above average	
0-4	512	247	23	255	7	3	43%
5-8	1015	958	326	766.33	3	2	67%
9-12		2896		2896	1	1	100%
13-24	-	-	-	-	0	-	-
25-36		3471		3471	1	1	100%
37 and older	8230	7089	4967	6822.4	5	3	60%

Average Ticket Price of Representative Units During the 2022 Calendar Year:

The average ticket price of the Representative Units for 2022, is summarized in the table below:

2022 Average Ticket							
Location Age in Months	High	Median	Low	Average	# of Locations	# & % of Locations at or above average	
0-4	\$99.79	\$78.16	\$59.20	\$80.72	7	3	43%
5-8	\$130.44	\$126.97	\$91.51	\$116.31	3	2	67%

9-12	-	\$149.28	-	\$149.28	1	1	100%
13-24	-	-	-	-	0	-	-
25-36	-	\$144.89	-	\$144.89	1	1	100%
37 and older	\$143.26	\$125.07	\$124.59	\$129.37	5	1	20%

Number of Memberships of Representative Units During the 2022 Calendar Year:

The number of memberships of the Representative Units for 2022, is summarized in the table below:

2022 Number of Memberships							
Location Age in Months	High	Median	Low	Average	# of Locations	# & % of Locations at or above average	
0-4	26	8	2	11.57	7	3	43%
5-8	27	17	2	15.33	3	2	67%
9-12	-	19	-	19	1	1	100%
13-24	-	-	-	-	0	-	-
25-36	-	24	-	24	1	1	100%
37 and older	107	61	32	64.4	5	2	40%

Revenue Received from Recurring Memberships of Representative Units During the 2022 Calendar Year:

The table below presents the revenue received based on recurring memberships during 2022.

2022 Recurring Membership Revenue							
Location Age in Months	High	Median	Low	Average	# of Locations	# & % of Locations at or above average	
0-4	\$7,523.07	\$3,222.00	\$282.00	\$3,392.30	7	3	43%
5-8	\$33,269.00	\$27,708.00	\$6,585.90	\$22,520.97	3	2	67%
9-12	-	\$11,598.00	-	\$11,598.00	1	1	100%
13-24	-	-	-	-	0	-	-
25-36	-	\$59,971.00	-	\$59,971.00	1	1	100%
37 and older	\$178,765.82	\$116,851.00	\$61,578.94	\$115,817.55	5	3	60%

Client Visits of Representative Units of Representative Units During the 2023 Calendar Year

12-24 Months	
<u>Franchisee-Owned</u>	<u>Company-owned/Affiliate-owned</u>
5 Clinics	5 Clinics

<u>Avg</u>	<u>High</u>	<u>Median</u>	<u>Low</u>	<u>Avg</u>	<u>High</u>	<u>Median</u>	<u>Low</u>
<u>3032</u>	<u>4547</u>	<u>3369</u>	<u>1242</u>	<u>3244</u>	<u>4365</u>	<u>3205</u>	<u>2077</u>
<u>3 Meet or Exceed Average</u>				<u>2 Meet or Exceed Average</u>			
<u>60% Meet or Exceed Average</u>				<u>40% Meet or Exceed Average</u>			
<u>37+ Months</u>							
<u>Franchisee-Owned</u>				<u>Company-owned/Affiliate-owned</u>			
<u>5 Clinics</u>				<u>1 Clinic</u>			
<u>Avg</u>	<u>High</u>	<u>Median</u>	<u>Low</u>	<u>Avg</u>	<u>High</u>	<u>Median</u>	<u>Low</u>
<u>5899</u>	<u>7997</u>	<u>6518</u>	<u>2824</u>	<u>7855</u>	<u>7855</u>	<u>7855</u>	<u>7855</u>
<u>3 Meet or Exceed Average</u>				<u>1 Meet or Exceed Average</u>			
<u>60% Meet or Exceed Average</u>				<u>100% Meet or Exceed Average</u>			

Definitions:

“Average” means the respective amount is equal to the average amount generated or incurred by the Representative Units that were open and operating on a full-time basis as of December 31, ~~2022~~2023.

“Gross Sales” means all revenue that the Representative Units received, directly or indirectly, from operating the IV Nutrition businesses, including all amounts or other consideration received at or away from the IV Nutrition business, and whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit transactions. ~~Gross Sales Total Income~~ includes the proceeds of any business interruption insurance or similar insurance. ~~Gross Sales Total Income~~ also includes amounts earned by the Representative Units from the sale of any online group-bought deals and the sale of any gift cards or gift certificates, in each case calculated using our then current guidelines, which may be based on the redeemed value or sale price of the deals, cards or certificates. ~~Gross Sales Total Income~~ does not, however, include any federal, state, or municipal sales, use or service taxes collected from customers and paid to the appropriate taxing authority.

~~“Recurring Member” means fixed or regular payments made by the same customer. The customers are charged the same amount each time.~~

General Notes:

~~1. Some outlets have earned this amount. Your individual results may differ. There is no assurance that you’ll earn as much.~~

~~2. The information presented above relates to the actual historical performance of the Representative Units. The financial information we utilized in preparing the preceding financial performance representations was based entirely upon information reported to us by the Representative Units.~~

~~3. Total Income and expenses may vary, and will be directly affected by many factors, such as: (a) geographic location; (b) competition from other similar facilities in your area; (c) advertising effectiveness based on market saturation; (d) your product and service pricing; (e) vendor prices on materials, supplies and inventory; (f) employee salaries~~

and benefits (life and health insurance, etc.) and the employment market in your area; (g) insurance costs; (h) ability to generate customers; (i) customer loyalty; and (j) employment conditions in the market.

1.
2. Written substantiation for these financial performance representations is available upon reasonable request.

4. Some outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.

~~We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable, and consult with an attorney and other advisors before signing the Franchise Agreement.~~

Other than the preceding financial performance representations, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Jason Fechter at 7108 West 135th St., Overland Park, KS 66223 telephone number ~~479-799-8518~~913-912-3006, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For years ~~2020-2021~~ to ~~2022~~2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020 <u>2021</u>	45	55	+10
	2021 <u>2022</u>	5	5 <u>10</u>	0 <u>+5</u>
	2022 <u>2023</u>	5 <u>10</u>	15 <u>22</u>	+10 <u>+12</u>
Company-Owned	2020 <u>2021</u>	1 <u>1</u>	1 <u>1</u>	0 <u>0</u>
	2021 <u>2022</u>	1 <u>1</u>	1 <u>6</u>	0 <u>+5</u>
	2022 <u>2023</u>	1 <u>6</u>	2 <u>8</u>	+1 <u>+2</u>
Total Outlets	2020 <u>2021</u>	56	66	+10
	2021 <u>2022</u>	66	6 <u>16</u>	0 <u>+10</u>
	2022 <u>2023</u>	6 <u>16</u>	17 <u>30</u>	+11 <u>+14</u>

Table No. 2

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor) For years ~~2020-2021~~ to ~~2022~~2023

State	Year	Number of Transfers
KansasAll States	2020 2021	0
	2021 2022	0
	2022 2023	0
Total Transfers	2020 2021	0
	2021 2022	0
	2022 2023	0

Table No. 3
Status of Franchised Outlets
For years ~~2020-2021~~ to
20222023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Arizona	2020 <u>20</u> 21 <u>21</u>	1	0	0	0	0	0	1
	2021 <u>20</u> 22 <u>22</u>	1	0	0	0	0	0	1
	2022 <u>20</u> 23 <u>23</u>	1	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
Colorado	2021 <u>20</u> 20 <u>20</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>
	2022 <u>20</u> 21 <u>21</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>
	2023 <u>20</u> 22 <u>22</u>	<u>00</u>	<u>11</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
Delaware	2021 <u>20</u> 20 <u>20</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>
	2022 <u>20</u> 21 <u>21</u>	<u>00</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>01</u>
	2023 <u>20</u> 22 <u>22</u>	<u>01</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
Florida	2021 <u>20</u> 20 <u>20</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>
	2022 <u>20</u> 21 <u>21</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>
	2023 <u>20</u> 22 <u>22</u>	<u>00</u>	<u>11</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
Illinois	2021 <u>21</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2022 <u>22</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	2023 <u>23</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Iowa	2020 <u>20</u> 21 <u>21</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>
	2021 <u>20</u> 22 <u>22</u>	<u>00</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>10</u>
	2022 <u>20</u> 23 <u>23</u>	<u>10</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>

Minnesota	<u>2021</u>	<u>0</u>						
	<u>2022</u>	<u>0</u>						
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Missouri	<u>2021</u> <u>20</u> <u>20</u>	<u>+1</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>+1</u>
	<u>2022</u> <u>20</u> <u>21</u>	<u>+1</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>+2</u>
	<u>2023</u> <u>20</u> <u>22</u>	<u>+2</u>	<u>23</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>35</u>
Montana	<u>2021</u>	<u>0</u>						
	<u>2022</u>	<u>0</u>						
	<u>2023</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
Oklahoma	<u>2021</u> <u>20</u> <u>20</u>	<u>2+</u>	<u>+0</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>22</u>
	<u>2022</u> <u>20</u> <u>21</u>	<u>22</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>23</u>
	<u>2023</u> <u>20</u> <u>22</u>	<u>23</u>	<u>+0</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>33</u>
Texas	<u>2021</u> <u>20</u> <u>20</u>	<u>+1</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>+1</u>
	<u>2022</u> <u>20</u> <u>21</u>	<u>+1</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>+1</u>
	<u>2023</u> <u>20</u> <u>22</u>	<u>+1</u>	<u>02</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>+3</u>
Virginia	<u>2021</u>	<u>0</u>						
	<u>2022</u>	<u>0</u>						
	<u>2023</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Wisconsin	<u>2021</u> <u>20</u> <u>20</u>	<u>00</u>						
	<u>2022</u> <u>20</u> <u>21</u>	<u>00</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>01</u>
	<u>2023</u> <u>20</u> <u>22</u>	<u>01</u>	<u>+1</u>	<u>00</u>	<u>00</u>	<u>01</u>	<u>00</u>	<u>+1</u>
Totals	<u>2020</u> <u>20</u> <u>21</u>	<u>45</u>	<u>10</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>55</u>
	<u>2021</u> <u>20</u> <u>22</u>	<u>55</u>	<u>05</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>510</u>

	2022 <u>23</u>	<u>510</u>	1013	<u>00</u>	<u>00</u>	<u>01</u>	<u>00</u>	<u>1522</u>
--	------------------------------	------------	-----------------	-----------	-----------	-----------	-----------	-------------

Table No. 4
Status of Company-Owned Outlets
For years ~~2020-2021~~ to
2022-2023

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
<u>Arkansas</u>	<u>2021</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2022</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
	<u>2023</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
<u>Colorado</u>	2020 <u>2021</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>
	2021 <u>2022</u>	<u>00</u>	<u>01</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>01</u>
	2022 <u>2023</u>	<u>01</u>	<u>1+</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>12</u>
<u>Florida</u>	<u>2021</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2022</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
<u>Kansas</u>	2020 <u>2021</u>	<u>1+</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
	2021 <u>2022</u>	<u>1+</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
	2022 <u>2023</u>	<u>11</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
<u>Missouri</u>	<u>2021</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2022</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
	<u>2023</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>
<u>Wisconsin</u>	<u>2021</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2022</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>2023</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>
Totals	2020 <u>2021</u>	<u>11</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>11</u>
	2021 <u>2022</u>	<u>11</u>	<u>05</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>16</u>

	2022 2023	16	11	01	00	00	28
--	----------------------	---------------	---------------	---------------	---------------	---------------	---------------

Table No. 5
Projected Openings as of December 31, ~~2022~~2023

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In the Next Fiscal Year
<u>Arizona</u>	<u>0</u>	<u>1</u>	<u>0</u>
<u>California</u>	<u>0</u>	<u>2</u>	<u>0</u>
Colorado	<u>80</u>	<u>80</u>	0
<u>Florida</u>	<u>0</u>	<u>6</u>	<u>0</u>
Iowa	19 <u>1</u>	19 <u>2</u>	0
<u>Kansas</u>	<u>0</u>	<u>1</u>	<u>0</u>
Tennessee	1	1	0
Texas	4	4	0
Virginia	6 <u>1</u>	6 <u>2</u>	0
Wisconsin	1 <u>0</u>	1 <u>2</u>	0
Total	41<u>7</u>	41<u>21</u>	0

Exhibit D to this Disclosure Document lists the names of all current franchisees and the addresses and telephone numbers of their outlets as of the date of this Disclosure Document. There were no franchisees who had a Franchise Agreement terminated, cancelled, not renewed or who otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year, or who had not communicated with us within 10 weeks of the issuance date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to buyers when you leave the Franchise System.

No franchisee has signed confidentiality agreements during the last 3 fiscal years restricting its ability to speak openly about its experience with our franchise system. We are not aware of any trademark-specific franchisee organizations associated with our Franchise System.

ITEM 21. FINANCIAL STATEMENTS

Exhibit C contains our audited financial statements for the fiscal years ending December 31, ~~2022~~2023, December 31, ~~2021~~2022, and December 31, ~~2020~~2021, ~~as well as our unaudited financials for the period of January 1, 2023 through May 31, 2023.~~ Our fiscal year end is December 31.

ITEM 22. CONTRACTS

Exhibits A and B of this Disclosure Document contain all contracts proposed for use or in use regarding the offer of our franchises, including the following agreements:

Exhibit A – Franchise Agreement

Exhibit B – Area Development Agreement

ITEM 23. RECEIPTS

The last two pages of this Disclosure Document are detachable duplicate Receipts that serve as an acknowledgement of your receipt of a copy of this Disclosure Document. You should sign both copies of the Receipt and return one copy to us.

EXHIBIT A
TO FRANCHISE DISCLOSURE DOCUMENT
IV NUTRITION FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (“**Agreement**”) is made as of the Effective Date set forth in the Rider attached to this Agreement (the “**Rider**”) between IV Nutrition Franchisor, LLC, a Kansas Limited Liability Company (“**we**” or “**us**”) and the person or persons named in the Rider as “Franchisee” (“**you**”). If you are a corporation, partnership, limited liability company or other entity approved by us to own a ~~Franchised Business~~Franchised Clinic (the “**Approved Entity**”), the term “owners” in this Agreement shall refer to your shareholders, partners, members or other interest holders. Unless otherwise approved by us, the term “Controlling Person” refers to the person who owns twenty-five percent (25%) or more and the largest share of the general partnership interest of such partnership; the equity and voting power of all classes of the issued and outstanding capital stock of such corporation; the membership interests of such limited liability company or the voting and ownership interests of such other entity.

INTRODUCTION

A. We have invested substantial time, effort and money to develop a system of operating an IV Nutrition business and have filed for a trademark with the United States Patent & Trademark Office for the name “IV Nutrition” as well as other intellectual property rights. We grant franchises to qualified candidates for the operation of an IV Nutrition Clinic. We license our trademark rights in “IV Nutrition” and may in the future adopt, use and license additional or substitute trademarks, service marks, logos and commercial symbols in connection with the operation of ~~Franchised Business~~Franchised Clinics (collectively the “**Marks**”). ~~Franchised Businesses~~Franchised Clinics use our methods, procedures, standards, specifications and the Marks (all of which are collectively referred to as the “**System**”) which we may improve, further develop or otherwise modify from time to time.

B. You desire to operate a ~~Franchised Business~~Franchised Clinic that will conform to our uniform requirements and quality standards as established from time to time by us.

1. GRANT OF FRANCHISE AND FRANCHISED LOCATION

1.1. Grant of Franchise. Subject to the provisions stated below, we license to you a personal franchise to operate an IV Nutrition Clinic (your “~~Franchised Business~~Franchised Clinic”) in conformity with our System at the location described on the Rider (the “~~Franchised Location~~Clinic”). You accept the license and undertake the obligation to operate your ~~Franchised Business~~Franchised Clinic using the System and in compliance with our standards. Unless otherwise agreed in writing by us, you must open your ~~Franchised Business~~Franchised Clinic within nine (9) months from the Effective Date. You must thereafter diligently operate your ~~Franchised Business~~Franchised Clinic in accordance with this Agreement for the entire remaining term of this Agreement. Notwithstanding the foregoing, if you are entering into this Agreement pursuant to the terms of an Area Development Agreement executed between you and us, you will open your ~~Franchised Business~~Franchised Clinic on or before the date set forth in the “Development Schedule” (as defined in the Area Development Agreement). Your ~~Franchised Business~~Franchised Clinic may only be operated at the Franchised ~~Location~~Clinic. If you would like to open a second or subsequent location, you must sign a new franchise agreement on our then-current form for each location, and pay the applicable franchise fees for each location.

1.2. Territory. Included in the Rider is a map or description of an area surrounding the Franchised ~~Location~~Clinic (the “**Territory**”). Except as specified in this Article or in Article 2.2, during the term of this Agreement, we will not operate or license to anyone else the right to operate an IV Nutrition Clinic from any other location in the Territory. You acknowledge and agree that (i) we and our affiliates have the right to grant other franchises or licenses and to operate company or affiliate owned locations outside the Territory even if they compete with your ~~Franchised Business~~Franchised Clinic for customers who may live and/or work in or near the Territory, (ii) we and our affiliates have the right to operate, and to grant franchises

or licenses to others to operate franchised locations and any other business from locations within and outside the Territory under trademarks other than the Marks, without compensation to you, provided; however, that with respect to this clause (ii), we and our affiliates will not operate franchised locations within the Territory, or grant franchises or licenses to others to operate IV Nutrition Clinics within the Territory, unless we do so after we or our affiliates acquire, or merge with, another business that operates or grants franchises to operate a Competitive Business, or after we are acquired by such a business, in which case we may do so, provided we do not operate those Competitive Businesses in the Territory using the Marks, or license anyone to use the Marks to operate such Competitive Businesses in the Territory. In addition, the boundaries of your Territory may overlap with a territory we grant to another franchisee or to a location we or our affiliates operate, so long as no other location is located within your Territory.

1.3. Additional Reservation of Rights. We and our affiliates reserve any and all rights not expressly granted to you under this Agreement, including, without limitation, the right to sell anywhere (including within the Territory) products and services (including to your customers) under the “IV Nutrition” name, or under any other name, through any channel of distribution.

2. TERM AND RENEWAL RIGHTS

2.1. Initial Term. The term of this Agreement is for ten (10) years commencing on the Effective Date of this Agreement, unless terminated earlier as provided in this Agreement.

2.2. Renewal. You have the right to renew your franchise for the Franchised ~~Location~~ Clinic for two additional ten (10) year terms, provided you meet all of the following conditions:

2.2.1. You have given us written notice at least one hundred eighty (180) days prior to the end of the then-current term of this Agreement of your desire to renew;

2.2.2. you and all entities you are a member, partner or shareholder of, are in compliance with all agreements between you and us and between you and our affiliates, and there has been no series of defaults by you thereunder (i.e., an abnormal frequency of defaults or a default that has occurred repeatedly, or a combination thereof), whether or not such defaults were cured;

2.2.3. you make, or provide for in a manner satisfactory to us, such renovation and reequipping of your ~~Franchised Business~~ Franchised Clinic as we deem appropriate to reflect the then-current standards and image of the System, including, without limitation, renovation or replacement of signs, equipment, furnishings, fixtures and decor;

2.2.4. you pay us a renewal fee at least fifteen (15) days prior to the expiration of the initial term of this Agreement in an amount equal to ten thousand dollars (\$10,000) (the “**Renewal Fee**”);

2.2.5. you sign ~~our then-current~~ the standard Franchise Agreement, which must be received and signed within thirty (30) days of receipt. You are required to pay the Renewal Fee as established in this Agreement, then being used by us within thirty (30) days of receipt, provided that you pay the Renewal Fee in lieu of the Initial Franchise Fee ~~mentioned set forth~~ in the then-current Franchise Agreement. The terms of such Franchise Agreement may differ from this Agreement, including higher fees and a modification to the Territory based upon our then-current methods of determining Territory areas (and which may include a reduction in the Territory);

2.2.6. you present satisfactory evidence that you have the right to remain in possession of the Franchised ~~Location~~ Clinic for the duration of the renewal term, unless we determine that the location of your business is no longer viable for the operation of your ~~Franchised Business~~ Franchised Clinic, in which case we may condition your right to renew on your obtaining a new site for your ~~Franchised Business~~ Franchised Clinic that we approve;

2.2.7. your management staff successfully completed any refresher training prescribed by us at least thirty (30) days prior to the expiration of the term of this Agreement; and

2.2.8. at the time you sign the Franchise Agreement to renew your franchise, you sign and deliver to us a general release, in the form we prescribe, releasing, to the fullest extent permitted under the laws of the state where your ~~Franchised Business~~ Franchised Clinic is located, all claims that you may have against us and our affiliates and our respective current and former officers, directors, shareholders, employees, insurers, consultants, contractors and agents, in both their corporate and individual

capacities.

If you fail to timely comply with any provision of this Article 2.2, time being of the essence, we will at all times thereafter be permitted to operate or license to someone else the right to operate a ~~Franchised Business~~ Franchised Clinic from any location in the Territory, and you specifically grant to us and to the owner of that center the right to contact the customers of your ~~Franchised Business~~ Franchised Clinic, notify them that you have chosen not to renew your relationship with us, and solicit those customers for the benefit of us or another franchisee of the System.

3. MARKS AND COPYRIGHTS

3.1. Identity of Your ~~Franchised Business~~ Franchised Clinic. Your ~~Franchised Business~~ Franchised Clinic will be identified by the trademark “IV Nutrition.”

3.2. Ownership of Mark. You agree that we own or have sublicensed the rights to the Marks and the System. You also agree that any and all improvements and derivations by you relating to the Marks and System are our sole property and you hereby assign to us the same, together with the goodwill associated with the same. We will have the exclusive right to register and protect all such improvements and derivations of the Marks and the System.

3.3. Use. Your right to use and identify with the Marks and System applies only to the ~~Franchised Location~~ Franchised Clinic, and exists concurrently with the term of this Agreement and only so long as you are in complete compliance with our quality standards. You will have the right to use the Marks and System only in the manner prescribed, directed and approved by us in writing. You will not have or acquire any rights in any of the Marks or System other than the right of use as governed by this Agreement. You may not authorize others to use or reproduce our Marks without our prior written consent. Your use of the Marks and any resulting goodwill will be to our exclusive benefit. If, in our judgment, your conduct infringes upon or demeans the goodwill, standards of uniformity or quality, or business standing associated with the Marks or the System, you will immediately, upon written notice from us, modify your use of the Marks and the System in the manner prescribed by us in writing. You will not during or after the term of this Agreement do anything directly or indirectly which would disparage, infringe upon, harm, or contest our rights in, the Marks or System.

3.4. Promotion. You will operate your ~~Franchised Business~~ Franchised Clinic so that it is clearly identified and advertised as an IV Nutrition. The style, form and use of the words “IV Nutrition” in any advertising, written materials, products or supplies, including but not limited to any Technology Platform (defined below), must, however, have our prior written approval and comply with our specifications as we may prescribe in writing and as set forth in the Manual, or otherwise. You will use the trademark “IV Nutrition” and the other Marks which now or hereafter may form a part of the System, on all signs, paper supplies, business cards, uniforms, advertising materials, Technology Platforms, signs and other articles in the identical combination and manner as we may prescribe in writing and you will supply to us samples or photographs of the same upon our request. You will comply with all trademark, trade name, service mark and copyright notice marking requirements and you will supply to us samples or photographs of the same upon our request. You will not use the words “IV Nutrition” in your corporate, partnership, limited liability company or other entity name.

3.5. Substitutions of, or Adverse Claims to Marks. We have the right to protect and maintain all rights to the Marks against encroachment, misuse or unauthorized use and against all challenges to any rights of its use, as we deem appropriate. If it becomes advisable at any time, in our sole discretion, to modify or discontinue use of any Mark, or to discontinue using any Mark, or if there is an adjudication by a court of competent jurisdiction that any party’s rights to any of the Marks are superior to ours, then upon written notice from us, you will, at your sole expense, immediately adopt and use the changes and amendments to the Marks that are specified by us in writing, and if the Mark that is changed is the name “IV Nutrition,” then all references in this Agreement to the name “IV Nutrition” will be deemed references to such substitute Mark. If we modify or discontinue use of any Mark, you will immediately cease using the Marks specified by us, and will, as soon as reasonably possible, commence using the new trademarks, trade names, service marks, logos, designs and commercial symbols designated by us in connection with all advertising, marketing and promotion of your Franchised

Business. We will have no liability or obligation whatsoever with respect to your modification or discontinuance of any Mark. You will not make any changes or amendments in or to the use of the Marks or System unless directed by us in writing.

3.6. Litigation. You will have no obligation to and will not, without our prior written consent, defend or enforce any of the Marks in any court or other proceedings for or against imitation, infringement, any claim of prior use, or for any other allegation. You will, however, immediately notify us of any claims or complaints made against you with respect to the Marks and will, at your reasonable expense, cooperate in all respects with us in any court or other proceedings involving the Marks. We will pay the cost and expense of all litigation incurred by us, including attorneys' fees, specifically relating to the Marks. We will have the right to control and conduct any litigation relating to the Marks and be entitled to all recovery related to claims with respect to the Marks. While we are not required to defend you against a claim based on your use of the Marks, we will reimburse you for your liability. You will also be required to reimburse us for liability arising out of your unauthorized use of any of the Marks.

3.7. Copyrighted Materials. You acknowledge and agree that we may authorize you to use certain copyrighted or copyrightable works (the "**Copyrighted Materials**"), including the Manual (as defined below). The Copyrighted Materials are our valuable property. Your rights to use the Copyrighted Materials are granted to you solely on the condition that you comply with the terms of this Agreement. Your use of the Copyrighted Materials does not vest you with any interest other than the temporary, non-exclusive license to use the Copyrighted Materials granted in this Agreement. All rights that inure as a result of the use of the Copyrighted Materials belong solely to us.

3.8. Protection. You will sign any documents that we or our counsel deem necessary for the protection of the Copyrighted Materials or the Marks or to maintain their validity or enforceability, or to aid us, at our expense, in acquiring rights in or in registering any of the Marks or any trademarks, trade names, service marks, slogans, logos or emblems that we subsequently adopt.

4. **INITIAL FRANCHISE FEE**

4.1. Initial Franchise Fee. You will pay us a non-refundable initial franchise fee (the "**Initial Franchise Fee**") as set forth in the Rider.

4.2. No Refunds. The Initial Franchise Fee ~~is has been~~ fully earned and non-refundable upon the execution of this Agreement by both parties, upon our signing of this Agreement and is non-refundable in consideration of the expenses incurred by us in granting this franchise and for the lost or deferred opportunity to franchise others.

4.3. Initial; Furniture and Equipment. In addition to paying us the Initial Franchise Fee from Section 4.1, you will also be required to purchase a "Store in a Box" from us or our affiliate at our then-current rate.

5. **ROYALTY FEE**

5.1. Royalty Fee. You will pay us a non-refundable bi-weekly royalty payment (the "**Royalty Fee**"). The Royalty Fee will initially be six percent (6%) of Gross Sales.

5.2. Gross Sales Defined. The term "Gross Sales" means all revenue received, directly or indirectly, from operating the ~~Franchised Business~~ Franchised Clinic, including all amounts or other consideration received at or away from the Franchised ~~Location~~ Clinic, and whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit transactions. Gross Sales includes the proceeds of any business interruption insurance or similar insurance. Gross Sales will also include amounts earned from the sale of any online group-bought deals and the sale of any gift cards or gift certificates, in each case calculated using our then current guidelines, which may be based on the redeemed value or sale price of the deals, cards or certificates. Gross Sales does not, however, include any federal, state, or municipal sales, use or service taxes, tips or gratuities collected from customers and paid to the appropriate taxing authority. We will require that you provide your profit and loss statements to us on a monthly basis for our review in a manner that we prescribe.

5.3. Method of Payment. Notwithstanding any designation by you, we have the sole discretion to apply any payments made by you to any of your indebtedness for Royalty Fees, Brand Fund Fees,

purchases from us or our affiliates, vendors, interest, collection costs or any other indebtedness. You agree that you will not withhold payment of any Royalty Fees, Brand Fund Fees, or any other amount due us, and that the alleged non-performance or breach of any of our obligations under this Agreement or any related agreement does not establish a right at law or in equity to withhold payments due us for Royalty Fees, Brand Fund Fees, or any other amounts due.

You hereby authorize your billing and payment processor to deduct from any monies it collects on your behalf the amount of all fees and payments you are obligated to pay us and to our affiliates and to pay those fees to us or to our affiliates on the due date of such fee. We also have the right to require you to sign and deliver to us, our bank(s) and your bank, as necessary, all forms and documents that we may request to permit us to debit your account, either by check, via electronic funds transfer or other means or such alternative methods as we may designate (“**Payment Methods**”) for all fees and payments due to us. We may use the Payment Methods to collect Royalty Fees, advertising fees and any other amounts due to us or our affiliates on the date such amounts become due. You will notify us at least twenty (20) days before closing or changing the account against which such debits are to be made. If such account is closed or ceases to be used, you will immediately provide all documents and information necessary to permit us to debit the amounts due from an alternative account. You acknowledge that these requirements are only a method to facilitate prompt and timely payment of amounts due and will not affect any obligation or liability for amounts owed.

5.4. Security Interest. You grant us a first priority security interest in your receivables and equipment, whether now existing or hereinafter created, together with all proceeds of such assets. You authorize us to file one or more financing statements to evidence this security interest. However, we will subordinate our first priority interest to a lending institution that provides you financing for your ~~Franchised Business~~ Franchised Clinic.

5.5. Late Fee. You will pay us a late fee in the amount of ten percent (10%) if you fail to pay the Royalty Fee and Brand Fund Fees within ten (10) days of the due date.

5.6. Insufficient Funds Fee. If any payment from you does not successfully convey funds due to insufficient funds, stop payment instructions, or any similar event, you shall pay, upon demand, an insufficient funds fee equal to either (1) the greater of fifty dollars (\$50.00) or five percent (5%) of the payment amount, or (2) the maximum fee allowed by law.

6. ADVERTISING AND PROMOTION

6.1. Grand Opening Program. You agree to conduct a grand opening advertising and promotional program (“**Grand Opening Program**”) for your ~~Franchised Business~~ Franchised Clinic beginning four (4) weeks prior to your scheduled opening and ending four (4) weeks following the opening of your ~~Franchised Business~~ Franchised Clinic. The Grand Opening Program must target prospective customers throughout the Territory and meet the standards we establish from time to time. You must spend a minimum of two thousand dollars (\$2,000) on the Grand Opening Program. The amounts you spend on the Grand Opening Program are in addition to the Brand Fund Fees (defined below) that you must pay to us. Upon request by us, you must provide us with a report itemizing the amounts you spent on the Grand Opening Program. If you fail to spend the minimum required amount on the Grand Opening Program, we have the right to collect from you the difference between what you actually spent and the minimum required expenditure and contribute such difference to the Brand Fund (defined below).

6.2. Advertising Fee. We have established a Brand Fund for the common benefit of System franchisees (the “**Brand Fund**”), and we require you to contribute two percent (2%) of your Gross Sales each month to the Brand Fund (the “**Brand Fund Fees**”).

6.2.1. The Brand Fund Fees are due at the same time and upon the same payment terms as the Royalty fees. The first payment is not due until the first day of the month that begins immediately after the month that your ~~Franchised Business~~ Franchised Clinic opens. Your obligation to pay the Brand Fund Fees continues through the term of this Agreement. You will also pay the full amount of the Brand Fund Fees for the last month of the term of this Agreement, regardless the actual termination date of this Agreement.

6.2.2. We have the right to use Brand Fund Contributions, in our sole discretion, to develop,

produce, and distribute national, regional and/or local advertising and to create advertising and public relations materials which promote, in our sole judgment, the products offered by System franchisees. We may use the Brand Fund to satisfy any and all costs of maintaining, administering, directing, preparing, and producing advertising. We are not obligated to expend monies from the Brand Fund in any particular franchisee's market in proportion to the payments to the Brand Fund made by the franchisee in that market. We do not represent that we will spend any particular amount of Brand Funds locally, regionally, or nationally.

6.2.3. We shall administratively segregate all contributions to the Brand Fund on our books and records. All such payments to the Brand Fund may be deposited in our general operating account, may be commingled with our general operating funds, and may be deemed an asset of ours, subject to our obligation to expend the monies in the Brand Fund in accordance with the terms hereof. We may, in our sole discretion, elect to accumulate monies in the Brand Fund for such periods of time, as we deem necessary or appropriate, with no obligation to expend all monies received in any fiscal year during that fiscal year. In the event our expenditures for the Brand Fund in any one fiscal year shall exceed the total amount contributed to the Brand Fund during such fiscal year, we shall have the right to be reimbursed to the extent of such excess contributions from any amounts subsequently contributed to the Brand Fund or to use such excess as a credit against its future contributions. The parties do not intend that the Fund be deemed a trust.

6.2.4. We use Brand Fund Contributions to develop and prepare advertising which we distribute to System franchisees for their placement in the local media. The advertising is prepared by us and by outside sources. If we do not spend all Brand Fund Contributions by the end of each fiscal year, the funds will be carried forward into the next fiscal year. There is no requirement that the Brand Fund be audited. Upon your written request, we will provide you with an unaudited accounting of Brand Fund expenditures.

6.2.5. We have the sole right to determine how to spend the Brand Fund Contributions, or funds from any other advertising program, and the sole authority to determine the selection of the advertising materials and programs, provided, however, that we will make a good faith effort to expend such funds in the general best interests of the System on a national or regional basis. We are not required, under the Franchise Agreement, to spend any amount of Brand Fund Contributions in your Territory and not all System franchisees will benefit directly or on a pro rata basis from our expenditures. We have the right to reimbursement from the Brand Fund Contributions for reasonable costs and overhead, if any, as we may incur in activities which are reasonably related to directing and implementing the Brand Fund and advertising programs for franchisees and the System, including costs of personnel for creating and implementing advertising, promotional and marketing programs.

6.3. Local Advertising. In addition to the Brand Fund Fee described above, you must spend a minimum of two percent (2%) of your Gross Sales per month (averaged during the current calendar-year) on local advertising and promotion implemented in a format and using materials and designs approved by us as your 'Local Advertising. You may spend any additional sums you wish on local advertising. You are permitted to use your own advertising materials, so long as you have submitted them to us for approval before your use. You must immediately cease using any advertising materials that we deem, in our sole discretion, inappropriate, and that we notify you of in writing. We have the right, in our discretion, to require you to submit receipts documenting this marketing activity.

6.4. Cooperatives. We have the right, in our discretion, to designate any geographic area for purposes of establishing a regional advertising and promotional cooperative ("Cooperative"). All franchisees in the designated geographical area must participate in the Cooperative. Cooperative contributions will be credited towards your Local Advertising, and will not exceed the Local Advertising, unless a majority of the Cooperative's members vote to spend an amount greater than the Local Advertising on advertising. Each Cooperative will be organized for the exclusive purpose of administering regional advertising programs and developing, subject to our approval, standardized advertising materials for use by the members in local advertising. No promotional or advertising plans or materials may be used by a Cooperative or furnished to its members without our prior approval. All such plans and materials will be submitted to us in accordance with the procedure set forth in Article 12.1 of this Agreement. We may

grant to any franchisee, in our sole discretion, an exemption for any length of time from the requirement of membership in a Cooperative, upon written request of such franchisee stating reasons supporting such exemption. Our decision concerning such request for exemption will be final.

6.5. Advertising Council. We have established an advertising council (“**Advertising Council**”). The Advertising Council will serve in an advisory capacity to us with respect to certain advertising expenditures, including providing advice/guidance on how to administer the Brand Fund. At our discretion, the Advertising Council may be comprised of our management representatives, employees, you and/or other franchisees in the System. We will have the right to modify or dissolve an Advertising Council (if created) at any time.

6.6. Promotional Campaigns. We may conduct promotional campaigns on a national or regional basis to promote products or marketing themes. You must participate in all promotional campaigns which we may establish for the region in which your ~~Franchised Business~~Franchised Clinic is located.

7. **BUSINESS PREMISES**

7.1. Site Acquisition. If you have not selected a site for your Franchised Clinic and obtained our approval at the time of executing this Agreement, you will be given a non-exclusive “Site Search Area” in which you must locate a site for your Franchised Clinic. You may submit a site for our approval outside of the Site Search Area, if it is not within the protected territory or site search area of another franchisee. You must obtain our written approval of your ~~Franchised Business~~Franchised Clinic’s proposed site and sign a lease we approve for the premises with one hundred twenty (120) days of the effective date of this Agreement. Prior to the acquisition by lease or purchase of the site for your ~~Franchised Business~~Franchised Clinic, you will submit to us such information and materials as we may require, which may include, but not be limited to, your proposed lease. We will have ten (10) business days after receipt of the information and materials we requested to approve or disapprove your proposed site. No site will be deemed approved unless it has been expressly approved in writing by us by notice of site approval sent to you. Our examination and approval of the location of your Franchised ~~Business~~Clinic site does not constitute a representation, guaranty or warranty, express or implied, of the successful operation or profitability of the ~~Franchised Business~~Franchised Clinic operated at that location. In addition, we may require you to furnish us with a copy of the signed lease within five (5) days after its execution.

7.2. Opening. You may not initially open your ~~Franchised Business~~Franchised Clinic to the public until you have completed all of your pre-opening obligations, and obtain our consent to you opening the business, including your opening date.

7.3. Relocation. You may not move or relocate your ~~Franchised Business~~Franchised Clinic without our prior written consent, which consent shall not be unreasonably withheld.

7.3.1. The request for relocation must be made in writing, stating the new location, received by us at least sixty (60) days prior to the date of intended relocation, and be accompanied by a relocation fee of One Thousand Five Hundred Dollars (\$1,500). The new location must be within the Territory (as defined herein), and it may not be located within any territory we grant to any other franchisee. We will refund the relocation fee to you if we do not approve your new location.

7.3.2. Upon receipt of our approval, you must upgrade the new location to comply with all of our current specifications, and construct the new premises in the manner required under Article 9.1.

8. **FRANCHISOR’S OBLIGATIONS/TRAINING**

8.1. Location. We will provide you with consulting services to assist you in determining the evaluation criteria for selecting the site location for your ~~Franchised Business~~Franchised Clinic.

8.2. Initial Training. Upon execution of this Agreement, you shall pay to us a non-refundable initial Training Fee equal to five thousand dollars (\$5,000) (the “Training Fee”). In exchange for the Training Fee, We we will, at our expense, provide an initial training program to educate and acquaint you with the business of operating a ~~Franchised Business~~Franchised Clinic. The training program will include instruction on basic operating skills and other topics we select. If you have more than one Franchise Agreement with us, we may, at our option, provide this training program one (1) time for multiple

agreements. The person you designate as your principal operator (whether you, if you are an individual, or one of your owners if you are an entity) (the “**Principal Operator**”) must attend one of the next two (2) initial training programs we offer following our acceptance of this Agreement, and before you open your ~~Franchised Business~~Franchised Clinic, and successfully complete the training program. If anyone other than a Principal Operator attends the training program, we will require they sign a confidentiality agreement that meets our requirement before they may attend, and you must provide us a copy of that agreement. You will be responsible for travel costs, room and board, salaries, fringe benefits, and other expenses incurred by you and your employees in attending the training program as well as reimbursement of our travel and living expenses associated with any training at your Franchised Clinic up to two thousand five hundred dollars (\$2,500). Failure by your Principal Operator to complete the training program to our satisfaction is a material breach of this Agreement and we may terminate this Agreement at our option.

8.3. Recurrent Training. We will make available, and require, additional training to familiarize you and/or your employee(s) on changes and updates in the System. We may also require the virtual attendance of you and/or your employee(s) to meetings, trainings, or other events we deem necessary.

8.4. Additional Required Training. We reserve the right to have, each calendar year, a Principal Operator and/or your employee(s) of your business attend at least one approved training program we offer at our corporate office or in any region. You must pay any fees applicable to the training program you select. In addition, you must pay all travel and living expenses you and your employees incur, and we reserve the right to charge a cancellation fee if you register and either fail to attend or leave the training prior to completion.

8.5. New Employee Training. We will make available and require your new employee(s) to complete a training program within a certain timeframe, determined by us, of their hire.

8.6. Manual. We will loan you one copy of the manual in which we describe the System operational policies, standards, requirements and practices (the “**Manual**”). The Manual may be loaned to you by providing you access to an electronic version of the Manual. The Manual contains mandatory and suggested specifications, standards and operating procedures that we have developed for ~~Franchised Businesses~~Franchised Clinics and information relating to your other obligations. You will comply with and operate your ~~Franchised Business~~Franchised Clinic in conformance with all mandatory provisions of the Manual. We have the right to revise the Manual at any time or add additional manuals. You will incorporate all revisions into the Manual, and at all times the Manual (including any additional manuals) will remain on the premises of your ~~Franchised Business~~Franchised Clinic. You will not make copies of any portion of the Manual without our prior written consent. You acknowledge that the required provisions of the Manual are designed to protect our standards and systems and our Marks and to create a uniform customer experience, and not to control the day-to-day operation of your ~~Franchised Business~~Franchised Clinic.

8.7. Ongoing Assistance. During the operation of your ~~Franchised Business~~Franchised Clinic, we will make available to you from time to time all changes, improvements and additions to the System and all supplements and modifications to the Manual.

8.8. Nature of Assistance and Training. You agree that we are not obligated to provide any training or assistance to your particular level of satisfaction, but as a function of our experience, knowledge and judgment. You also acknowledge that we are not obligated to provide any services to you that are not set forth in this Agreement. If you believe we have failed to adequately provide any preopening services to you or to your employees, whether with respect to site selection, selection and purchase of equipment and supplies, training, or any other matter affecting the establishment of your ~~Franchised Business~~Franchised Clinic, you must notify us in writing within thirty (30) days following the opening of your ~~Franchised Business~~Franchised Clinic or you will be deemed to conclusively acknowledge that all pre-opening and opening services required to be provided by us were sufficient and satisfactory in your judgment, and complied with all representations made to you.

9. APPEARANCE AND OPERATION OF YOUR ~~FRANCHISED BUSINESS~~FRANCHISED CLINIC

The Marks and System licensed to you represent valuable goodwill distinctive of our business and

reputation. We will promulgate, from time to time, standards of quality and service regarding the business operations of ~~franchised businesses~~ IV Nutrition Clinics so as to protect the distinction and goodwill represented and symbolized by the Marks and System. You must abide by those standards and the provisions set forth below unless otherwise authorized by us in writing.

9.1. Construction. Your ~~Franchised Business~~ Franchised Clinic must be developed in accordance with all applicable laws, regulations, codes, and other governing requirements, as well as our mandatory specifications (the “Mandatory Specifications”) that we provide to you, and the center specific layout/design that we provide to you (“Compliance Drawing”). You will be required to supply us with accurate site information for your proposed location to allow us to create a Compliance Drawing for you. This information will include, but is not be limited to, as-built drawings, surveys, technical data, construction documents, and site plans. If you are developing a new ~~Franchised Business~~ Franchised Clinic, we will provide you with one Compliance Drawing at no additional cost.

9.1.1. Promptly after you have obtained possession of the site for your ~~Franchised Business~~ Franchised Clinic, you will: (i) retain the services of a licensed and qualified architect and/or design professional(s) to create a complete set of detailed construction documents in strict accordance with the Compliance Drawing and our Mandatory Specifications (“Construction Documents”), and to complete construction of your ~~location~~ Clinic in accordance with such Construction Documents; (ii) retain the services of a general contractor; (iii) have prepared and submitted for our approval a site survey and basic architectural plans and specifications consistent with our Mandatory Specifications; (iv) purchase or lease, and then, in the construction of your ~~location~~ Clinic, use only the building materials, equipment, fixtures, furniture and signs we have approved; (v) complete the construction and/or remodeling, equipment, fixtures, furniture and signage lease in decorating your ~~location~~ Clinic in full and strict compliance with the plans and specifications we approve, and with all applicable ordinances, building codes and permit requirements without any alterations; (vi) obtain all customary contractors’ sworn statements and partial and final waivers; and (vii) obtain all necessary permits, licenses and architectural seals and comply with applicable legal requirements relating to the building, signs, equipment and premises, including, but not limited to, the Americans With Disabilities Act.

9.1.2. If you have not designated a construction management services vendor or if you do not plan to use a construction management services vendor that you have used in the past, then we may designate a construction management services vendor to assist you in submitting, processing, monitoring and obtaining in a timely manner all necessary construction documents, licenses and permits, and to assist you through construction. If we require you to use a designated vendor for construction management services, you must pay such vendor the then-current fee for construction management services.

9.1.3. If this Franchise Agreement is signed as part of the transfer of an existing franchise, or renewal of an existing franchise, then the construction required under this Article shall be the renovation of your ~~Franchised Business~~ Franchised Clinic in accordance with the provisions of the predecessor franchise agreement.

9.1.4. If your ~~Franchised Business~~ Franchised Clinic is not constructed strictly according to the plans we have approved and our Mandatory Specifications, we may not approve you to open for business. If we do not approve your opening, you will have thirty (30) days from the date we deny our approval for opening to correct all the construction problems so that your ~~Franchised Business~~ Franchised Clinic is strictly constructed according to our approved plans. If you fail to correct the problems within this thirty (30) day period, we may immediately terminate this Agreement. If your ~~Franchised Business~~ Franchised Clinic opening is delayed for these or any other reasons, you will be responsible for any losses or costs relating to such delay.

9.1.5. You will make no changes to any building plan, design, layout or decor, or any equipment or signage in your ~~Franchised Business~~ Franchised Clinic without our prior written consent, and such changes may not be contrary to the Mandatory Specifications.

9.2. Signs. You will prominently display, at your expense, both on the interior and exterior of your premises, signs in such form, color, number, location and size, and containing such Marks as we designate. We also may require you to use illuminated signs. You will obtain all permits and licenses

required for such signs and will also be responsible for ensuring that all signs comply with all laws and ordinances. You will not display in or upon your premises any sign or advertising of any kind to which we object. We reserve the right to require you to update your signage at any time at your expense.

9.3. Services. You will conform to all quality and customer service standards prescribed by us in writing, provided that the standards are not specifically set for you, but are set for our entire system, or a specific region or market in which other System businesses are operating.

9.3.1. Certain services, as deemed necessary by us, may require specific training prior to being administered. We may require that employees providing these services be approved by us. Furthermore, if there is no approved employee to provide these services, we may, at our discretion, charge a fee to provide these services for you.

9.4. Maintenance of Premises. You will paint and keep in an attractive, clean and sanitary condition the interior and exterior of your ~~Franchised Business~~ Franchised Clinic. All equipment will be kept in good working order and will meet our quality standards.

9.5. Approved Information System. We may designate the information system used in your ~~Franchised Business~~ Franchised Clinic, including the computer hardware, software, other equipment and enhancements (the "Information System"). In such event, in connection with the approved Information System, you agree to the provisions set forth below.

9.5.1. You will be required to acquire the right to use the Information System, obtain peripheral equipment and accessories and arrange for installation, required maintenance and support services, and interfacing of your Information System with our accounting system, all at your cost. Installation must be performed by a person we have approved and trained.

9.5.2. You must purchase and install certain components of your Information System, including certain computer hardware and software and networking equipment, from us, our affiliate or other mandatory supplier or vendor. You must also pay us, our affiliate or other mandatory supplier or vendor for the shipping, taxes and installation of such components.

9.5.3. You must use our designated customer relationship management software ("CRM"). You must pay us, our affiliate, or our designated vendor the then-current fee for access to the CRM, and you may be required to sign a license agreement in connection with the same.

9.5.4. You must pay us, our affiliate or other mandatory supplier or vendor the then-current monthly technology fee for access to the Information System ("**Technology Fee**"). The Technology Fee is currently \$750.00 per month. We reserve the right, upon thirty (30) days' written notice to you, to increase or decrease the Technology Fee.

9.5.5. We will have the right at all times to access the Information System and to retrieve, analyze, download and use all software, data and files stored or used on the Information System. We may access the Information System in your ~~Franchised Business~~ Franchised Clinic or from other locations. You will store all data and information on the Information System.

9.5.6. As upgrades to the hardware and/or software are developed, we may require you to obtain and install any or all of these upgrades. You are responsible for the cost of all upgrades, including any initial and/or ongoing license, support or service fees.

9.5.7. You must have e-mail and high-speed Internet access capabilities at your ~~Franchised Business~~ Franchised Clinic location and/or management location. We or our affiliate will provide you with an email address and inbox as part of the Information System. You must purchase any additional email addresses and inboxes you require from us or our affiliate.

9.5.8. You are solely responsible for protecting yourself from disruptions, Internet access failures, Internet content failures, and attacks by hackers and other unauthorized intruders and you waive any and all claims you may have against us or our affiliates as the direct or indirect result of such disruptions, failures or attacks.

9.6. Billing and Payment Processing Services. We have the right to designate one or more approved vendors for billing and payment processing services. You must use the vendor that we designate (or one of the approved vendors if we designate more than one) for all your billing and payment processing. You must pay the designated vendor their customary charges for these billing and payment processing services, as well as their customary charges for all other ancillary services they provide.

9.7. Indemnification. You hereby release and agree to hold us and our affiliates, and our respective officers and directors, harmless from and against any and all claims, liability, damages, or causes of action of any nature arising from, or in connection with, the installation, maintenance, or operation of the Information System and its billing and payment processing, except to the extent arising from such party's gross negligence or intentional acts.

9.8. Technology Platforms. Except as described in the Manual or otherwise in writing, we reserve the sole right to advertise the System on the Internet or sell any products or services on the Internet or any mobile or electronic application (or any current or future form of electronic platform or communication). You must participate in any Internet website, home page, web pages, electronic mail, social media sites, applications, online platforms, and other current or future forms of electronic communications that we require (collectively the "Technology Platforms"), as described in the Manual or otherwise in writing. To the extent that you may control or access any Technology Platform, the Technology Platforms must be operated and maintained by you in compliance with all provisions of this Agreement, including those regarding the use of confidential and proprietary information, as well as any and all operating procedures, policies, standards and requirements as we may specify from time to time. You must maintain any Technology Platform you control or access in compliance with all applicable laws, rules, and regulations, including but not limited to those applicable to copyright and trademark, privacy, anti-defamation, and advertising and endorsements. You must submit all content for any Technology Platform to us for our prior written approval before using such content. You must pay us or our designee (which may be our affiliate) the then-current fees for the access to, modification of and maintenance of the Technology Platforms. We may modify, suspend, replace, discontinue or add to any Technology Platforms at any time and you must comply with such changes at your expense. We retain sole ownership of the Technology Platforms, including any domains names, content, email addresses and information stored on the Technology Platforms. Your access to the Technology Platforms will automatically terminate upon expiration or termination of this Agreement. You hereby release and agree to hold us, our officers and directors, harmless from and against any and all claims, liability, damages, or causes of action of any nature, arising from, or in connection with, the creation, operation, or maintenance of the Technology Platform, unless such liability arises out of our gross negligence or intentional acts.

9.9. Compliance with Our Standards. You will operate your ~~Franchised Business~~Franchised Clinic through strict adherence to any mandatory standards, specifications and policies of the System as they exist from time to time, in order to ensure compliance with the quality standards of the System. You may offer from your ~~Franchised Business~~Franchised Clinic only those products and services that we approve. We have the right to change the products and services that we require you to offer from your ~~Franchised Business~~Franchised Clinic at any time, without limitation. You will at all times be responsible for the conduct of the day-to-day operation of your ~~Franchised Business~~Franchised Clinic and for the terms of employment for your employees.

9.9.1. You acknowledge that the mandatory standards, specifications and policies we establish are not aimed at the day-to-day operation of your business, which will solely be within your control, but are merely intended to preserve the goodwill of the System and Marks.

9.9.2. Notwithstanding any requirements in the standards, specifications and policies of the System that require your ~~Franchised Business~~Franchised Clinic to be open from 9:00am to 7:00pm Monday through Friday, 10:00am to 6:00pm Saturday, and 12:00pm to 5:00pm Sunday subject to applicable state laws.

9.9.3. Any closure or deviation in opening hours of your ~~Franchised Business~~Franchised Clinic due to reasons other than the following holidays: Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas, or hazardous road conditions due to severe weather must be approved by us.

9.9.4. We reserve the right to have someone conduct an inspection of your ~~Franchised Business~~Franchised Clinic after you open. We will provide you a copy of the report at your request. If your ~~Franchised Business~~Franchised Clinic does not receive a passing score from that visit, a new inspection will be conducted. This process will be repeated until you have received a passing score. At our option, you must pay us for a final inspection fee we establish for each failed inspection to defer any

costs we incur in re-inspecting your ~~Franchised Business~~Franchised Clinic after the first inspection. This fee will be payable in the manner we specify.

9.10. Compliance with Laws. You will, at your expense, comply with all applicable local, state, federal and municipal laws, ordinances, rules and regulations pertaining to the operation of your ~~Franchised Business~~Franchised Clinic, including, without limitation, any and all licensing and bonding requirements, health and safety regulations, labor and employment laws, and the Americans with Disabilities Act. You will, at your expense, consult an attorney to obtain advice with regard to compliance with all federal and state licensing laws and all other laws relating to the operation of your ~~Franchised Business~~Franchised Clinic. Further, you will, at your expense, be exclusively responsible for determining the licenses and permits required by law for your ~~Franchised Business~~Franchised Clinic, for filing, obtaining and qualifying for all such licenses and permits, and for maintaining all necessary licenses and permits throughout the term of this Agreement. You must comply with all laws and regulations relating to privacy and data protection and must comply with any privacy policies or data protection and breach response policies we periodically may establish. You must notify us immediately of any suspected data breach at or in connection with the ~~Franchised Business~~Franchised Clinic.

9.11. Payment of Liabilities. You will timely pay all of your obligations and liabilities, including, without limitation, those due and payable to us, and to your suppliers, lessors and creditors.

9.12. Taxes. You will promptly pay all federal, state and local taxes arising out of the operation of your ~~Franchised Business~~Franchised Clinic. We will not be liable for these or any other taxes and you will indemnify us for any such taxes that may be assessed or levied against us which arise or result from your ~~Franchised Business~~Franchised Clinic, including any taxes imposed by your state on any royalties or other amounts you are required to pay to us and our affiliates.

9.13. Personnel. You are responsible for recruiting, hiring and training employees and others to operate your ~~Franchised Business~~Franchised Clinic.

9.13.1. The people you retain to work in your ~~Franchised Business~~Franchised Clinic will be your agents and employees. They are not our agents or employees and we are not a joint employer of those persons. It will be up to you to determine who to retain, how many people to retain (subject to any minimum staffing requirements we may prescribe), how you compensate these people, terms of employment and working conditions for your employees, when and how to discipline the people you hire, and when and how to terminate the people you hire. However, you are required at all times to comply with all applicable employment laws. We will not have any duty or obligation to operate your ~~Franchised Business~~Franchised Clinic, to direct your employees, to schedule your employees, or to oversee your employment policies or practices.

9.13.2. You will designate an individual to serve as the Designated Principal who will also serve as your Clinic Director of your ~~Franchised Business~~Franchised Clinic. The Designated Principal will devote his/her best efforts to the supervision and conduct of the development and operation of your ~~Franchised Business~~Franchised Clinic and, as required in this Agreement, will agree to personally be bound by confidentiality and non-competition provisions of this Agreement. The Designated Principal, and anyone owning a controlling interest in your ~~Franchised Business~~Franchised Clinic if other than the Designated Principal, will complete our initial training requirements and will complete all additional training as we may reasonably designate.

9.13.3. We will ~~provide~~offer training opportunities for your employees on a periodic basis. We reserve the right to require your employees to attend these training sessions, and you will be responsible for paying the then-current fees associated with such training. The fee schedule and terms of payment will be specified to your employees from time to time. We may require you to send your employees to training and require you to pay our then-current fees for providing the operations manual or as otherwise communicated to you at training. However, the fact that we may offer training to your employees does not relieve you from the primary responsibility to assure your employees are properly trained. You will be solely responsible for all wages, travel, and living expenses, and all other costs incurred by you and your employees in connection with any training or instruction that we provide.

9.14. Photographs. We will have the right to photograph and make video or digital recordings of your ~~Franchised Business~~Franchised Clinic premises and your employees at all reasonable times. We

will have the right to use all photographs and videos or digital recordings of your ~~Franchised Business~~ Franchised Clinic for such purposes as we deem appropriate, including, but not limited to, use in training, advertising, marketing and promotional materials, and as evidence in any court or arbitration proceeding, to the extent the consent of any of your employees or others is required for our use of these photographs and recordings for commercial purposes, you will use your best efforts to obtain these consents. Neither you nor your employees will be entitled to any right to be compensated by us, our advertising agencies, or other franchisees for any use of such photographs or recordings.

9.15. Ownership of Information. All of the information we or our affiliates obtain from you or about your ~~Franchised Business~~ Franchised Clinic, and all information in your records or ours concerning the members of your ~~Franchised Business~~ Franchised Clinic (the “**Information**”) and all revenues we derive from the Information will be our property. However, you may at any time during the term of this Agreement use in the operation of your ~~Franchised Business~~ Franchised Clinic (but for no other purpose), to the extent lawful and at your sole risk and responsibility, any information that you acquire from third parties in operating your ~~Franchised Business~~ Franchised Clinic, such as customer data. The Information (except for information you provide to us or our affiliates with respect to you and your affiliates, including your respective officers, directors, shareholders, partners or equity members of your entity) will become our property which we may use for any reason as we deem necessary or appropriate in our discretion. You hereby authorize your payment processor to release the information to us at any time. ~~Upon Following~~ termination or expiration of this Agreement, you are prohibited from using any of the Information, with the exception of fulfilling any ~~will no longer use any of the Information, except to comply with your~~ post-term obligations under this Agreement. Y, and you authorize your payment processor to release the Information exclusively to us and/or our designees, and agree to provide us with any necessary authorizations to facilitate such release.

9.16. Manual. You will operate your ~~Franchised Business~~ Franchised Clinic in accordance with all mandatory provisions of the Manual. You will treat the Manual as confidential, and will use all reasonable efforts to maintain the Manual as secret and confidential. You will use the Manual only in the operation of your ~~Franchised Business~~ Franchised Clinic. The Manual will remain our sole property. We may from time to time revise the contents of the Manual. You agree to comply with each new or changed standard. In the event of any dispute as to the contents of the Manual, the terms of the master copy of the Manual maintained by us will control. Any required specifications, standards and operating procedures described in the Manual or otherwise exist to protect our interests in the System and the Marks and to create a uniform customer experience, and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you.

9.17. Visits. A representative of ours may make visits to your ~~Franchised Business~~ Franchised Clinic to ensure compliance with all required standards, specifications and procedures. Our representative ~~shall have the right~~ will be allowed to inspect the condition and operation of your ~~Franchised Business~~ Franchised Clinic and all areas of your ~~Franchised Business~~ Franchised Clinic at any time during your business hours. Such inspections may include, without limitation, conducting any type of audit or review necessary to evaluate your compliance with all required payments, standards, specifications or procedures. If your ~~Franchised Business~~ Franchised Clinic does not receive a passing score from that visit, a new inspection will be conducted. This process will be repeated until you have received a passing score. At our option, you must pay us for a final inspection fee we establish for each failed visit to defer any costs we incur in re-inspecting your ~~Franchised Business~~ Franchised Clinic after the first inspection. This fee will be payable in the manner we specify. We may, from time to time, make suggestions and give mandatory instructions with respect to your operation of your ~~Franchised Business~~ Franchised Clinic, as we consider necessary or appropriate to ensure compliance with the then-current quality standards of the System and to protect the goodwill and image of the System. You expressly agree that these visits will not imply that you are in compliance with your obligations under this Agreement or under the law or that we waive our right to require strict compliance with the terms of this Agreement or the Manual. Furthermore, such visits will not create any responsibility or liability in our part. If you request that we make additional visits to your ~~Franchised Business~~ Franchised Clinic, you will pay the fees we establish for such visits. You will also allow us to visit your ~~Franchised~~

~~BusinessFranchised Clinic~~ with prospective franchisees during your business hours.

9.18. Notices of Default; Lawsuits or Other Claims. You will immediately notify us of, and deliver to us a copy of any notice regarding, a breach, default, claim, lawsuit, administrative or agency proceedings or investigations, or other actions or proceedings relating to your ~~Franchised BusinessFranchised Clinic~~. Upon request from us, you will provide such additional information as may be required by us regarding the same.

9.19. Your Dealings with Us and Our Affiliates. You acknowledge that when we are required to perform any services for you, we may use any third parties, including affiliates of ours, to perform those services. If you are required to pay us a fee for those services, we may have you pay that fee directly to the affiliate or third party that performs the service. However, if you are not required to pay us a fee for the service, you will not be obligated to pay any parties we contract with for services that we are required to provide to you without charge under this Agreement. We and our affiliates may also receive rebates or compensation from other parties in connection with the provision of such services.

9.20. Purchases. You will purchase only such types, models or brands of fixtures, furniture, equipment, inventory, supplies and other items that we approve for ~~franchised businessesIV Nutrition Clinics~~ as meeting our standards for quality, design, warranties, appearance, function and performance. Although we do not do so for every item, we have the right to approve the manufacturer of any item used or sold in your ~~Franchised BusinessFranchised Clinic~~. You will not install or maintain at your ~~Franchised BusinessFranchised Clinic~~ any newspaper racks, video games, jukeboxes, gaming machines, gum machines, vending machines, video or similar devices without our, and any necessary governmental, prior written approval. We may require you, in our sole discretion, to purchase certain fixtures, furniture, equipment, inventory, supplies, services, and other items used or offered at your ~~Franchised BusinessFranchised Clinic~~ from suppliers who have been approved by us, in which case we will provide you with a list of approved suppliers.

9.20.1. You acknowledge and agree that certain products, supplies or other services, including the Information System, you may be required to purchase for use in the operation of your ~~Franchised BusinessFranchised Clinic~~ may only be available exclusively from us or our affiliates, or from other mandatory suppliers or vendors that we approve, in our sole discretion.

~~9.20.2. THOUGH APPROVED BY US, WE AND OUR AFFILIATES MAKE NO WARRANTY AND EXPRESSLY DISCLAIM ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, WITH RESPECT TO FIXTURES, FURNITURE, EQUIPMENT (INCLUDING WITHOUT LIMITATION ANY AND ALL REQUIRED COMPUTER SYSTEMS), SUPPLIES, OR OTHER APPROVED ITEMS.~~

9.21. Taxes on Fees. If ~~any tax is levied by~~ your state, or any ~~other~~ governmental body ~~in your state, charges a tax on any fees payable you owe~~ to us or ~~to~~ our affiliates under this Agreement, you are responsible for paying an amount equal to such taxes. Please note, this provision does not pertain to any, then you are required to pay an additional amount equal to the amount of this tax. (For purpose of clarification, this does not apply to any federal or state income taxes that we or our affiliates are required to pay under federal or state laws.)

9.22. Exclusive Use. The rights and privileges granted to you under this Agreement are personal in nature and may not be used at any location other than the Franchised ~~LocationClinic~~. You do not have the right to delegate, subfranchise, or sublicense any of your rights under this Agreement. Without our written consent, you may not use the Franchised ~~LocationClinic~~ for any purpose other than the operation of the ~~Franchised BusinessFranchised Clinic~~.

10. CONFIDENTIAL INFORMATION/ IMPROVEMENTS

10.1. You acknowledge that all the information you have now or obtain in the future concerning the System and the concepts and methods of promotion franchised hereunder is derived from us pursuant to this Agreement, and that you will treat such information in confidence. You agree never to, directly or indirectly, engage in or abet the misappropriation (as the term “misappropriation” is defined in the Kansas Uniform Trade Secrets Act), or the disclosure, divulgence, or distribution of all or any part of the System and the concepts and methods of promoting franchises hereunder. You will

disclose such confidential information only to such of your employees as must have access to it in order to operate your ~~Franchised Business~~ Franchised Clinic and use it only for the operation of your ~~Franchised Business~~ Franchised Clinic. At our request, you will be required to deliver to us confidentiality agreements and non-compete agreements in a form satisfactory to us from your owners, the spouses of your owners, and your employees. The scope of the confidentiality agreements shall be consistent with the provisions of this Article, and the scope of the noncompete agreements shall be consistent with the provisions herein.

10.2. Notwithstanding any provision of Article 10.1, at your discretion, you may allow any financial institution that has loaned money to you or to your business to have access to your books and records to confirm your billings, collections, receivables, and any other financial information you have provided to the financial institution.

10.3. If you conceive or develop any improvements or additions to the System, new trade names, trade and service marks or other commercial symbols related to your ~~Franchised Business~~ Franchised Clinic, or any advertising and promotion ideas related to your ~~Franchised Business~~ Franchised Clinic (“**Improvements**”), you will fully disclose the Improvements to us without disclosure of the Improvements to others, and you will obtain our written approval before using such Improvements. Any such Improvement that we approve may be used by us and all our other franchisees without any obligation to pay you royalties or similar fees. You will assign Improvements to us, and hereby do assign, without charge, any rights, together with the goodwill associated with the Improvements, including the right to grant sublicenses to any such Improvement. We, at our discretion, may make application for and own copyrights, trade names, trademarks and service marks relating to any such Improvement. We also may consider such Improvement as our property and trade secret. We will, however, authorize you to use any Improvement authorized generally for use by our other franchisees.

10.4. Notwithstanding any other provision of this Agreement, there may be certain, limited circumstances where applicable law allows for the disclosure of certain trade secrets in limited circumstances, as specified in the Manual.

11. INSURANCE; INDEMNIFICATION

11.1. Insurance. You alone will be responsible for any claim, action, loss, damage, liability, injury or death arising out of, or relating to, the operation of your ~~Franchised Business~~ Franchised Clinic or arising out of, or relating to, your acts or omissions or the acts or omissions of any of your agents, employees or contractors in connection with the operation of your ~~Franchised Business~~ Franchised Clinic. You agree to indemnify and hold us and our affiliates and our respective officers and directors harmless against and from any and all such claims, actions, losses, liability, damages, injuries, or deaths, including costs and reasonable attorneys’ fees. You will obtain and maintain in force and pay the premiums for general liability insurance with complete operations coverage, broad form contractual liability coverage, property damage, and other insurance (including bonds) in such types as we may require (such as cyber insurance and employment practices insurance), or as required by law from time to time. All such policies will have minimum limits we may prescribe from time to time, and will be with carriers who have minimum ratings that we may prescribe from time to time. Such insurance policies will expressly protect both you, us and our affiliates and our respective offices, directors and employees, and will require the insurer to defend both you and us in any action you will submit to us, within thirty (30) days of our request, any and all loss ratios or other information we request in connection with such insurance policies. You will furnish to us copies of all insurance policies, certificates of insurance, endorsements, or other proof of insurance in the form we require, as set forth above, naming us as an additional insured, and providing that such policy will not be canceled, amended or modified except upon thirty (30) days’ prior written notice to us. At our request, you will deliver to us proof of insurance in the form we require and evidence of policy renewals at least thirty (30) business days before expiration. You will have all policies of insurance provide that the insurance company will have no right of subrogation against either party hereto or their respective agents or employees.

Maintenance of the insurance requirement will not relieve you of the obligations of indemnification. If you fail to obtain or maintain in force any insurance as required by this Article or to furnish any proof of insurance required hereunder, we may (but have no obligation to), in addition to all other available remedies, obtain such insurance or certificates, and you will promptly reimburse us for all insurance premiums and other costs incurred in obtaining such insurance, including an administrative fee for our time in obtaining the coverage for you. You assume all risks in connection with the adequacy of any insurance or self-insurance program and waive any claim against us for any liability costs or expenses arising out of any uninsured claim, in full or in part, of any nature whatsoever. Your obligation to obtain and maintain these insurance policies in the minimum amounts we require is not limited in any way by reason of any insurance that we may maintain, nor does your procurement of required insurance relieve you of liability under the indemnity obligations described in Article 11.2. Your insurance procurement obligations under this Article are separate and independent of your indemnity obligations. We do not represent or warrant that any insurance that you are required to purchase will provide adequate coverage for you. The requirements of insurance specified in this Agreement are for our protection. You should consult with your insurance agents, brokers, attorney or other insurance advisors to determine the level of insurance protection you need in addition to the coverages and limits we require.

11.2. Relationship; Your Indemnification. We and you are independent contractors. Neither we nor you will make any agreements, representations, or warranties in the name of or on behalf of the other or that our relationship is other than franchisor and franchisee. ~~Neither we nor you will be obligated by or have any liability under any agreements, representations or warranties made by the other nor will we be obligated for any damages to any person or property directly or indirectly arising out of the operation of your Franchised Business.~~ You assume sole and complete responsibility for and will defend at your own cost and indemnify, reimburse and hold harmless us, our affiliates and our respective officers and directors from and against all loss, costs, expenses, obligations and damages and liabilities (including defense costs) arising directly or indirectly out of the development or operation of your ~~Franchised Business~~ Franchised Clinic, including, without limitation, claims relating to your employment practices, equipment selection, and floor plan, you or your employees' actions or inactions and amounts we pay on your behalf, but excluding any liability that arises from our gross negligence of willful misconduct. You will have the right to defend any such claim against you. We, using our own counsel, by notice to you, may control any matter in which we are named or directly affected, but this will not affect your liability to pay all attorneys' fees we incur in defending ourselves, which obligation is part of your indemnification obligation. The indemnities and assumptions of liabilities and obligations set forth in this Agreement will continue in full force and effect subsequent to the expiration or termination of this Agreement.

11.3. Our Indemnification. We will indemnify you against and reimburse you for any obligations or liability for damages payable to third parties and attributable to agreements, representations or warranties made by us, or caused by our negligence or willful action (so long as such obligations or liabilities are not asserted on the basis of theories such as agency, apparent agency or vicarious liability or claim of negligent failure to compel your compliance with the provisions of this Agreement, the Manual or any other agreement between you and us), and for costs reasonably incurred by you in the defense of any such claim brought against you or in any action in which you are named as a party, provided that we will have the right to participate in and, to the extent we deem necessary, to control any litigation or proceeding which might result in liability of or expense to you subject to such indemnification.

12. FINANCIAL STATEMENTS AND AUDIT RIGHTS

12.1. Financial Statements. Within thirty (30) days following your fiscal year end, you will, at your own expense, provide us with copies of your financial statements (reviewed by your accountant), including an income statement for the fiscal year just ended and a balance sheet, cash flow statement, and any other document accompanying your financial statements, as of the end of such fiscal year, which financial statements will have been prepared in accordance with generally accepted accounting principles applied on a consistent basis. We will also have the right to request other financial statements,

reports and information from you during the year, and you will deliver those financial statements, reports and information to us when, and in the form and manner, we require. Also, on or before April 15 of each year, you shall provide us with a copy of your federal tax return and the federal tax returns of your owners for the previous tax year.

12.2. Review Rights. You will make all of your financial books and records available to us and our designated representatives at all reasonable times for review. Your financial books and records for each fiscal and calendar year will be kept in a secure place and will be available for review by us for at least five (5) years after the end thereof.

13. ASSIGNMENT AND TRANSFER OF THE FRANCHISE AGREEMENT

13.1. By Us. We may transfer or assign this Agreement or any or all of the rights, interests, benefits or obligations arising under it without restriction. Upon any transfer or assignment of this Agreement by us, we will be released from all obligations and liabilities arising or accruing in connection with this Agreement after the date of such transfer or assignment.

13.2. Conditions to Your Transfer or Assignment. This Agreement, and your rights and obligations under it, are and will remain personal to you. As used in this Agreement, the term “Transfer” will mean any sale, lease, assignment, gift, pledge, mortgage or any other encumbrance, transfer by bankruptcy, transfer by your disability or death or by judicial order, merger, consolidation, share exchange, transfer by operation of law or otherwise, whether direct or indirect, voluntary or involuntary, of this Agreement or any interest in it, or any rights or obligations arising under it, or of any material portion of your assets used to operate your ~~Franchised Business~~Franchised Clinic, or of any interest in you, or if you are a corporation, partnership, limited liability company or other entity, a transfer, pledge, assignment, or other disposition of direct or indirect control or ownership of twenty-five percent (25%) or more of any interest in your entity. In addition, if there are two (2) individuals signing this Agreement as Franchisee, and one (1) of those individuals is no longer involved in the ownership of your ~~Franchised Business~~Franchised Clinic, the withdrawal of that person will be considered a “Transfer.” A “Transfer” will also be deemed to occur when there are more than two (2) people listed as the Franchisee and there is a change in the ownership of your ~~Franchised Business~~Franchised Clinic such that less than a majority of the original signers continue to have a majority interest in the equity of the business. You (and your shareholders, partners and members) will not directly or indirectly make a Transfer without our prior written consent and any transfer shall be subject to our right of first refusal, as set forth in Article 19 (“Right of First Refusal”) below. Unless otherwise provided in this Agreement, we will not unreasonably withhold, delay or condition our consent to a Transfer, subject to all of the following conditions being satisfied:

13.2.1. you are in full compliance with this Agreement, you have no uncured defaults, and all your debts and financial obligations to us and our affiliates are current;

13.2.2. you provide us with all information we may require concerning the proposed transaction (including a copy of the purchase agreement and all related documents), and the proposed transferee;

13.2.3. we are satisfied that the proposed transferee (and if the proposed transferee is an entity, all holders of any interest in such entity) meets all of the requirements for our new franchisees, including, but not limited to, good reputation and character, business experience, and financial strength, credit rating and liquidity, and that the sale price is not excessive;

13.2.4. you sign a written agreement in a form satisfactory to us in which you and your investors covenant to observe all applicable post-term obligations and covenants contained in this Agreement and release us and our affiliates from any claims you may have against us, or any further obligations we may have to you;

13.2.5. the proposed transferee enters into a new franchise agreement with us, on the terms we then generally offer to new franchisees (including fees payable and size of territory); provided, however, that no new initial franchise fee will be required to be paid, and further provided that the term of that franchise agreement, unless otherwise agreed, will be the remaining term of your franchise agreement;

13.2.6. the proposed transferee agrees in writing to perform such maintenance, remodeling and re-equipping of your Franchised ~~Location~~Clinic that we determine necessary to bring your Franchised

~~Location~~Clinic in compliance with our then-current standards, including any updates to your technology and security equipment that we determine necessary;

13.2.7. prior to the date of the proposed Transfer, the proposed transferee's Designated Principal successfully completes such training and instruction as we deem necessary;

13.2.8. you and all holders of an interest in you sign a general release, in the form prescribed by us, releasing, to the fullest extent permitted by law, all claims that you or any of your investors may have against us and our affiliates, including our and their respective shareholders, officers, directors and employees, in both their individual and corporate capacities; and

13.2.9. prior to the Transfer, you pay us a transfer fee of twelve thousand dollars (\$12,000).

13.3. Additional Transfer Restrictions. We may expand upon, and provide more details related to, the conditions for transfer and our consent as described in this Article 13.2 and may do so in the Manual or otherwise in writing. You consent to our releasing to any proposed transferee any information concerning your ~~Franchised Business~~Franchised Clinic that you have reported to us, or that is in our files or otherwise available to us, including but not limited to financial information. If a transfer or assignment is caused by your death or incapacity (including the death or incapacity of any person directly or indirectly owning fifty percent (50%) or more of an interest in the entity that is the franchisee under this Agreement), the provisions of this paragraph must be met by the heir or personal representative succeeding to your interest; provided, however, if the heir or personal representative assigns, transfers, or sells its interest in the Franchise and in your ~~Franchised Business~~Franchised Clinic within one hundred twenty (120) days after your death or incapacity, the transferee, and not the heir or personal representative, must comply with the provisions of this paragraph. Nothing in this Article 13.2 will be construed as prohibiting your interests from being pledged as security to an institutional lender who has provided financing to or for your ~~Franchised Business~~Franchised Clinic, provided the institutional lender accepts such security interest subject to our conditions.

13.4. Acknowledgement of Restrictions. You acknowledge and agree that the restrictions imposed on transfers are reasonable and necessary to protect the goodwill associated with the System and the Marks, as well as our reputation and image, and are for the protection of us, you, and all other franchisees that own and operate ~~franchised businesses~~IV Nutrition Clinics.

14. OUR TERMINATION RIGHTS

14.1. Without Notice. You will be in default and we may, at our option, terminate this Agreement, without affording you any opportunity to cure the default, effective upon delivery of notice of termination to you, following the occurrence of any of the following events:

14.1.1. You are liquidated or dissolved;

14.1.2. Your ~~Franchised Business~~Franchised Clinic is not constructed strictly according to the plans we have approved and you do not remedy the deficiencies within thirty (30) days after notice from us;

14.1.3. You fail to operate for five (5) consecutive days (unless prevented from so by fire, flood, or acts of nature), or otherwise abandon your ~~Franchised Business~~Franchised Clinic, or forfeit the right to do or transact business in the jurisdiction where your ~~Franchised Business~~Franchised Clinic is located, or lose the right to possession of the premises in which your ~~Franchised Business~~Franchised Clinic operates;

14.1.4. You or any of your owners make an unauthorized Transfer under this Agreement;

14.1.5. You or any of your owners are proven to have engaged in fraudulent conduct, or are convicted of, or plead guilty or no contest to a felony or a crime involving moral turpitude, or any other crime or offense that we believe is reasonably likely to have an adverse effect on the System, the Marks or the goodwill associated therewith;

14.1.6. You are given three (3) or more notices of being in material violation of any of the terms or requirements of this Agreement within any twelve (12) month period, whether or not such defaults are timely cured after notice;

14.1.7. You misuse or make any unauthorized use of the Marks and do not cease such misuse or unauthorized use within twenty-four (24) hours' notice from us;

14.1.8. You, by act or omission, materially impair the value of, or the goodwill associated with, any of the Marks or the System.

14.2. With Notice and Failure to Cure. Except for those defaults provided for under Article 14.1 above, you will be in default hereunder for any failure to maintain or comply with any of the terms, covenants, specifications, standards, procedures or requirements imposed by this Agreement or any other agreement you or any of your affiliates have with us or with any of our affiliates, or in any Manual, policy or procedure statement or other written document provided by us, or to carry out the terms of this Agreement in good faith. Before we terminate this Agreement as a result of such defaults, we will provide you with thirty (30) days written notice of your default. If the defaults specified in such notice are not cured within the thirty (30) day period (either by you or by any financial institution that has loaned money to you or to your business), we may terminate this Agreement upon the expiration of the thirty (30) day period without further notice. Such defaults will include, without limitation, the occurrence of any of the following events:

14.2.1. You fail to construct, remodel, and commence operating your ~~Franchised Business~~Franchised Clinic within the time provided for in Article 1.1 of this Agreement;

14.2.2. You fail, refuse, or neglect to promptly pay when due any monies owing to us, our affiliates, to the Brand Fund, or to other creditors you have, or to submit the financial or other information required under this Agreement;

14.2.3. A threat or danger to public health or safety results from the construction, maintenance, or operation of the ~~Franchised Business~~Franchised Clinic;

14.2.4. You sell non-approved products or services; or

14.2.5. You, by act or omission in connection with the operation of your ~~Franchised Business~~Franchised Clinic, permit a continuing violation of any applicable law, ordinance, rule, or regulation of a governmental body; provided, however, that if such act or omission damages the goodwill associated with the System or the Marks, we will have the right to terminate this Agreement if you do not cure such default within twenty-four (24) hours after notice from us.

14.3. Applicable Law. If the provisions of this Article 14 are inconsistent with applicable law, the applicable law will apply.

14.4. Pre-termination Options. Prior to the termination of this Agreement, if you fail to pay any amounts owed to us or our affiliates, fail to comply with any term of this Agreement, or notify us that your ~~Franchised Business~~Franchised Clinic is closing, then in addition to our right to terminate this Agreement or to bring a claim for damages, we have the option to:

14.4.1. Prohibit you from selling products and services;

14.4.2. Remove the listing of your ~~Franchised Business~~Franchised Clinic from all advertising published or approved by us;

14.4.3. Cease listing your ~~Franchised Business~~Franchised Clinic on any Technology Platforms;

14.4.4. Prohibit you from attending any meetings or programs held or sponsored by us;

14.4.5. Terminate your access to any computer system or software we own, maintain, or license to you (whether licensed by us or by one of our affiliates);

14.4.6. Suspend all services we or our affiliates provide to you under this Agreement or otherwise; and/or

14.4.7. Contact your landlord(s), lender(s), suppliers and customers regarding the status of your operations, and provide copies of any default or other notices to your landlord(s), lender(s) and suppliers.

14.5. Our Continuing Rights. Our actions, as outlined in this Article may continue until you have brought your accounts current, cured any default, and complied with our requirements, and we have acknowledged the same in writing. The taking of any of the actions permitted in this Article will not suspend or release you from any obligation that would otherwise be owed to us or our affiliates under the terms of this Agreement or otherwise. Further, you acknowledge that the taking of any or all such actions on our part will not deprive you of the most essential benefits of this Agreement, and will not constitute a constructive termination of this Agreement.

15. YOUR TERMINATION RIGHTS

You may terminate this Agreement if we violate any material obligation to you and fail to cure such violation within thirty (30) days after our receipt of written notice from you; provided, however, that you must be in compliance with the Agreement at the time of giving each notice and at the time of termination. Your written notice of our alleged violation must identify the violation, demand that it be cured, and indicate your intent to terminate this Agreement if it is not cured.

16. YOUR OBLIGATIONS UPON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement, all rights granted to you under this Agreement will terminate, the franchise will revert to us, you specifically authorize us to contact your payment processor and cancel any agreement you may have with that payment processor, and you will have the obligations set forth below, which obligations survive the expiration or termination of this Agreement, along with any other provisions of this Agreement which by their nature may or are to be performed following expiration or termination of this Agreement:

16.1. You will immediately cease to operate the business franchised under this Agreement, and will not thereafter, directly or indirectly, represent to the public or hold yourself out as a franchisee of the System with respect to such business.

16.2. You will immediately and permanently cease to use, in any manner whatsoever, all confidential information, approved Information System and related software, methods, procedures and techniques used by or associated with the System, and the Marks and distinctive forms, slogans, signs, symbols, logos and devices associated with the System, as well as any name, mark, symbol, logo or slogan that is confusingly similar to any of the Marks. You will also specifically authorize us to physically remove any signage bearing any of the Marks that you may fail to remove. Further, if we elect to remove such signage, you will, upon demand, reimburse us for any costs we incur in doing so.

16.3. You will immediately return to us the Manual, all copies or excerpts thereof, and any property held or used by you that is owned by us and will cease to use, and either destroy or convey to us, all signs, advertising materials, displays, stationery, forms and any other materials that bear or display the Marks.

16.4. Subject to 16.9 below, you will take such actions as may be necessary to cancel any assumed name or similar registration that contains the Mark "IV Nutrition" or any other Mark, and will immediately and permanently refrain from and cease all use of the Mark "IV Nutrition" or any other Mark on or in any Technology Platforms and cancel any Technology Platform you control as we direct. You agree and acknowledge that your continued use of the Marks after the expiration or termination of this Agreement will be without our consent and will constitute an "exceptional case" under federal trademark law (15 U.S.C. § 1117) entitling us to recover treble damages, costs and attorneys' fees.

16.5. You will, within ten (10) days after termination or expiration of this Agreement, make such modifications and alterations to your ~~Franchised Business~~ Franchised Clinic premises as may be necessary to distinguish the appearance of the premises from all attributes of the System and will make such specific additional changes thereto as we may request. You agree that, at a minimum, such modifications will include: (i) removal of all signage; (ii) alteration of the color scheme and decor; and (iii) discontinuation of the use of any item containing any of the Marks.

16.6. Within five (5) days after termination, you will pay to us all amounts owed to us under this Agreement, including the Royalty Fees and advertising and marketing fees that would be due through the date this Agreement was scheduled to expire. ~~Further, if this Agreement is terminated for any reason other than as a result of a material breach of this Agreement by us that is not cured within thirty (30) days following notice from you, such sums will include all damages, costs, and expenses, including reasonable attorneys' fees, incurred by us as a result of the default and the termination.~~ You agree that until such obligations are paid in full, you hereby grant us a lien against any and all of the personal property, furnishings, equipment, signs, fixtures and inventory owned by you and located on your ~~Franchised Business~~ Franchised Clinic premises on the date this Agreement terminates or expires and authorize us to file financing statements and other documents we deem appropriate to perfect such lien.

16.7. If requested by us, you will take all further action and execute all documents necessary

to convey and assign to us all telephone and fax numbers that have been used in the operation of your ~~Franchised Business~~Franchised Clinic, as well as any other registrations or listings for any Technology Platforms that include the Marks or if we do not so request, you will cease all use of such telephone numbers and Technology Platforms that include the Marks.

16.8. You will comply with the covenants contained in this Agreement, including, but not limited to, the covenants not to compete and the covenants not to disclose trade secrets or confidential information.

16.9. We may, if you fail or refuse to do so, execute in your name and on your behalf, any and all actions and/or documents that may be necessary to affect your obligations under Articles 16.4 and 16.7, and you hereby irrevocably appoint us as your attorney in fact to do so, which appointment is coupled with an interest.

16.10. You will furnish us with written evidence satisfactory to us of compliance with all the obligations set forth in this Article 16 within thirty (30) days after termination or expiration of this Agreement.

16.11. Upon expiration or termination of this Agreement, we have the option, upon thirty (30) days' written notice from the date of expiration or termination, to purchase from you all or any portion of the tangible and intangible assets relating to the ~~Franchised Business~~Franchised Clinic, including your ~~Franchised Business~~Franchised Clinic premises if you own the ~~Franchised Business~~Franchised Clinic premises (excluding any unsalable inventory, cash, short-term investments and accounts receivable) (collectively, the "Purchased Assets") and to an assignment of your lease for (1) the ~~Franchised Business~~Franchised Clinic premises (or, if an assignment is prohibited, a sublease for the full remaining term under the same provisions as your lease) and (2) any other tangible leased assets used in operating the ~~Franchised Business~~Franchised Clinic. We may assign to a third party this option to purchase and assignment of leases separate and apart from the remainder of this Agreement.

16.11.1. The purchase price for the assets of the ~~Franchised Business~~Franchised Clinic will be the "Book Value" (as defined below) of the Purchased Assets. "Book Value" means the net book value of the Purchased Assets, as disclosed in the last statement of your ~~Franchised Business~~Franchised Clinic provided to us under Article 12 before termination or expiration, provided, however, that: (1) each depreciable asset will be valued on a "straight-line" basis without provision for salvage value; (2) we may exclude from the Purchased Assets any products or other items that were not acquired in compliance with this Agreement; and (3) we may exclude from Book Value any provision for goodwill or similar value attributable to intangible property. If we are not satisfied with the accuracy or fairness of any financial statements, or none has been submitted, our regularly employed firm of certified public accountants will determine (by audit) the Book Value. We and you will equally bear the cost of the audit. The results of the audit will be final and binding on both parties.

16.11.2. The purchase price, as determined above, will be paid in cash at the closing of the purchase, which will occur no later than sixty (60) days after we deliver notice of our election to purchase the assets of your ~~Franchised Business~~Franchised Clinic, unless Book Value is determined by audit, in which case the closing will occur within a reasonable time, not to exceed sixty (60) days, after the results of the audit are made available. At the closing, you will deliver documents transferring good and merchantable title to the assets purchased, free and clear of all liens, encumbrances and liabilities to us or our designee and such other documents we may reasonably request to permit us to operate your ~~Franchised Business~~Franchised Clinic without interruption. We may set off against and reduce the purchase price by all amounts you owe to us or any of our affiliates. If we exercise our option to purchase your ~~Franchised Business~~Franchised Clinic, we may, pending the closing, appoint a manager to maintain your ~~Franchised Business~~Franchised Clinic operations.

16.11.3. If we assume any leases for the premises for your ~~Franchised Business~~Franchised Clinic or if we assume the leases for other tangible leased assets used in your ~~Franchised Business~~Franchised Clinic under this Article, you will pay, remove or satisfy any liens or other encumbrances on your leasehold interests and will pay in full all amounts due the lessor under the leases existing at or prior to assumption. We are not liable for any obligation you incur before the date we assume any leases.

17. YOUR COVENANTS NOT TO COMPETE

17.1. During Term. You will not, directly or indirectly, during the term of this Agreement, on your own account or as an employee, consultant, partner, officer, director, shareholder or member of any other person, firm, entity, partnership, corporation or company, own, operate, lease to or lease from, franchise, engage in, be connected with, have any interest in, or assist any person or entity engaged in owning, operating, or managing any other business that provides intravenous, intramuscular, or oral delivery of nutrition, wherever located, whether within the Territory or elsewhere. Notwithstanding the foregoing, before you open your ~~Franchised Business~~ Franchised Clinic (and so long as you do not own any other franchised business that is open under any other agreement with us), you may be employed at another intravenous wellness center that is operated at a site other than the one at which your Franchised Business will be located, provided that (i) neither you nor any of your immediate family owns any equity interest in that business and (ii) you terminate your employment with that business, and any other relationship you have with that business, prior to the date you open your Franchised Business.

17.2. After Expiration, Termination, or Transfer. You will not, directly or indirectly for a period of two (2) years after the transfer by you, or the expiration or termination of this Agreement, on your own account or as an employee, consultant, partner, officer, director, shareholder, lender, or joint venturer of any other person, firm, entity, partnership, corporation or company, own, operate, lease to or lease from, franchise, conduct, engage in, be connected with, have any interest in or assist any person or entity engaged in any business that provides intravenous, intramuscular, or oral delivery of nutrition, which is located within the Territory or within a twenty five (25) mile radius of any IV Nutrition Clinic business, whether owned by us, our affiliates, or a franchisee, wherever located, whether within the Territory or elsewhere.

17.3. Reasonableness. You agree that the scope of the prohibitions set forth in Articles 17.1 and 17.2 are reasonable and necessary to protect us and the System (including other franchisees of the System). You agree that the prohibitions in Article 17.1 must be very broad in order to prevent you from taking information, materials and training we are providing to you on an ongoing basis and using them to either compete with us, or preempt or otherwise restrict our ability to enter new markets. You agree that the time period and the scope of the prohibitions set forth in Article 17.2 are the reasonable and necessary time and distance needed to protect us if this Agreement expires or is terminated for any reason. You also agree that you have many other opportunities available to earn a living, and that these restrictions will not preclude you from engaging in a lawful trade or business for which you otherwise have training or experience.

17.4. Exception. The purchase of a publicly traded security of a corporation engaged in a competitive business or service will not in itself be deemed violative of this Article 17 so long as you do not own, directly or indirectly, more than five percent (5%) of the securities of such corporation.

17.5. Relief. You agree that damages alone cannot adequately compensate us if there is a violation of these noncompetitive covenants and that injunctive relief is essential for our protection. You therefore agree that in case of your alleged breach or violation of this Article, we may seek injunctive relief, in addition to all other remedies that may be available to us at equity or law. You agree that we are not required to show any actual or threatened harm and that we are not required to furnish a bond or other security. In addition, if you violate the restriction provided for in Article 17.2, the period of time during which the restriction will remain in effect and be extended until two (2) years after you cease violating the restriction.

18. ENFORCEMENT

18.1. Injunctive Relief/ Attorneys' Fees. We and you will each be entitled to the entry of temporary restraining orders and temporary and permanent injunctions to (i) enforce your and our rights to terminate this Agreement for the causes set forth in Articles 15 and 16 of this Agreement and (ii) prevent or remedy a breach of this Agreement if that breach could materially impair the goodwill associated with our or your business, including but not limited to, the enforcement of obligations upon termination of this Agreement and the enforcement of the non-compete provisions of this Agreement.

You and we will also be entitled to the entry of temporary restraining orders and temporary and permanent injunctions enforcing these provisions. If we are successful in obtaining an injunction, or any other judicial relief or order from an arbitrator against you, or in successfully defending any claim you have brought against us, you will pay us an amount equal to all of our costs of prosecuting and/or defending the action, including reasonable attorneys' fees, costs of investigation, court and arbitration costs, and other litigation or arbitration expenses and interest on such costs. Your and our respective rights to obtain injunctive or other equitable relief is in addition to any other right we or you may have under this Agreement. It will in no way limit or prohibit us from obtaining money damages from you if you breach this Agreement.

18.2. Mediation. Except where it is necessary for either you or us to obtain equitable relief to preserve the goodwill of our respective businesses (including, but not limited to, the enforcement of obligations upon termination of this Agreement and the covenants not to compete contained in this Agreement), you and we each agree to enter into mediation of all disputes involving this Agreement or any other aspect of the relationship between us, for a minimum of four (4) hours, prior to initiating any legal action or arbitration against the other.

18.2.1. Upon written notice by either you or us, to the other, of your or our desire to mediate, the party receiving the notice will select an independent entity that provides mediation services to serve as mediator in the proceeding. If the party receiving the notice of intent to mediate does not name such an organization within ten (10) days from the date the notice of intention to mediate is received, then the other party may proceed as if this Article 18.2 did not exist, or, at its option, make the selection of the organization to provide mediation services. If you or we select an organization that is unwilling to serve as mediator, then the other party may select the organization. Once the organization is designated and agrees to accept the appointment as mediator, the organization will be directed to schedule a mediation proceeding at a time mutually convenient to us and to you. The mediation will be held within thirty (30) days following receipt by the mediation organization of notification that its services are requested. If you and we cannot agree on a date for mediation, then the mediation organization will select a date it believes is reasonable for both of us, given all of the claimed conflicts in dates. The person actually mediating the dispute will be required to have at least ten (10) years of experience as either a franchisee or franchisor (or as an officer of such an entity) or in franchise law. You and we will equally share the cost of the mediator. The mediator will select the location for the mediation unless you and we both agree otherwise. The mediation will be held in Johnson County, Kansas.

18.2.2. Except for the matters identified above where you or we are permitted to seek injunctive relief without first mediating the dispute, if either party initiates litigation or arbitration without complying with their obligation to mediate in accordance with this paragraph (unless the other party has failed to respond on a timely basis or has indicated it will not engage in mediation in accordance with the provisions of this Article 18.2), then upon petition of whichever of us has a lawsuit or arbitration proceeding brought against us, the court or arbitrator will dismiss the litigation or arbitration without prejudice, and award attorneys' fees and costs to the party seeking dismissal in an amount equal to the attorneys' fees and costs the party seeking dismissal incurred. If the court or arbitrator refuses for any reason to dismiss the action, then regardless of the outcome of the action, or of any award given in the action, the party initiating the litigation or arbitration will be responsible for all attorneys' fees and costs incurred throughout the litigation or arbitration by the other party as damages for failing to comply with the provisions of this Article 18.2.

18.3. Arbitration. Except insofar as you or we elect to enforce this Agreement by judicial process and injunction as provided in Article 18.1 hereof, all disputes and claims arising out of or relating to this Agreement, or to the breach thereof, or to any of our standards or operating procedures, or other obligation of either of yours or ours, or to the breach thereof (including any claim that this Agreement, any provision of this Agreement, any specification, standard, operating procedure or any other obligation of yours or ours is illegal, unenforceable or voidable), or any aspect of the relationship between you and us (even if additional persons are named as parties to such action, but except as may be specifically provided with respect to any financing agreements you have with us or our affiliates, which shall be governed by the enforcement provisions thereof), must be resolved by arbitration in the city in which

our principal office is located. Our principal office is currently located in Kansas City, Kansas. It is our intention that state laws attempting to void out of state forum selection clauses for arbitration be preempted by the Federal Arbitration Act and that arbitration be held in the place designated above.

18.3.1. The arbitration will be held in accordance with the United States Arbitration Act (9 U.S.C. § 1 et seq.), if applicable, and the rules of the American Arbitration Association (relating to the arbitration of disputes arising under franchise agreements, if any; otherwise, the general rules of commercial arbitration).

18.3.2. The arbitrator appointed must have at least ten (10) years' experience in franchising or franchise law, and the arbitrator will be instructed that he or she must follow the substantive law and the other requirements, waivers and limitations of this Agreement. The arbitrator shall have no authority to add, delete or modify in any manner the terms and provisions of this Agreement. All findings, judgments, decisions and awards of the arbitrator will be limited to the dispute or controversy set forth in the written demand for arbitration and response to that demand. The arbitrator may not award any relief that was not specifically requested by the parties prior to the start of the arbitration hearing. The arbitrator will have the right to award or include in any award the specific performance of this Agreement but will be required to file a reasoned brief with his or her award.

18.3.3. You and we acknowledge that judgment upon an arbitration order may be entered in any court of competent jurisdiction and will be binding, final, and non-appealable, except for mistakes of law, as permitted under the United States Arbitration Act or for failure of the arbitrator to meet the requirements of this Article.

18.3.4. Unless this Agreement is terminated in accordance with the provisions of Articles 15 or 16, during the pendency of any arbitration proceeding, you and we will fully perform the requirements of this Agreement.

18.3.5. If there is any dispute as to whether a particular claim or matter is subject to arbitration, and the matter relates to an issue for which either party seeks an injunction in accordance with the provisions of Article 18.1, the arbitrability of such claim will be determined by the court that would otherwise hear the motion to issue the injunction. In the case of a dispute as to the arbitrability of any other claim brought by either party against the other, the decision as to whether or not the claim is subject to arbitration will be made by the arbitrator appointed in accordance with this Agreement.

18.3.6. All arbitration proceedings will be individual proceedings between you and us, and will not be conducted on a "class" basis, or include any other of our franchisees as named parties unless you and we each agree.

18.3.7. If, after either you or we institute an arbitration proceeding, one or the other asserts a claim, counterclaim or defense, the subject matter of which, under statute or current judicial decision, is non-arbitrable for public policy reasons, the party against whom the claim, counterclaim or defense is asserted may elect to proceed with the arbitration of all arbitrable claims, counterclaims or defenses or proceed to litigate all claims, counterclaims or defenses in a court having competent jurisdiction.

18.4. Waiver of Punitive Damages. We and you (and your owners and guarantors if applicable) agree to waive, to the fullest extent permitted by law, any right to, or claim for, any punitive or exemplary damages against the other and against any affiliates, owners, employees, or agents of the other and agree that in the event of a dispute between us, each of us will be limited to the recovery of any actual damages sustained by it.

18.5. Venue. We and you (and your owners and guarantors if applicable) each agree that if litigation is permitted under this Agreement, the sole forum for litigation arising under this Agreement, or any aspect of the relationship between us (even if additional parties are named as parties to that litigation) will be the state or federal courts of the county in which our principal office is located. Those actions must be solely and exclusively venued either in the District Courts of Kansas City, County of Johnson, or the United States District Court for the District of Kansas. You and we each waive any objection you or we may have to either the jurisdiction or the venue of such court (except to the extent jurisdiction is preempted by the arbitration provisions of this Agreement), and you and we each consent to personal jurisdiction and venue in such court. However, if we are permitted to seek injunctive relief under this Agreement, we may, at our option, bring that action in the county in which your Franchised

Business is located.

18.6. Jury Waiver. YOU AND WE EACH WAIVE THE RIGHT TO A TRIAL BY JURY. This waiver applies to all causes of action that are or might be included in any such action, including claims related to the enforcement or interpretation of this Agreement, allegations of state or federal statutory violations, fraud, misrepresentation or similar causes of action and it applies even if persons that are not a party to this Agreement are named as additional parties in the proceeding.

18.7. Waiver of Collateral Estoppel. The parties agree they should each be able to settle, mediate, litigate, arbitrate, or compromise disputes in which they are involved with third parties, without having those disputes directly affect the contract or relationship between us. We and you therefore each agree that a decision of an arbitrator or court of law to which one of us is not a party will not prevent the person that was a party to such action from making similar arguments, or taking similar positions, in any action between us. You and we therefore each waive the right to assert that principles of collateral estoppel prevent either you or us from raising any claim or defense in an action between us if either you or we lost a similar claim or defense in another action.

18.8. No Affiliate Liability. No past, present or future director, officer, employee, incorporator, member, partner, stockholder, subsidiary, affiliate, controlling party, entity under common control, ownership or management, vendor, service provider, agent, attorney or representative of ours or of any of our affiliates will have any liability for (i) any obligations or liabilities we have relating to or arising from this Agreement, or (ii) any claim against us based on, in respect of, or by reason of, the transactions contemplated in this Agreement. This provision will not, however, affect any right, duty or obligation of ours or yours, or of any guarantor of your obligations.

19. RIGHT OF FIRST REFUSAL

If, at any time during the Term of this Agreement, you receive a bona fide offer to purchase or lease your Franchised Business (or if you are a company, partnership or other entity, the equity ownership of you), which offer you are willing to accept, you will communicate in writing to us the full terms of the offer and the name of the offeror. We may elect to purchase or lease the business on the terms set forth in the offer. If we elect to purchase or lease the business, we will give you written notice of the election within fourteen (14) days after we receive your communication of the offer. If we fail to give written notice of election within fourteen (14) days, you may sell or lease to the offeror on the terms offered, subject to the provisions relating to assignment. The sale or lease must, however, be completed within sixty (60) days of the termination of the fourteen (14) day period during which we may give written notice of election to purchase or lease; otherwise, an additional notice must be given to us and an additional option period must expire prior to any such transfer. If we elect to purchase or lease the business, we will have the right to substitute equivalent cash for any non-cash consideration included in the bona fide offer to purchase or lease the business and we and you will use our best efforts to complete the purchase or lease within sixty (60) days from the date of our notice of election to purchase or lease.

20. MISCELLANEOUS

20.1. Unpaid Amounts. Any unpaid amounts owed by you to us or any of our affiliates including any Royalty Fee, advertising fees and product purchases will bear interest at the rate of one and one half percent (1.5%) per month or the maximum rate permitted by law, whichever is less. You must reimburse us and our affiliates for all costs incurred in the collection of unpaid amounts, including attorneys' fees.

20.2. Severability. All provisions of this Agreement are severable, and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein and partially valid and enforceable provisions will be enforced to the extent valid and enforceable. You and we will substitute a valid and enforceable provision for any specification, standard, operating procedure, rule or other obligation of either of us, which is determined to be invalid or unenforceable and is not waived by the other party. Such modifications to this Agreement will be effective only in such jurisdiction and will be enforced as originally made and entered into in all other jurisdictions.

20.3. Cumulative Rights. Except as otherwise set forth in this Agreement, our and your rights

under this Agreement are cumulative and no exercise or enforcement of any right or remedy under this Agreement will preclude the exercise or enforcement of any other right or remedy under this Agreement or which we or you are entitled by law to enforce.

20.4. Governing Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Article 1051 et seq.) and the Federal Arbitration Act, this Agreement and the franchise relationship will be governed by the laws of the State of Kansas. You waive, to the fullest extent permitted by law, the rights and protections that might be provided through the laws of any state relating to franchises or business opportunities, other than those of the state in which your Franchised Business is located.

20.5. Disavowal of Oral Representations. You and we acknowledge that we want all terms of our business relationship to be defined in this written agreement, and that neither of us wants to enter into a business relationship with the other in which any terms or obligations are subject to any oral statements or in which oral statements serve as the basis for creating rights or obligations different than or supplementary to the rights and obligations as set forth in this Agreement. Therefore, you and we agree that this Agreement will supersede and cancel any prior and/or contemporaneous discussions between us. We each agree that we placed, and will place, no reliance on any such discussions. You agree that no representations have been made to you concerning this Agreement or the System other than as contained in this Agreement and in the Franchise Disclosure Document you received before you signed this Agreement (the "FDD"). You agree that no claims, representations or warranties of earnings, sales, profits, or success of your Franchised Business have been made to you other than as set forth in Item 19 of the FDD.

20.6. Approvals. Wherever our consent or approval is required in this Agreement, unless the provision specifically indicates otherwise, we have the right to withhold our approval in our discretion, for any reason, or for no reason. When the terms of this Agreement specifically require that we not unreasonably withhold our approval or consent, if you are in default or breach under this Agreement, any withholding of our approval or consent will be considered reasonable. Our approvals and consents will not be effective unless given in writing.

20.7. Interpretation. It is the desire and intent of you and us that the provisions of this Agreement be enforced to the fullest extent possible under the applicable laws and public policies. Therefore, if any provision of this Agreement is determined by a court or arbitrator to be invalid or unenforceable, that determination will apply only to the operation of that provision in the particular proceeding in which the determination is made. ~~We and you agree that if any provision of this Agreement is capable of two (2) constructions, one of which would render the provision illegal or otherwise voidable or unenforceable and the other of which would render the provision valid and enforceable, the provision will have the meaning that renders it valid and enforceable.~~ The language of all provisions of this Agreement will be construed simply according to its fair meaning and not strictly against you or us.

20.8. Waiver. Except as otherwise provided in this Article, neither of us will be deemed to have waived any obligation of the other, or to have agreed to any modification of this Agreement, unless we have done so in writing, and the writing is signed by the person giving the waiver or agreeing to the modification. However, you agree that you will give us immediate written notice of any claimed breach or violation of this Agreement as soon as possible after you have knowledge, or determine, or are of the opinion, that there has been a breach or violation by us of this Agreement. If you fail to give written notice to us of any claimed misrepresentation, violation of law, or breach of this Agreement within one (1) year from the date you have knowledge, determine, are of the opinion, or become aware of facts and circumstances reasonably indicating, that you may have a claim against us or against any of our affiliates under any state law, federal law, or common law, then the misrepresentation, violation of law, or breach will be considered to have been condoned, approved and waived by you, and you will be barred from beginning any legal, arbitration, or other action against us or against our affiliates, or from instituting any counterclaim against us or our affiliates, for the misrepresentation, violation of law, or breach, or from using the alleged act or omission as a defense to any action we may maintain against you.

20.9. Time. Time is of the essence to this Agreement.

20.10. Counterparts. This Agreement may be signed in counterparts, each of which will be

considered as an original.

20.11. Entire Agreement. The preambles are a part of this Agreement. This Agreement, together with its exhibits, constitutes the entire agreement between you and us with respect to your Franchised Business and any other aspect of the relationship we have with you, and cannot be amended except by a written agreement signed by you and us. This Agreement also supersedes all prior agreements and negotiations we have had with you related to your acquisition of this franchise or your and our rights and obligations. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made to you in the FDD.

20.12. Headings and Terms. The headings of the Articles hereof are for convenience only and do not define, limit or construe the contents of such Articles. The term “you” as used herein is applicable to one or more persons, a corporation, a partnership or limited liability company, and each of their respective owners, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. If more than one person executes this Agreement for you, then your obligations are joint and several.

20.13. Patriot Act. You represent and warrant that to your actual and constructive knowledge: (i) neither you (including your directors, officers and managers), nor any of your affiliates, or any funding source for your Franchised Business, are identified on the list at the United States Treasury’s Office of Foreign Assets Control (OFAC); (ii) neither you nor any of your affiliates are directly or indirectly owned or controlled by the government of any country that is subject to an embargo imposed by the United States government; (iii) neither you nor any of your affiliates are acting on behalf of the government of, or is involved in business arrangements or other transactions with, any country that is subject to such an embargo; (iv) neither you nor any of your affiliates are on the U.S. Department of Commerce Denied Persons, Entities and Unverified Lists, the U.S. Department of State’s Debarred Lists, or on the U.S. Department of Treasury’s Lists of Specialty Designated Nationals, Specialty Designated Narcotics Traffickers or Specialty Designated Terrorists, as such lists may be amended from time to time (collectively, the Lists); (v) neither you nor any of your affiliates, during the term of this Agreement, will be on any of the Lists; and (vi) during the term of this Agreement, neither you nor any of your affiliates will sell products, goods or services to, or otherwise enter into a business arrangement with, any person or entity on any of the Lists. You agree to notify us in writing immediately upon the occurrence of any act or event that would render any of these representations incorrect.

20.14. Personal Guaranty. All of your owners (if you are a corporation, partnership, limited liability company or partnership, or other entity) will sign the personal guaranty agreement in the form attached to this Agreement (the “Guaranty Agreement”). Any person or entity that at any time after the Effective Date of this Agreement becomes an owner of yours will, as a condition of becoming an owner, sign the Guaranty Agreement.

21. NOTICES

Any and all notices required or permitted under this Agreement will be in writing and will be deemed to have been duly given upon the earlier of (i) when received; (ii) one (1) business day after placement with a reputable national overnight carrier; or (iii) three (3) business days after deposit (not including the day of deposit), if placed in the mail for delivery by certified mail, postage pre-paid, and, in the cases of clauses (ii) or (iii), addressed to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notice to us:	IV Nutrition Franchisor, LLC 7108 West 135th St. Overland Park, KS 66223 Attn: Jason Fechter
---------------	---

Notice to You:	See Rider
----------------	-----------

22. ACKNOWLEDGEMENTS

22.1. Independent Investigation. You acknowledge that you have conducted an independent investigation of the business franchised under this Agreement, and recognize that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent upon your ability as an independent businessperson.

22.2. Franchise Agreement. You acknowledge that you have received, read, and understood this Agreement and that we have fully and adequately explained the provisions of it to your satisfaction and that we have accorded you time and opportunity to consult with advisors of your own choosing about the potential benefits and risks of entering into this Agreement.

22.3. Other Franchises. You acknowledge that other franchisees of the System have or will be granted franchises at different times and in different situations, and further acknowledge that the provisions of such franchises may vary substantially from those contained in this Agreement. You also acknowledge that because complete and detailed uniformity under varying circumstances may not be practical, there may be variations we grant to our other locations (whether franchised, or centers that we or our affiliates operate), and you will not be entitled to require us to grant similar variations or privileges to you.

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

THIS AGREEMENT CONTINUES WITH THE FOLLOWING EXHIBITS, WHICH ARE A PART OF THIS AGREEMENT:

EXHIBIT A: FRANCHISE AGREEMENT RIDER

EXHIBIT B: PERSONAL GUARANTY

EXHIBIT C: SAMPLE GENERAL RELEASE

EXHIBIT D: STATE-SPECIFIC ADDENDA

EXHIBIT A TO THE FRANCHISE AGREEMENT

FRANCHISE AGREEMENT RIDER

1. Effective Date: _____
2. Franchisee: _____
3. IV Nutrition Clinic Number Under Area Development Agreement (if applicable): # _____
4. Franchised ~~Location~~Clinic:

If no location has been determined at the time this Franchise Agreement has been executed, then the Franchised ~~Location~~Clinic shall be within the following ~~area~~Site Search Area, provided the exact location shall be subject to our review and approval:

If the above-named location specifies a location yet to be determined, we reserve the right to sell franchises, and grant territories to others who will operate ~~franchised businesses~~IV Nutrition Clinics in and around the above-described location. You may then be required to choose a final location outside of any territory given to any other franchisee, and that territory may be outside of the city or areas identified above. Should this happen, you would have to obtain our review and approval for a new location. Likewise, if you choose to move your final address at any time, or if the location set forth above, or any other location we agree upon, becomes unavailable for any reason, it is your obligation to select a new location, and to obtain our approval of that location before you acquire the site, or obtain any rights in the location.

5. Territory:

6. Ownership: Franchisee represents and warrants that any entity to which this Agreement will be transferred will have the initial ownership set forth below, and that no changes will be made in such ownership without the prior written approval of Franchisor:

Name	Percentage of Ownership
------	-------------------------

7. Designated Principal: _____

8. Initial Franchise Fee: _____

9. Address for notice to you: _____

IN WITNESS WHEREOF, we and you have signed this Agreement as of the Effective Date set forth above.

FRANCHISOR:
IV Nutrition Franchisor, LLC

FRANCHISEE:

By: _____

By: _____

Its: _____

Its: _____

By: _____

Its: _____

EXHIBIT B TO THE FRANCHISE AGREEMENT

PERSONAL GUARANTY

In consideration of the execution of the Franchise Agreement (the “Agreement”) between IV Nutrition Franchisor, LLC (“we” or “us”) and _____ (the “Franchisee”), dated _____, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms and conditions in the Agreement, to be paid, kept and performed by the Franchisee, including without limitation the dispute resolution provisions of the Agreement.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Agreement and agree that this Personal Guaranty will be construed as though the undersigned and each of them executed a Franchise Agreement containing the identical terms and conditions of the Agreement.

The undersigned waives (1) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; and (3) any right he/she may have to require that an action be brought against the Franchisee or any other person as a condition of liability; and (4) notice of any changes permitted by the terms of the Agreement or agreed to by the Franchisee.

In addition, the undersigned consents and agrees that: (1) the undersigned’s liability will not be contingent or conditioned upon our pursuit of any remedies against the Franchisee or any other person; (2) such liability will not be diminished, relieved or otherwise affected by the Franchisee’s insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to the undersigned; and (3) this Personal Guaranty will apply in all modifications to the Agreement of any nature agreed to by Franchisee with or without the undersigned receiving notice thereof.

It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Personal Guaranty will inure to the benefit of our successors and assigns.

PERSONAL GUARANTORS:

_____ Individually

_____ Individually

_____ Print Name

_____ Print Name

_____ Address

_____ Address

_____ City, State, Zip Code

_____ City, State, Zip Code

_____ Telephone

_____ Telephone

EXHIBIT C TO THE FRANCHISE AGREEMENT

SAMPLE GENERAL RELEASE

In consideration of the agreement of IV Nutrition Franchisor, LLC (“Franchisor”) to allow _____ (“Franchisee”) to [RENEW OR TRANSFER] its Franchise Agreement dated _____ between Franchisee and Franchisor (“Agreement”), Franchisee hereby releases and forever discharges Franchisor, and its affiliates, as well as their members, directors, officers, employees and agents, in their corporate and individual capacities, and their respective heirs, personal representatives, successors and assigns, from any and all claims Franchisee may have against such parties known and unknown, foreseen and unforeseen, from the beginning of time to the date hereof, whether in law or in equity, including, but not limited to, any claims arising out of the offer or sale of any franchise to Franchisee, and any matters arising under the Agreement or under any other agreement between Franchisee and Franchisor or its affiliates. [FOR TRANSFERS: Further, Franchisee acknowledges that transfer of the Agreement shall terminate Franchisee’s interest in the Agreement, but Franchisee will continue to be bound by all post-termination provisions of the Agreement, including but not limited to the obligations of confidentiality, and the covenant not to compete contained in the Agreement.]

[IN CALIFORNIA: The foregoing release is intended as a general release of all claims, demands, actions, causes of action, obligations, damages and liabilities of any kind or nature whatsoever that relate to the matters recited therein, and is intended to encompass all known and unknown, foreseen and unforeseen claims which the releasing party may have against any party being released. Section 1542 of the California Civil Code provides:

A General Release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the Release, which if known by him might have materially affected his settlement with the debtor.

You expressly waive the provisions of Section 1542 of the California Civil Code and expressly release each party to be released from all liability or claims arising out of any matters recited in the release.]

[IN WASHINGTON: This General Release does not apply to claims arising under the Franchise Investment Protection Act, chapter 19.100 RCW, or any rules or order adopted thereunder, in accordance with RCW 19.100.220(2).]

FRANCHISEE:

By: _____

Its: _____

EXHIBIT D TO THE FRANCHISE AGREEMENT
STATE ADDENDA TO THE FRANCHISE AGREEMENT

CALIFORNIA ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Franchise Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of California:

This California Addendum is only applicable if you are a resident of California or if your business is located in California.

1. The California Franchise Relations Act (Business and Professions Code Section 20000 through 20043), provides franchisees with additional rights concerning termination and non-renewal of the Franchise Agreement and certain provisions of the Franchise Agreement relating to termination and non-renewal may be superseded by the Act. There may also be court decisions which may supersede the Franchise Agreement and your relationship with Franchisor, including the areas of termination and renewal of Franchisee’s franchise. If the Franchise Agreement is inconsistent with the law, the law will control.

2. The Franchise Agreement requires Franchisee to execute a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order thereunder is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 - 20043)). To the extent required by such laws, Franchisee shall not be required to execute a general release.

3. The Franchise Agreement requires application of the laws and forum of Kansas. This provision may not be enforceable under California law.

4. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

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

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date ~~first~~ set forth ~~above~~ herein.

Franchisor:
IV Nutrition Franchisor, LLC

Franchisee:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

HAWAII ADDENDUM TO THE FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Franchise Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of Hawaii:

This Hawaii Addendum is only applicable if you are a resident of Hawaii or if your business is located in Hawaii.

1. All Initial Franchise Fees under the Franchise Agreement and Development Fees under the Area Development Agreement will be deferred until Franchisor has met its pre-opening obligations to Franchisee and Franchisee has commenced doing business. If more than one location is contemplated through an Area Development Agreement, then the total amount to be collected will be prorated and collected by the Franchisor as each store is opened under the Area Development Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date first set forth above: herein.

Franchisor: _____ Franchisee: _____
IV Nutrition Franchisor, LLC ~~IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date first set forth above.~~

~~Franchisor: _____ Franchisee: _____
IV Nutrition Franchisor, LLC _____~~

By: _____ By: _____

Its: _____ Its: _____

Date: _____ Date: _____

ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Franchise Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of Illinois:

1. The franchisor is required to defer all initial fees in the State of Illinois until the franchisor has completed all of its pre-opening obligations and the franchisee is open for business. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

2. Notwithstanding the fact that the Franchise Agreement requires that the Agreement be governed by the laws of the State of Kansas, to the extent required by Rule 200.608 of the Illinois Franchise Disclosure Laws, the Agreement shall be governed and construed in accordance with the laws of the State of Illinois.

3. The Franchise Agreement states that Kansas law generally applies. However, the conditions under which your franchise can be terminated and your rights upon nonrenewal may be affected by Illinois law, and we will comply with that law in Illinois.

4. The other conditions under which your franchise can be terminated and your rights of nonrenewal may be affected by Illinois Law, 815 Illinois Compiled Statutes 705/19 and 705/20.

5. Section 4 of the Illinois Franchise Disclosure Act states that "Any provision of a franchise agreement which designates jurisdiction or venue in a forum outside of this state (Illinois) is void with respect to any cause of action which otherwise is enforceable in this State, provided that a franchise agreement may provide for arbitration in a forum outside of this State."

6. Any condition, stipulation or provision purporting to bind any person acquiring a franchise to waive requirements with any provisions of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void. This shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under the provisions of the Illinois Franchise Disclosure Act, nor shall it prevent the arbitration of any claims pursuant to the provisions of Title IX of the United States Code.

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

8. Article 14.2 of the Franchise Agreement is modified by the insertion of the following at the end of such Article:

"Notwithstanding the foregoing, to the extent required by Illinois law, the Franchisor shall provide reasonable notice to the Franchisee with the opportunity to cure any defaults under this Article 14.2, which shall not be less than ten (10) days and in no event shall such notice be required to be more than thirty (30) days."

9. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Addendum.

10. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any

claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date ~~first~~ set forth ~~above~~herein.

Franchisor:
IV Nutrition Franchisor, LLC

Franchisee:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

INDIANA ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Franchise Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of Indiana:

This Indiana Addendum is only applicable if you are a resident of Indiana or if your business is located in Indiana.

1. Article 17.2 of the Agreement shall be deleted in its entirety and the following shall be substituted in lieu thereof:

“B. After Expiration, Termination or Transfer. You will not, directly or indirectly for a period of two (2) years after the transfer by you, or the expiration or termination of this Agreement, on your own account or as an employee, consultant, partner, officer, director, shareholder, lender, or joint venturer of any other person, firm, entity, partnership, corporation or company, own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in or assist any person or entity engaged in any intravenous wellness center, which is located within the Territory.”

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date ~~first~~ set forth ~~above~~herein.

Franchisor:
IV Nutrition Franchisor, LLC

Franchisee:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Franchise Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of Maryland:

1. Article 13.2.8 of the Franchise Agreement is revised to provide that, pursuant to COMAR 02.02.08.16L, the general release required as a condition to renewal, sale or consent to assignment/transfer, shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Article 14.1 of the Franchise Agreement is revised to provide that termination upon bankruptcy might not be enforceable under the U.S. Bankruptcy Act, but Franchisor intends to enforce it to the extent enforceable.

3. Article 18.6 of the Franchise Agreement is revised to include the following language:

“Notwithstanding the standing provisions of this Article, you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.”

4. Articles 22.1 (“Independent Investigation”) and 22.2 (“Franchise Agreement”) are hereby stricken.

4.5. The representations made in the Franchise Agreement are not intended to nor should they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

5.6. Each provision to this Addendum to the Franchise Agreement shall be effective only to the extent that, with respect to such provision, the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Addendum.

~~6. The Franchise Agreement states that Kansas law generally applies. However, the conditions under which your franchise can be terminated and your rights upon nonrenewal may be affected by Maryland Law, and we will comply with that law in Maryland.~~

7. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

7.8. Notwithstanding anything to the contrary in the Franchise Agreement, nothing will prevent the Franchisee from filing suit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

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

[Signatures on following page]

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date first set forth above herein.

Franchisor:
IV Nutrition Franchisor, LLC

Franchisee:

~~IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date first set forth above.~~

~~Franchisor:~~
~~IV Nutrition Franchisor, LLC~~

~~Franchisee:~~

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

MINNESOTA ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Franchise Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of Minnesota:

This Minnesota Addendum is only applicable if you are a resident of Minnesota or if your business will be located in Minnesota.

1. Minn. Stat. Section 80C.21 and Minn. Rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in this Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

2. Franchisor will comply with Minn. Stat. Section 80C.14, subs. 3, 4 and 5, which require, except in certain specified cases, that the Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement.

3. Article 3 is revised to include the following:

“To the extent required by the Minnesota Franchise Act, Franchisor will protect your rights to use the trademarks, service marks, trade names, logos and other commercial symbols, or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding your use of the marks, provided you are using the Names and Marks in accordance with this Agreement.”

4. Section 5.6 shall be amended in part as follows:

“If any payment from you does not successfully convey funds due to insufficient funds, stop payment instructions, or any similar event, you shall pay, upon demand, an insufficient funds fee equal to thirty dollars (\$30.00).”

5. Franchisor shall not require Franchisee to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22, provided that the foregoing shall not bar the voluntary settlement of disputes.

6. Minnesota Rule 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable.

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

8. Pursuant to the franchisor's financial condition, the Minnesota State Department of Commerce has required the franchisor to defer the initial franchise fee until it has completed its pre-opening obligations and the franchisee is open for business.

[Signatures on following page]

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date ~~first~~ set forth ~~above~~ [herein](#).

Franchisor:
IV Nutrition Franchisor, LLC

Franchisee:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

NORTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Franchise Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of North Dakota:

This North Dakota Addendum is only applicable if you are a resident of North Dakota or if your business will be located in North Dakota.

1. Article 2.2 of the Franchise Agreement is amended by deleting clause (8) thereof.
2. Article 16.6 of the Franchise Agreement is modified to delete any requirement that franchisee consent to termination penalties or liquidated damages.
3. Article 17.2 of the Franchise Agreement is amended by adding the following language at the end:

“Covenants not to compete, such as those mentioned in this Article 17.2, are subject to Section 9-08-06 of the North Dakota Codified Code.”

4. Article 18.1 of the Franchise Agreement is amended in part to state that the prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorneys’ fees.
5. Articles 18.2 and 18.3 of the Franchise Agreement along with the respective subsections are amended in part to state that any mediation or arbitration shall take place at a site agreeable to all parties and will not be remote from the franchisee’s place of business.
6. Articles 18.4, 18.5 and 18.6 of the Franchise Agreement are deleted in their entirety.
7. Article 20.4 of the Franchise Agreement is amended to provide that the Franchise Agreement will be governed by the laws of the State of North Dakota.
8. No provision of the Franchise Agreement shall be interpreted to accelerate any statute of limitations contained in any provision of the North Dakota Codified Code.
9. Payment of the Initial Franchise Fees will be deferred until Franchisor has met its initial obligations, and franchisee has commenced doing business. This requirement has been imposed by the North Dakota Securities Commissioner.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date ~~first~~ set forth ~~above~~ [herein](#).

Franchisor:
IV Nutrition Franchisor, LLC

Franchisee:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

RHODE ISLAND ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Franchise Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of Rhode Island:

This Rhode Island Addendum is only applicable if you are a resident of Rhode Island or if your business will be located in Rhode Island.

1. Article 18 of the Franchise Agreement is supplemented by the addition of the following:

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

Act (§§ 19-28.1-1 through 19- 28.1-34) are met independently without reference to this Addendum.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date ~~first~~ set forth above herein.

Franchisor:
IV Nutrition Franchisor, LLC

Franchisee:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

SOUTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Franchise Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of South Dakota:

1. The South Dakota Securities Regulation Office has required the franchisor to defer payment of all initial fees under the Franchise Agreement until the franchisor has completed all of its pre-opening obligations, and the franchised business is open for operation.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date ~~first~~ set forth [above](#).herein.

Franchisor:
IV Nutrition Franchisor, LLC

Franchisee:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

VIRGINIA ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Franchise Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of Virginia:

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date set forth herein.

Franchisor: _____ Franchisee: _____
IV Nutrition Franchisor, LLC _____

By: _____ By: _____

Its: _____ Its: _____

Date: _____ Date: _____

WASHINGTON ADDENDUM TO THE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, REPRESENTATIONS AND ACKNOWLEDGMENTS STATEMENT AREA DEVELOPMENT AGREEMENT, AND RELATED AGREEMENTS

All Initial Franchise Fees under the Franchise Agreement and Development Fees under the Area Development Agreement will be deferred until Franchisor has met its pre-opening obligations to Franchisee and Franchisee has commenced doing business. If more than one location is contemplated through an Area Development Agreement, then the total amount to be collected will be prorated and collected by the Franchisor as each store is opened under the Area Development Agreement.

Use of Franchise Brokers. The franchisor uses the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Carefully evaluate any information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees to ask them about their experience with the franchisor.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

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

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

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or

elsewhere are void and unenforceable in Washington.

The release included in Items 17(c) and Item 17(m) of the FDD, and required by Sections 2.2.8, 13.1, 13.2.4, and 13.2.8 of the Franchise Agreement, does not apply to claims arising under the Franchise Investment Protection Act, chapter 19.100 RCW, or any rules or order adopted thereunder, in accordance with RCW 19.100.220(2).

Item 17(o), Section 16.11 of the Franchise Agreement, and the Area Development Agreement are modified to be consistent with RCW 19.100.180, including that the franchisor is required to purchase certain assets at fair market value (including goodwill in certain instances), at the time of expiration or termination of the franchise, offset by any amounts owed by the franchisee to the franchisor.

The Development Agreement does not provide any opportunity to cure defaults. RCW 19.100.180(2)(j), provides for cure rights except for in certain circumstances.

Section 3.5 of the Franchise Agreement states: “We will have no liability or obligation whatsoever with respect to your modification or discontinuance of any Mark.” This does not waive any claim that may arise under the Franchise Investment Protection Act of Washington.

Section 18.5 of the Franchise Agreement states: “You and we each waive any objection you or we may have to either the jurisdiction or the venue of such court (except to the extent jurisdiction is preempted by the arbitration provisions of this Agreement), and you and we each consent to personal jurisdiction and venue in such court.” Section 8.1.3 of the Area Development Agreement includes a similar provision. Section 18.5 of the Franchise Agreement and Section 8.1.3 of the Area Development Agreement do not apply to Washington franchisees.

Section 18.7 of the Franchise Agreement does not apply to Washington franchisees.

Section 18.8 of the Franchise Agreement does not apply to Washington franchisees.

Section 20.5 of the Franchise Agreement does not apply to Washington franchisees.

Section 20.6 of the Franchise Agreement does not apply to Washington franchisees.

The claims limitation period in Section 20.8 of the Franchise Agreement does not apply to Washington franchisees.

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

[Signatures on following page]

The undersigned does hereby acknowledge receipt of this addendum.

Franchisor:
IV Nutrition Franchisor, LLC

Franchisee:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

EXHIBIT B
TO FRANCHISE DISCLOSURE DOCUMENT
IV NUTRITION
AREA DEVELOPMENT AGREEMENT

AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT is made as of the Effective Date set forth in the Rider attached to this Agreement (the “**Rider**”) between IV Nutrition Franchisor, LLC, a Kansas Limited Liability Company (“**we**” or “**us**”) and the person or persons named in the Rider as “Developer” (“**you**”).

INTRODUCTION

A. We have invested substantial time, effort and money to develop a system of operating an IV Nutrition business and have filed for a trademark with the United States Patent & Trademark Office for the name “IV Nutrition” as well as other intellectual property rights. We grant franchises to qualified candidates for the operation of an IV Nutrition Clinic. We license our trademark rights in “IV Nutrition” and may in the future adopt, use and license additional or substitute trademarks, service marks, logos and commercial symbols in connection with the operation of ~~Franchised Businesses~~Franchised Clinics (collectively the “**Marks**”). ~~Franchised Businesses~~Franchised Clinics use our methods, procedures, standards, specifications and the Marks (all of which are collectively referred to as the “**System**”) which we may improve, further develop or otherwise modify from time to time.

B. You are entering into this Agreement because you want to develop and operate multiple IV Nutrition Clinics which use the Marks and the System. You recognize that while you will have certain limited rights to transfer your interest in this Agreement, and in the centers you develop, we are entering into this Agreement with you based on your representation that you intend to personally develop all of the IV Nutrition Clinics described in this Agreement, and not with a view to reselling your right to open these centers.

In consideration of the foregoing and the mutual covenants and consideration below, you and we agree as follows:

1. GRANT OF DEVELOPMENT RIGHTS. The following provisions control with respect to the rights granted hereunder:

1.1. We grant to you, under the terms and conditions of this Agreement, the right to develop and operate the number of IV Nutrition Clinics identified in the Rider (the “**IV Nutrition Clinics**”), using the principal trademark identified in the Rider, operating within the territory described in the Rider (the “**Development Territory**”).

1.2. You agree to be bound by the “Development Schedule” set forth in the Rider. Time is of the essence for the development of each IV Nutrition Clinic in accordance with the Development Schedule. Each IV Nutrition Clinic must be developed and operated by you pursuant to a separate franchise agreement that you enter into with us.

1.3. Unless otherwise indicated in the Rider and except as set forth in Section 1.4 below, if you are in compliance with the Development Schedule set forth in the Rider, we will not develop or operate or grant anyone else a franchise to develop and operate an IV Nutrition Clinic from any location in the Development Territory prior to the earlier of (i) the expiration or termination of this Agreement; (ii) the date on which you must sign the franchise agreement for your last IV Nutrition Clinic pursuant to the terms of the Development Schedule; or (iii) the date on which the Territory for your final IV Nutrition Clinic is determined; except that if the Development Territory covers more than one city, county or designated market area, the protection for each particular city, county or designated market area will expire upon the earliest of (1) any of the foregoing events or (2) the date when the Territory for your final IV Nutrition Clinic to be developed in such city, county or designated market area under this Agreement is determined. Notwithstanding anything in this Agreement, upon the earliest occurrence of

any of the foregoing events (i) the Development Territory will expire and (ii) we will be entitled to develop and operate, or to franchise others to develop and operate, IV Nutrition Clinics from locations in the Development Territory, except as may be otherwise provided under any franchise agreement that has been signed between us and you and that has not been terminated.

1.4. You acknowledge and agree that (i) we and our affiliates have the right to grant other franchises or operate company or affiliate owned IV Nutrition Clinics at locations outside the Territory even if they compete with your IV Nutrition Clinics for customers who may live and/or work in or near the Territory, and (ii) we and our affiliates have the right to operate, and to grant franchises or licenses to others to operate, IV nutrition businesses or any other business within and outside the Development Territory under trademarks other than the Marks, all without compensation to you.

2. DEVELOPMENT FEE. You must pay us a Development Fee in the amount set forth in the Rider. This fee is payable in full when you sign this Agreement. However, you will not be required to pay an Initial Franchise Fee for any of the IV Nutrition Clinics you develop under this Agreement.

2.1. You will sign the franchise agreement for your first IV Nutrition Clinic concurrently with this Agreement. A separate franchise agreement must be signed, on our then-current form, for each such IV Nutrition Clinic. Upon the execution of each franchise agreement, the terms and conditions of the franchise agreement control the establishment and operation of such IV Nutrition Clinic.

2.2. The Development Fee is consideration for this Agreement and not consideration for any franchise agreement, is fully earned by us upon execution of this Agreement and is non-refundable.

3. DEVELOPMENT SCHEDULE. The following provisions control with respect to your development rights and obligations:

3.1. You must comply with the Development Schedule requirements regarding (i) the execution of the franchise agreements, (ii) the opening date for each IV Nutrition Clinic, and (iii) the cumulative number of IV Nutrition Clinics to be open and continuously operating for business in the Development Territory. If you fail to either sign a franchise agreement or to open an IV Nutrition Clinic according to the dates set forth in the franchise agreement, we, in our sole discretion, may immediately terminate this Agreement pursuant to Section 5.

3.2. You may not open an IV Nutrition Clinic under this Agreement unless you have provided us with written notification of your intention to develop the IV Nutrition Clinics, sent to our official correspondence address, at least thirty (30) days prior to the date set forth in the Development Schedule and met each of the following conditions (these conditions apply to each IV Nutrition Clinic to be developed in the Development Territory):

3.2.1. Good Standing. You must not be in default of this Agreement, any franchise agreement entered into pursuant to this Agreement or any other agreement between you or any of your affiliates and us or any of our affiliates. You also must have satisfied on a timely basis all monetary and material obligations under the franchise agreements for all existing IV Nutrition Clinics.

3.2.2. Execution of Franchise Agreement. You and we have entered into our current form of franchise agreement for the proposed IV Nutrition Clinic. You understand that we may modify the then-current form of franchise agreement from time to time and that it may be different than the current form of franchise agreement, including different fees and obligations; provided, however, that you will not be required to pay any initial franchise fee under any of those agreements. You understand and agree that any and all franchise agreements will be construed and exist independently of this Agreement. The continued existence of each franchise agreement will be determined by the terms and conditions of such franchise agreement. Except as specifically set forth in this Agreement, the establishment and operation of each IV Nutrition Clinic must be in accordance with the terms of the applicable franchise agreement.

4. **TERM.** Unless sooner terminated in accordance with Section 5 of this Agreement, the term of this Agreement and all rights granted to you will expire on the date that you sign the franchise agreement for the last IV Nutrition Clinic that is scheduled to be opened under the Development Schedule.

5. **DEFAULT AND TERMINATION.** You will be deemed in default under this Agreement if you breach any of the terms of this Agreement or if you or any “affiliate” of yours breaches any of the terms of any franchise agreement or any other agreement that you or your affiliates have with us or our affiliates. For purposes of this Agreement, an “affiliate” of any person will be any person or entity that controls that person, is under the control of that person, or is under common control with that person.

All rights granted in this Agreement immediately terminate upon written notice without opportunity to cure if: (i) you become insolvent, commit any affirmative action of insolvency or file any action or petition of insolvency, (ii) a receiver (permanent or temporary) of your property is appointed by a court of competent authority, (iii) you make a general assignment or other similar arrangement for the benefit of your creditors, (iv) a final judgment against you remains unsatisfied of record for thirty (30) days or longer, (v) execution is levied against your business or property, or the business or property of any of your affiliates that have entered into franchise agreements with us, (vi) a suit to foreclose any lien or mortgage against premises or equipment is instituted against you and not dismissed within thirty (30) days, or is not in the process of being dismissed, (vii) you fail to timely meet your development obligations set forth in the Development Schedule, (viii) you or any of your affiliates open any IV Nutrition Clinic before that person or entity has signed a franchise agreement with us for that center in the form we provide, (ix) you fail to comply with any other provision of this Agreement, or your or any of your affiliates fail to comply with any other agreement you or they have with us or our affiliates and do not correct the failure within thirty (30) days after written notice of that failure is delivered to the breaching party (except that if the failure to comply is the third failure to comply with any provision of any agreement that you or any of your affiliates have with us or an affiliate of ours within twelve (12) consecutive months, then we need not provide any opportunity to cure the default), or (x) we have delivered to you or any of your affiliates a notice of termination of a franchise agreement in accordance with its terms and conditions.

6. **RIGHTS AND DUTIES OF PARTIES UPON TERMINATION OR EXPIRATION.** Upon termination or expiration of this Agreement, all rights granted to you will automatically terminate, and:

6.1. Upon termination or expiration of this Agreement, aAll remaining rights granted to you to develop IV Nutrition Clinics under this Agreement will automatically be revoked and will become null and void. You will not be entitled to any refund of any fees.

6.2. You must within five (5) business days of the termination or expiration pay all sums owing to us and our affiliates. In addition, you agree to pay as fair and reasonable liquidated damages (but not as a penalty) an amount equal to Ten Thousand Dollars (\$10,000) for each undeveloped IV Nutrition Clinic. You agree that this amount is in addition to the Development Fees paid under this Agreement, and is for lost revenues from Monthly Fees (as defined in the franchise agreement) and other amounts payable to us, including the fact that you were holding the development rights for those IV Nutrition Clinics and precluding the development of certain IV Nutrition Clinics in the Development Territory, and that it would be difficult to calculate with certainty the amount of damage we will incur. Notwithstanding your agreement, if a court determines that these liquidated damages payment is unenforceable, then we may pursue all other available remedies, including consequential damages.

7. **TRANSFER.** The following provisions govern any transfer:

7.1. We have the right to transfer all or any part of our rights or obligations under this Agreement to any person or legal entity.

7.2. This Agreement is entered into by us with specific reliance upon your personal experience, skills and managerial and financial qualifications. Consequently, this Agreement, and your rights and

obligations under it, are and will remain personal to you. You may only Transfer your rights and interests under this Agreement if you obtain our prior written consent.

- 7.2.1. As used in this Agreement, the term “Transfer” means any sale, assignment, lease, gift, pledge, mortgage or any other encumbrance, transfer by bankruptcy, transfer by judicial order, merger, consolidation, share exchange, transfer by operation of law or otherwise, whether direct or indirect, voluntary or involuntary, of this Agreement or any interest in it, or any rights or obligations arising under it, or of any material portion of your assets, or of any interest in you. You acknowledge that these provisions prohibit you from subfranchising or sublicensing any right you have under any agreement with us, and that your intent in entering into this Agreement is that you (and not any licensee or transferee) will be opening and operating the IV Nutrition Clinics to be developed under this Agreement. In addition, if there are two (2) individuals signing this Agreement as Developer, and one (1) of those individuals is no longer involved in the ownership of the business that is developing IV Nutrition Clinics, the withdrawal of that person shall be considered a “Transfer.” A “Transfer” shall also be deemed to occur when there are more than two (2) people listed as the Developer and there is a change of the ownership of the business such that less than a majority of the original signors continue to have a majority interest in the equity of the business.
- 7.2.2. We will not charge you any fee in connection with your Transfer of your interest in this Agreement. However, as a condition to our approval of any Transfer, you must sign franchise agreements for all of the IV Nutrition Clinics to be developed under this Agreement, you must transfer all of those agreements to the same person or entity that acquires your interest in this Agreement, and you must comply with all of the conditions for transferring each of those agreements, including the requirement to pay a transfer fee in connection with the transfer of each of those agreements.
- 7.2.3. The restriction on Transfer contained in this Agreement does not apply to, or otherwise restrict, your right to transfer any interest in any franchise agreement you previously signed for any IV Nutrition Clinic to be developed under this Agreement. You may transfer those agreements apart from any rights you have in this Agreement, provided you comply with the transfer provisions of each agreement you seek to transfer.
- ~~7.2.4. We may expand upon, and provide more details related to, the conditions for Transfer and our consent as described in this Article 7, and may do so in our operations manual or otherwise in writing.~~

8. **DISPUTE RESOLUTION.** We and you acknowledge that during the term of this Agreement disputes may arise between the parties that may be resolvable through mediation. To facilitate such resolution, we and you agree that each party shall submit the dispute between them for non-binding mediation before commencing an arbitration proceeding under Section 8.1.2. Such mediation will be conducted in the city of ~~or closest to~~ our principal place of business or the city closest to it. The mediation will be conducted by one (1) mediator who is appointed under the American Arbitration Association’s Commercial Mediation Rules and who shall conduct the mediation in accordance with such rules. We and you agree that statements made by us, you or any other party in any such mediation proceeding will not be admissible in any arbitration or other legal proceeding. Each party shall bear its own costs and expenses of conducting the mediation and share equally the costs of any third parties who are required to participate in the mediation.
 - 8.1.1. If any dispute between the parties cannot be resolved through mediation within thirty (30) days following the appointment of the mediator, the parties agree to submit such dispute to binding arbitration subject to the terms and conditions of Section 8.1.2.
 - 8.1.2. Except for certain claims subject to injunctive relief, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud and the arbitrability of any matter) which have not been settled

through negotiation or mediation will be submitted to final and binding arbitration in the city of or closest to our principal place of business as the sole and exclusive remedy for any such controversy or dispute. The proceedings will be conducted under the commercial arbitration rules of the American Arbitration Association, to the extent such rules are not inconsistent with the provisions of this arbitration provision or the Kansas Statutes. The decision of the arbitrator(s) will be final and binding on all parties. This Section will survive termination or non-renewal of this Agreement under any circumstances. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof. During the pendency of any arbitration proceeding, you and we shall fully perform our respective obligations under this Agreement. Except for claims excluded from mediation and arbitration herein, the arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of this Agreement including, but not limited to any claim that all or any part of this Agreement is void or voidable.

- 8.1.3. With respect to any claims, controversies or disputes which are not finally resolved through arbitration, or as otherwise provided above, you and your owners hereby irrevocably submit themselves to the jurisdiction of the United States District Court where our headquarters is then located. If there is no federal jurisdiction over the dispute, the parties agree that any such legal proceeding will be brought in the court of record of the state and county where Franchisor's headquarters is then located. You and your owners hereby consent to and waive all objections to personal jurisdiction and venue for the purpose of carrying out this provision. You and your owners hereby agree that service of process may be made upon you and any of them in any proceeding relating to or arising out of this Agreement or the relationship created by this Agreement by any means allowed by applicable State or federal law. You and your owners agree that mandatory venue for any proceeding relating to or arising out of this Agreement shall be in the city of or closest to our principal place of business; provided, however, with respect to any action (1) for monies owed, (2) for injunctive or other extraordinary relief or (3) involving possession or disposition of, or other relief relating to, real property, we may bring such action in any state or federal district court which has jurisdiction. With respect to all claims, controversies, disputes or actions, related to this Agreement or the relationship created thereby, this Agreement and any such related claims, controversies, disputes or actions shall be governed, enforced and interpreted under Kansas law.
- 8.1.4. You your owners and we acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section 8.1.3 above provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising out of this Agreement or the parties' relationship created by this Agreement. Each of you, your owners and we further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement.
- 8.1.5. If we are required to enforce this Agreement in a judicial or arbitration proceeding, you shall reimburse us for our costs and expenses, including, without limitation, reasonable accountants', attorneys', attorney assistants', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If we are required to engage legal counsel in connection with any failure by you to comply with this Agreement, you shall reimburse us for any of the above-listed costs and expenses incurred by us.

9. **MISCELLANEOUS.** The provisions set forth in the franchise agreement for your first IV Nutrition Clinic containing any covenants not to compete, enforcement provisions, notice provisions, and

sections referenced as “Miscellaneous” or “Acknowledgments” are hereby incorporated into this Agreement by reference and shall be applicable to this Agreement until such time as you sign a subsequent franchise agreement, at which time the provisions of the new agreement relating to covenants not to compete, enforcement, notice, and all sections referenced as “Miscellaneous” or “Acknowledgments” shall be incorporated into this Agreement by reference in place of the previous provisions. ~~Likewise, if you later sign yet another franchise agreement, at all times, the provisions contained in the last franchise agreement you sign with us, which relate to covenants not to compete, enforcement, and notice, and all sections referenced as “Miscellaneous” or “Acknowledgments,” are hereby incorporated into this Agreement by reference in place of the previous provisions.~~ You acknowledge having received a copy of our current form of franchise agreement for use in the sale of IV Nutrition Clinics, and that until you sign an agreement for your first center, the provisions of the form we provided to you relating to these matters will be deemed incorporated herein by reference and applicable to this Agreement. Any reference to the expression “this Agreement” in such Articles will be interpreted as a reference to this Area Development Agreement and any reference to “Protected Territory” will read as Development Territory. Any provisions of this Agreement which, by their nature, may or are to be performed following expiration or termination of this Agreement, shall survive such termination or expiration.

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

The preambles are a part of this Agreement. This Agreement, together with its exhibits, constitutes the entire agreement between you and us with respect to your area development rights and any other aspect of the relationship we have with you, and cannot be amended except by a written agreement signed by you and us. This Agreement also supersedes all prior agreements and negotiations we have had with you related to your acquisition of these area development rights or your and our rights and obligations. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made to you in the FDD.

THIS AGREEMENT CONTINUES WITH THE FOLLOWING EXHIBITS, WHICH ARE A PART OF THIS AGREEMENT:

EXHIBIT A: AREA DEVELOPMENT AGREEMENT RIDER

EXHIBIT B: PERSONAL GUARANTY

EXHIBIT C: STATE-SPECIFIC ADDENDA

EXHIBIT A TO THE AREA DEVELOPMENT AGREEMENT

AREA DEVELOPMENT AGREEMENT RIDER

1. Effective Date: _____

2. Developer: _____

~~3.~~ Development Territory:

3. _____

~~If this Development Territory references one or more sites yet to be determined, then we reserve the right to develop and operate an IV Nutrition Clinic in and around the above described city, county or area, and to sell franchises and grant territories to others (including through area development agreements) who will operate IV Nutrition Clinics in and around the above described city, county or area. You may then be required to choose a final location for your IV Nutrition Clinics outside of any protected territory given to us or to any other franchisee or area developer, which final location may be outside of the county, city or area identified above. Should this happen, you would have to obtain our review and approval for a new Development Territory, and location for your IV Nutrition Clinics.~~

4. Number of IV Nutrition Clinics to be opened in the Development Territory: _____

5. Principal trademark (circle one): IV Nutrition

6. Development Fee: _____

7. Development Schedule: You acknowledge and agree that a material provision of this Area Development Agreement is that the following number of IV Nutrition Clinics must be opened and continuously operated by you in the Development Territory in accordance with the following Development Schedule:

IV Nutrition Clinic Number	Date by which Franchise Agreement must be signed and site approval request must be submitted to us	Date by which the IV Nutrition Clinic must be opened and operated by you in the Territory	Cumulative number of IV Nutrition Clinics to be opened and operated by you in the Development Territory as of the Date in the preceding column
1	Effective Date of this Area Development Agreement	12 Months from Effective Date of this Area Development Agreement	1
2		18 Months from the opening of IV Nutrition Clinic #1	2
3		18 Months from the	3

		opening of IV Nutrition Clinic #2	
4		18 Months from the opening of IV Nutrition Clinic #3	4
5		18 Months from the opening of IV Nutrition Clinic #4	5
6		18 Months from the opening of IV Nutrition Clinic #5	6
7		18 Months from the opening of IV Nutrition Clinic #6	7
8		18 Months from the opening of IV Nutrition Clinic #7	8
9		18 Months from the opening of IV Nutrition Clinic #8	9
10		18 Months from the opening of IV Nutrition Clinic #9	10

For purposes of determining compliance with this Development Schedule, only the IV Nutrition Clinics you actually open and continuously operate in the Development Territory for at least the first six (6) months after opening will be counted toward the number of IV Nutrition Clinics required to be open and operated by you.

IN WITNESS WHEREOF, we and you have signed this Agreement as of the Effective Date set forth above.

FRANCHISOR:
IV Nutrition Franchisor, LLC

DEVELOPER:

By: _____

By: _____

Its: _____

Its: _____

By: _____

Its: _____

EXHIBIT B TO THE AREA DEVELOPMENT AGREEMENT

PERSONAL GUARANTY

In consideration of the execution of the Area Development Agreement (the "Agreement") between IV Nutrition Franchisor, LLC ("we" or "us") and _____ (the "Developer"), dated _____, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms and conditions in the Agreement, to be paid, kept and performed by the Developer, including without limitation the dispute resolution provisions of the Agreement.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Agreement and agree that this Personal Guaranty will be construed as though the undersigned and each of them executed a franchise agreement containing the identical terms and conditions of the Agreement.

The undersigned waive (1) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; and (3) any right he/she may have to require that an action be brought against the Developer or any other person as a condition of liability; and (4) notice of any changes permitted by the terms of the Agreement or agreed to by the Developer.

In addition, the undersigned consents and agrees that: (1) the undersigned's liability will not be contingent or conditioned upon our pursuit of any remedies against the Developer or any other person; (2) such liability will not be diminished, relieved or otherwise affected by the Developer's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to the undersigned; and (3) this Personal Guaranty will apply in all modifications to the Agreement of any nature agreed to by Developer with or without the undersigned receiving notice thereof.

It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Personal Guaranty will inure to the benefit of our successors and assigns.

PERSONAL GUARANTORS:

Individually	Individually
Print Name	Print Name
Address	Address
City, State, Zip Code	City, State, Zip Code

Telephone _____

Telephone _____

EXHIBIT C TO THE AREA DEVELOPMENT AGREEMENT
STATE ADDENDA TO THE AREA DEVELOPMENT AGREEMENT

CALIFORNIA ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Area Development Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of California:

This California Addendum is only applicable if you are a resident of California or if your business is located in California.

1. The California Franchise Relations Act (Business and Professions Code Section 20000 through 20043), provides franchisees with additional rights concerning termination and non-renewal of the Area Development Agreement and certain provisions of the Area Development Agreement relating to termination and non-renewal may be superseded by the Act. There may also be court decisions which may supersede the Area Development Agreement and your relationship with Franchisor, including the areas of termination and renewal of Franchisee’s franchise. If the Area Development Agreement is inconsistent with the law, the law will control.

2. The Area Development Agreement requires application of the laws and forum of Kansas. This provision may not be enforceable under California law.

3. The provision in the Area Development Agreement which terminates the Agreement upon the bankruptcy of the Developer may not be enforceable under Title 11, United States Code, Section 101.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date ~~first~~ set forth ~~above~~ herein.

Franchisor:
IV Nutrition Franchisor, LLC

Developer:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

HAWAII ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Area Development Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of Hawaii:

This Hawaii Addendum is only applicable if you are a resident of Hawaii or if your business is located in Hawaii.

1. All Initial Franchise Fees under the Franchise Agreement and Development Fees under the Area Development Agreement will be deferred until Franchisor has met its pre-opening obligations to Franchisee and Franchisee has commenced doing business. If more than one location is contemplated through an Area Development Agreement, then the total amount to be collected will be prorated and collected by the Franchisor as each store is opened under the Area Development Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date ~~first~~ set forth ~~above~~ herein.

Franchisor:
IV Nutrition Franchisor, LLC

Developer:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

ILLINOIS ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Area Development Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of Illinois:

This Illinois Addendum is only applicable if you are a resident of Illinois and your business will be located in Illinois.

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

2. The franchisor is required to defer all initial fees in the State of Illinois until the franchisor has completed all of its pre-opening obligations and the franchisee is open for business. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

3. Notwithstanding the fact that the Area Development Agreement requires that the Agreement be governed by the laws of the State of Kansas, to the extent required by Rule 200.608 of the Illinois Franchise Disclosure Laws, the Agreement shall be governed and construed in accordance with the laws of the State of Illinois.

4. The Area Development Agreement states that Kansas law generally applies. However, the conditions under which your franchise can be terminated and your rights upon nonrenewal may be affected by Illinois law, and we will comply with that law in Illinois.

5. The other conditions under which your franchise can be terminated and your rights of nonrenewal may be affected by Illinois Law, 815 Illinois Compiled Statutes 705/19 and 705/20.

6. Section 4 of the Illinois Franchise Disclosure Act states that "Any provision of a franchise agreement which designates jurisdiction or venue in a forum outside of this state (Illinois) is void with respect to any cause of action which otherwise is enforceable in this State, provided that a franchise agreement may provide for arbitration in a forum outside of this State."

7. Any condition, stipulation or provision purporting to bind any person acquiring a franchise to waive requirements with any provisions of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void. This shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under the provisions of the Illinois Franchise Disclosure Act, nor shall it prevent the arbitration of any claims pursuant to the provisions of Title IX of the United States Code.

8. The provision in the Area Development Agreement which terminates the franchise upon the bankruptcy of the Developer may not be enforceable under Title 11, United States Code, Section 101.

9. Section 5 of the Area Development Agreement shall be modified by the addition of the following sentence at the end of such section:

"To the extent required by Illinois law, the Franchisor shall provide reasonable notice

to the Developer with the opportunity to cure any defaults under this Article 5, which shall not be less than ten (10) days and in no event shall such notice be required to be more than thirty (30) days.”

~~IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date first set forth above.~~

~~[SIGNATURES ON FOLLOWING PAGE]~~

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date first set forth above herein.

Franchisor:
IV Nutrition Franchisor, LLC

Developer:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

MARYLAND ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Area Development Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of Maryland:

1. Article 5 of the Area Development Agreement is revised to provide that termination upon bankruptcy might not be enforceable under the U.S. Bankruptcy Act, but Franchisor intends to enforce it to the extent enforceable.

2. Article 8 of the Area Development Agreement is revised to include the following language:

“Notwithstanding the standing provisions of this Article, you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.”

3. The representations made in the Area Development Agreement are not intended to nor should they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

4. Article 7 of the Area Development Agreement is revised to provide that, pursuant to COMAR 02.02.08.16L, the general release required as a condition to renewal, sale or consent to assignment/transfer, shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

5. Each provision to this Addendum to the Area Development Agreement shall be effective only to the extent that, with respect to such provision, the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Addendum.

~~6. The Area Development Agreement states that Kansas law generally applies. However, the conditions under which your franchise can be terminated and your rights upon nonrenewal may be affected by Maryland Law, and we will comply with that law in Maryland.~~

6. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

7. Notwithstanding anything to the contrary in the Area Development Agreement, nothing will prevent the Developer from filing suit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

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

[\[Signatures on following page\]](#)

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date ~~first~~ set forth ~~above~~ herein.

Franchisor:
IV Nutrition Franchisor, LLC

Developer:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

MINNESOTA ADDENDUM TO AREA DEVELOPMENT AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Area Development Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of Minnesota:

This Minnesota Addendum is only applicable if you are a resident of Minnesota or if your business will be located in Minnesota.

1. Minn. Stat. Section 80C.21 and Minn. Rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in this Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

2. Franchisor will comply with Minn. Stat. Section 80C.14, subs. 3, 4 and 5, which require, except in certain specified cases, that the Developer be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for nonrenewal of the franchise agreement.

3. Franchisor shall not require Developer to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22, provided that the foregoing shall not bar the voluntary settlement of disputes.

4. If any payment from Developer does not successfully convey funds due to insufficient funds, stop payment instructions, or any similar event, Developer shall pay, upon demand, an insufficient funds fee equal to thirty dollars (\$30.00).

5. Minnesota Rule 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable.

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

7. Pursuant to the franchisor’s financial condition, the Minnesota State Department of Commerce has required the franchisor to defer the initial franchise fee until it has completed its pre-opening obligations and the franchisee is open for business.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date ~~first~~ set forth ~~above~~herein.

Franchisor:
IV Nutrition Franchisor, LLC

Developer:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

NORTH DAKOTA ADDENDUM TO AREA DEVELOPMENT AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Area Development Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of North Dakota:

This North Dakota Addendum is only applicable if you are a resident of North Dakota or if your business will be located in North Dakota.

1. Articles 6.1 and 6.2 of the Area Development Agreement are deleted in their entirety.
2. Article 8 of the Area Development Agreement is amended in part to state that any mediation or arbitration shall take place at a site agreeable to all parties and will not be remote from the franchisee’s place of business.
3. Article 8 of the Area Development Agreement is amended to provide that the Area Development Agreement will be governed by the laws of the State of North Dakota.
4. Article 8 of the Area Development Agreement is amended to provide that to the extent required by the North Dakota Franchise Investment Law, you may bring an action in North Dakota.
5. Payment of the Initial Franchise Fees will be deferred until Franchisor has met its initial obligations, and franchisee has commenced doing business. This requirement has been imposed by the North Dakota Securities Commissioner.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date ~~first~~ set forth above herein.

Franchisor:
IV Nutrition Franchisor, LLC

Franchisee/Developer:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

SOUTH DAKOTA ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Franchise Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of South Dakota:

1. The South Dakota Securities Regulation Office has required the franchisor to defer payment of all initial fees under the Area Development Agreement until the franchisor has completed all of its pre-opening obligations, and the first franchised business to be opened under the Development Schedule is open for operation.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date ~~first~~ set forth ~~above~~ herein.

Franchisor:
IV Nutrition Franchisor, LLC

Franchisee/Developer:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

VIRGINIA ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT

Notwithstanding anything to the contrary set forth in the IV Nutrition Franchisor, LLC Franchise Agreement, the following provisions shall supersede any inconsistent provisions and apply to all IV Nutrition Franchisor, LLC franchises offered and sold in the State of Virginia:

The Virginia State Corporation Commission’s Division of Securities and Retail Franchising requires us to defer payment of the development fee owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the development agreement.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date set forth herein.

Franchisor: _____
IV Nutrition Franchisor, LLC

Developer: _____

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

WASHINGTON ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT

(See Exhibit D to the Franchise Agreement (Exhibit A to this Disclosure Document) for Washington Addendum to Franchise Agreement and Related Agreements)

EXHIBIT C
TO FRANCHISE DISCLOSURE DOCUMENT
IV NUTRITION
FINANCIAL STATEMENTS

IV Nutrition Franchisor, LLC

**Financial Statements
As of December 31, 2023 and 2022
and For the Years Then Ended**

With Report by Independent Auditor



Table of Contents

	Page
Independent Auditor's Report	1 - 2
Financial Statements	
Balance Sheets	3
Statements of Operations	4
Statements of Changes in Members' Equity (Deficit)	5
Statements of Cash Flows	6
Notes to the Financial Statement	7 - 13



Russell Shipley CPA, CFE, CGFM, CGMA
Principal & Managing Director
(785) 760-4898
Russell@ShipleyCPA.com

PO Box 751193
Topeka, KS 66675
ShipleyCPA.com

INDEPENDENT AUDITOR'S REPORT

To the Members of
IV Nutrition Franchisor, LLC

Opinion

I have audited the accompanying financial statements of the IV Nutrition Franchisor, LLC, (the Company), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of operations, changes in members' equity (deficit) and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the changes in its equity and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Company and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audits. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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's report that includes my 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.



Russell Shiplely CPA, CFE, CGFM, CGMA
Principal & Managing Director
(785) 760-4898
Russell@ShiplelyCPA.com

PO Box 751193
Topeka, KS 66675
ShiplelyCPA.com

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, I:

- 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 the Company'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Prior Year Financial Statements Audited by Other Auditors

The financial statements of the Company presented as of and for the year ended December 31, 2021 were audited by other auditors who issued an unmodified opinion in their report dated April 29, 2022.

Shiplely CPA, LLC

Shiplely CPA, LLC
Topeka, Kansas
April 2, 2024

IV NUTRITION FRANCHISOR, LLC

**Balance Sheets
December 31,**

ASSETS

	2023	2022
Current Assets		
Cash and cash equivalents	\$ 1,019	\$ 21,186
Accounts receivable	219,494	159,539
Due from related parties	502,939	331,542
Deferred franchise acquisition costs	1,400	1,400
Prepaid expenses	17,960	17,147
Inventory	28,328	29,031
Total Current Assets	771,140	559,845
Non-Current Assets		
Property and equipment, net	22,955	26,014
Intangible assets, net	11,442	13,894
Deferred franchise acquisition costs	7,233	8,633
Total Non-Current Assets	41,630	48,541
Total Assets	\$ 812,770	\$ 608,386

LIABILITIES AND NET ASSETS

	2023	2022
Current Liabilities		
Accounts payable	\$ 318,756	\$ 95,165
Accrued liabilities	85,128	65,643
Due to related parties	62,670	127,215
Other deferred revenue	18,095	57,829
Notes payable	901	5,909
Non-refundable deferred franchise fees	236,875	382,125
Total Current Liabilities	722,425	733,886
Non-Current Liabilities		
Notes payable	42,099	77,091
Non-refundable deferred franchise fees	344,008	256,883
Total Non-Current Liabilities	386,107	333,974
Total Liabilities	1,108,532	1,067,860
Members' Equity (Deficit)		
Members' equity (deficit)	(295,762)	(459,474)
Total Net Assets	(295,762)	(459,474)
Total Liabilities and Net Assets	\$ 812,770	\$ 608,386

The accompanying notes are an integral part of these financial statements.

3 | Page

IV NUTRITION FRANCHISOR, LLC

Statements of Operations

For the Years Ended December 31,

	2023	2022	2021
Revenue			
Royalty fees	\$ 343,362	\$ 252,129	\$ 184,497
Franchise fees	532,125	192,375	14,950
Technology fees	218,619	89,625	47,660
Marketing fund fees	182,079	102,099	73,803
Annual convention	31,500	-	-
Product sales	193,222	248,885	117,519
Total Revenues	1,500,907	885,113	438,429
Cost of Sales	168,571	245,521	154,431
Gross Profit	1,332,336	639,592	283,998
Operating Expenses			
Franchise-related costs	218,889	92,312	24,645
Payroll	798,489	663,104	152,888
Advertising and promotion	186,663	94,453	52,005
General and administrative	294,380	71,822	51,934
Professional fees	152,120	35,830	11,622
Depreciation and amortization	5,511	4,106	2,740
Total Operating Expenses	1,656,052	961,627	295,834
Operating Income (Loss)	(323,716)	(322,035)	(11,836)
Other Income (Expense)			
Other income	65,872	2,846	15,562
Debt forgiveness	155,768	-	-
Interest expense	(2,940)	(4,621)	(1,641)
Total Other Income (Expense)	218,700	(1,775)	13,921
Net Income (Loss)	\$ (105,016)	\$ (323,810)	\$ 2,085

The accompanying notes are an integral part of these financial statements.

4 | Page

IV NUTRITION FRANCHISOR, LLC

Statements of Changes in Members' Equity (Deficit)

For the Years Ended December 31,

	<u>Member Contributions</u>	<u>Accumulated (Deficit)</u>	<u>Total Members' (Deficit)</u>
Balance, December 31, 2020	\$ 80,986	\$ (219,289)	\$ (138,303)
Member contributions (distributions)	(4,269)	-	(4,269)
Net income (loss)	-	2,085	2,085
Balance, December 31, 2021	<u>76,717</u>	<u>(217,204)</u>	<u>(140,487)</u>
Member contributions	4,823	-	4,823
Net income (loss)	-	(323,810)	(323,810)
Balance, December 31, 2022	<u>81,540</u>	<u>(541,014)</u>	<u>(459,474)</u>
Member distributions	(341,785)	-	(341,785)
Member contributions	610,513	-	610,513
Net income (loss)	-	(105,016)	(105,016)
Balance, December 31, 2023	<u>\$ 350,268</u>	<u>\$ (646,030)</u>	<u>\$ (295,762)</u>

The accompanying notes are an integral part of these financial statements.

5 | Page

IV NUTRITION FRANCHISOR, LLC

Statements of Cash Flows

For the Years Ended December 31,

	2023	2022	2021
Cash Flows from Operating Activities			
Net income (loss)	\$ (105,016)	\$ (323,810)	\$ 2,085
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:			
Depreciation and amortization	5,511	4,106	2,740
Forgiveness of debt	-	-	(15,490)
Recognition of deferred franchise acquisition costs	1,400	1,400	1,400
Recognition of non-refundable deferred franchise fees	(58,125)	420,375	(14,950)
Changes in assets and liabilities:			
Accounts receivable	(59,955)	(101,294)	(40,664)
Due from related parties	(171,397)	(328,937)	(2,605)
Prepaid expenses	(813)	(17,147)	-
Inventory	703	(17,604)	2,591
Accounts payable	223,591	66,895	23,736
Accrued liabilities	19,485	43,730	6,411
Due to related parties	(64,545)	127,215	-
Other deferred revenue	(39,734)	57,829	-
Non-refundable deferred franchise fees	-	-	109,250
Net Cash Provided by (Used in) Operating Activities	(248,895)	(67,242)	74,504
Cash Flows from Investing Activities			
Purchases of long-term investments	-	(26,985)	(749)
Net Cash Used in Investing Activities	-	(26,985)	(749)
Cash Flows from Financing Activities			
Proceeds from notes payable	-	40,100	-
Payments on notes payable	(40,000)	-	-
Member contributions (distributions), net	268,728	4,823	(4,269)
Net Cash Provided by (Used in) Financing Activities	228,728	44,923	(4,269)
Net Change in Cash and Cash Equivalents	(20,167)	(49,304)	69,486
Cash and Cash Equivalents – Beginning	21,186	70,490	1,004
Cash and Cash Equivalents – Ending	\$ 1,019	\$ 21,186	\$ 70,490
Supplemental Disclosure of Cash Flow Information			
Cash paid for interest	\$ 2,940	\$ 4,621	\$ 1,641

The accompanying notes are an integral part of these financial statements.

6 | Page

IV NUTRITION FRANCHISOR, LLC

**Notes to the Financial Statements
December 31, 2023 and 2022**

Note 1 – Summary of Significant Accounting Policies

A. Nature of Activities

IV Nutrition Franchisor, LLC (the Company) was formed on June 8, 2018, in the State of Kansas as a limited liability company. The Company grants franchises to qualified persons or business entities to operate a business that will provide clients with a unique, personal, and relaxing experience as they receive nutrition through intravenous, intramuscular, or oral delivery under the trademark “IV Nutrition Now.” All activities are conducted in a designated territory.

The Company has one affiliate. IV Nutrition, LLC, was formed on February 6, 2017 in the State of Kansas as a limited liability company and operates an IV Nutrition Now business similar to the franchise business.

B. Basis of Accounting

The Company’s policy is to prepare its financial statements on the accrual basis of accounting in accordance with financial reporting provisions prescribed by the Financial Accounting Standards Board. This basis of accounting is commonly known as U.S. Generally Accepted Accounting Principles (U.S. GAAP).

C. Use of Estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company’s accounting policies, and the report amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

D. Cash and Cash Equivalents

The Company considers cash and cash equivalents to include cash in interest bearing checking accounts, money market accounts and certificates of deposits with a maturity of three months or less.

E. Accounts Receivable

Accounts receivable arise in the normal course of business through franchise sales and royalties earned. The timing of revenue recognition may be different from the timing of invoicing to customers. The Company records accounts receivable when revenue is recognized prior to invoicing, or unearned revenue when revenue is recognized after invoicing. Management evaluates individual customer’s receivables considering their financial condition, credit history and current economic conditions. Accounts receivable are written off if deemed uncollectible and recoveries of accounts receivable previously written off are recorded as income when received. The Company did not have any allowance for doubtful accounts as of December 31, 2023 and 2022 and had charge-off of accounts receivable of \$123,627 and \$0 during the years ended December 31, 2023 and 2022, respectively.

F. Property and Equipment

Furniture, equipment, computers and leasehold improvements are reported at cost. Depreciation is calculated on the straight-line method over the estimated useful lives of the respective assets.

IV NUTRITION FRANCHISOR, LLC

Notes to the Financial Statements December 31, 2023 and 2022

Note 1 – Summary of Significant Accounting Policies (continued)

G. Inventory

Inventory is recorded at the lower of cost or net realizable value and consists of the Company's Supplements, marketing and print supplies and other supplies and materials.

H. Intangible Assets

The Company has adopted ASC 350, Intangibles – Goodwill and Other that requires that goodwill and intangible assets with indefinite lives (such as franchise development cost) no longer be amortized to earnings but be tested for impairment at least annually. Intangible assets with finite lives are amortized over their estimated useful lives. The useful life of an intangible asset is the period over which it is expected to contribute directly or indirectly to future cash flows. Intangible assets with finite lives are reviewed for impairment if events or changes in circumstances indicate that the carrying value might not be recoverable.

I. Revenue Recognition

Franchise Fee and Royalty Revenue Recognition

The Company recognizes revenue under the guidance of ASC 606 "Contracts with Customers". The Company's revenue is principally generated through franchise agreements executed with the Company's franchisees. Each franchise agreement is comprised of several performance obligations. The Company identifies those performance obligations, determines the contract price for each performance obligation, allocates the transaction price to each performance obligation and recognizes revenue when the Company has satisfied the performance obligation by transferring control of the good or service to the franchisee.

When a franchisee purchases an IV Nutrition Now franchise, the Company grants the franchisee the right to use the proprietary methods, techniques, trade dress, trademarks, and logos ("the license"). The license is symbolic intellectual property. Revenues related to the license are continuing royalties and are 6% of gross revenues. The royalties are billed bi-weekly and are recognized as revenue when earned. These revenues are used to continue the development of the Company's brand, the franchise system and provide ongoing support for the Company's franchisees over the term of the agreement. The royalties are billed semimonthly and are recognized as revenue when earned.

Revenue from initial fees is allocated to the performance obligations in the franchise agreement that are distinct from the symbolic intellectual property. These primarily include training services, opening support services, opening marketing assistance and franchisee acquisition and acceptance. The amount allocated to each identified performance obligation is determined using the cost approach. Revenue from initial fees is recognized when the performance obligation is satisfied and control of the good or service has been transferred to the franchisee. Performance obligations that are normally satisfied by the opening of the franchised business to the public are determined to be earned during the period from the execution of the contract to the opening of the franchised business which is generally less than one year. Unearned initial fee revenues from franchisee acquisition and acceptance will be recorded as deferred revenue and recognized as revenue over the term of the contract which is currently 10 years.

IV NUTRITION FRANCHISOR, LLC

**Notes to the Financial Statements
December 31, 2023 and 2022**

Note 1 – Summary of Significant Accounting Policies (continued)

I. Revenue Recognition (continued)

Incremental costs of obtaining a franchise agreement with a franchisee related to unsatisfied performance obligations will be recorded as a franchise acquisition asset and are recognized as franchise related costs over the same term as the related performance obligation which is currently 10 years.

National Marketing Fund

Contributions to the national marketing fund are 2% gross revenue. Under the terms of the franchise agreement the Company may increase the national marketing fund rate to 4% of gross revenue. Marketing fund revenues are recognized up to the amount paid by the fund, for both operating and capital expenditures, not to exceed amounts collected or accrued during the year. Any amounts collected or accrued but unspent at the end of the year are reported as deferred revenue on the balance sheet. As of the years ended December 31, 2023 and 2022, \$0 and \$0 respectively, is included in deferred revenue on the balance sheets.

J. Income Taxes

The members of the Company have elected to be taxed as a “Subchapter S Corporation” under the provisions of the Internal Revenue Code. Under those provisions, taxable income and losses of the Company are reported on the income tax returns of its members and no provisions for federal or state taxes have been recorded on the accompanying balance sheet.

The Company does not have any uncertain tax positions or associated unrecognized benefits that materially impact these financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there is no guarantee that the Company’s tax returns will not be challenged by taxing authorities or that the Company or its members will not be subject to additional tax, penalties, and interest as a result of such a challenge.

K. Advertising Costs

The Company expenses advertising costs as incurred. Advertising expense for the years ended December 31, 2023 and 2022 was \$7,080 and \$17,594, respectively.

L. New Accounting Standard

In June 2016, the FASB issued guidance (FASB ASC 326) which significantly change how the Company will measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing the Company’s exposure to credit risk and the measurement of credit losses. Financial assets held by the Company that are subject to the guidance in FASB ASC 326 were trade accounts receivable. The Company adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

IV NUTRITION FRANCHISOR, LLC

**Notes to the Financial Statements
December 31, 2023 and 2022**

Note 2 – Contract Balances

The Company has recognized an asset for the incremental costs and recorded a liability for unearned revenue associated with franchisee acquisition and acceptance performance obligation of the Company’s franchise agreement. The account balances and activity are as follows:

	2023	2022
Franchise Acquisition Costs		
Balance, Beginning of year	\$ 10,033	\$ 11,433
Recognition of franchise acquisition costs	(1,400)	(1,400)
Balance, End of Year	\$ 8,633	\$ 10,033

	2023	2022
Deferred Non-Refundable Franchise Fees		
Balance, Beginning of year	\$ 639,008	\$ 218,633
Deferral of non-refundable franchise fees	474,000	446,250
Recognition of non-refundable franchise fees	(532,125)	(25,875)
Balance, End of Year	\$ 580,883	\$ 639,008

Estimated Recognition of Non-refundable Deferred Franchise Fees

Estimated revenues to be recognized in future periods related to non-refundable deferred franchise fees as reported at December 31, 2023, is as follows:

	Franchise Acquisition Costs	Non-refundable Franchise Fees
2024	\$ 1,400	\$ 236,875
2025	1,400	93,875
2026	1,400	45,875
2027	1,400	75,875
2028	1,400	45,875
Thereafter	1,633	82,508
	\$ 8,633	\$ 580,883

IV NUTRITION FRANCHISOR, LLC

**Notes to the Financial Statements
December 31, 2023 and 2022**

Note 2 – Contract Balances (continued)

Disaggregation of Revenues

Disaggregated revenues based on the satisfaction of performance obligations in the Company's contracts with franchisees is as follows:

	2023	2022
Performance obligations satisfied at a point in time	\$ 443,341	\$ 338,510
Performance obligations satisfied through the passage of time	1,057,566	546,603
Total Revenues	\$ 1,500,907	\$ 885,113

Other Deferred Revenue

	2023	2022
Other Deferred Revenue		
Balance, Beginning of year	\$ 57,829	\$ -
Deferral of:		
Retail and supplements	(9,662)	13,220
Marketing material	(17,670)	25,602
Brand service items	(4,898)	6,843
Evolve snacks	(1,095)	1,514
Other miscellaneous products	(6,409)	10,650
Recognition of non-refundable franchise fees	-	-
Balance, End of Year	\$ 18,095	\$ 57,829

Note 3 – Property and Equipment

Property and equipment and related accumulated depreciation consisted of the following at December 31:

	2023	2022
Computers	\$ 5,358	\$ 5,358
Furniture and equipment	4,981	4,981
Leasehold improvements	18,012	18,012
Accumulated depreciation	(5,396)	(2,337)
Total	\$ 22,955	\$ 26,014

Depreciation expense for the years ended December 31, 2023 and 2022 was \$3,059 and \$1,654, respectively.

IV NUTRITION FRANCHISOR, LLC

**Notes to the Financial Statements
December 31, 2023 and 2022**

Note 4 – Intangible Assets

Intangible assets, net consist of the following:

	2023	2022
Franchise development costs	\$ 24,519	\$ 24,519
Accumulated amortization	(13,077)	(10,625)
Total	\$ 11,442	\$ 13,894

Amortization expense was \$2,452 and \$2,452 for the years ended December 31, 2023 and 2022, respectively. Amortization expense for the next five years is expected to be approximately \$2,450 per year.

Note 5 – Notes Payable

The Company has a note payable with the Small Business Administration (SBA) under the EIDL Program for COVID-19 relief. Face amount of the note was \$42,900, payable in 360 monthly installments of \$199 including interest at the rate of 3.75%. Final payment is due on June 18, 2050 and the note is collateralized by assets of the Company.

The Company entered into a note payable during 2022 from one of the Company’s members. Face amount of the note was \$40,000, payable in 48 monthly installments of \$1,200 including interest at the rate of 10.25%. Final payment due on October 20, 2026. Collateralized by a personal guarantee of the member. This note was paid down to \$10,000 during 2023 and the remaining was moved to an owner contribution.

Future maturities of the long-term debt as are follows:

	SBA
2024	\$ 901
2025	936
2026	971
2027	1,009
2028	1,047
Thereafter	38,136
	\$ 43,000

Interest expense on the long-term debt was \$2,940 and \$4,621 for the years ended December 31, 2023 and 2022, respectively.

IV NUTRITION FRANCHISOR, LLC

**Notes to the Financial Statements
December 31, 2023 and 2022**

Note 6 – Due To/From Related Parties

At December 31, 2023 and 2022, \$502,939 and \$331,542 was due from the Company's affiliate for costs and expenses paid on behalf of the Company for the affiliate. These amounts do not bear interest and are due on demand.

At December 31, 2023 and 2022, \$0 and \$127,515 was due to IV Nutrition, LLC for costs and expenses paid on behalf of the Company. During 2023, IV Nutrition, LLC forgave the \$155,768 balance incurred by the Company for costs and expenses paid on behalf of the Company.

At December 31, 2023 and 2022, \$62,670 and \$0 was due to an employee of the Company for costs and expenses paid on behalf of the Company. These amounts do not bear interest and are payable on demand.

Note 7 – Allowance for Credit Losses

The Company operates in the franchise industry and its accounts receivables are primarily derived from franchisee fees. At the balance sheet date, the Company recognizes an expected allowance for credit losses. In addition, also at each reporting date, this estimate is updated to reflect any changes in credit risk since the receivable was initially recorded. This estimate is calculated on a pooled basis where similar risk characteristics exist.

The allowance estimate is derived from a review of the Company's historical losses based on the aging of receivables. This estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Company. The Company believes historical loss information is a reasonable starting point in which to calculate the expected allowance for credit losses as the Company's franchisees have remained constant since the Company's inception.

Note 8 – Liquidity

The Company's financial assets available within one year of the balance sheet date for general expenses are as follows:

	2023
Cash and cash equivalents	\$ 1,019
Accounts receivable	219,494
Due from related parties	502,939
	<u>\$ 723,452</u>

As part of the Company's liquidity management, it has a policy to structure its financial assets to be available as its general expenses, liabilities, and other obligations come due.

Note 9 – Evaluation of Subsequent Events

The Company has evaluated subsequent events through the date of the independent auditor's report, which is the date which the financial statements were available to be issued.

~~UNAUDITED FINANCIAL STATEMENTS AS OF MAY 31/DECEMBER 7, 2023~~

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

IV Nutrition Franchisor, LLC

Balance Sheet As of May 31, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
10100 Checking - CapFed (5165)	22,913.18
10900 Gift Card Holding - CapFed (5166)	10.00
Total Bank Accounts	\$22,923.18
Accounts Receivable	
11000 Accounts Receivable (A/R)	166,121.72
Total Accounts Receivable	\$166,121.72
Other Current Assets	
15000 Inventory	0.00
15001 IV Fluids & Nutrients	0.00
15002 Supplements	10,024.51
15003 Marketing & Print	10,429.31
15008 Supplies & Materials	8,577.50
Total 15000 Inventory	29,031.32
15100 Due from; Broadway IV, LLC	405,386.37
15200 Prepaid Expenses	3,327.57
15201 Insurance	879.00
15202 Travel	2,964.92
15203 Advertising & Marketing	129.00
15204 Conventions/Training	10,000.00
Total 15200 Prepaid Expenses	17,300.49
15300 Advances	12,500.00
15901 Uncategorized Asset	0.00
15902 Undeposited Funds	0.00
Total Other Current Assets	\$464,218.18
Total Current Assets	\$653,263.08
Fixed Assets	
16010 Computers	6,829.25
16030 Furniture & Fixtures	4,981.30
16050 Leasehold Improvements	18,012.03
16999 Accumulated Depreciation	-2,336.75
Total Fixed Assets	\$27,485.83
Other Assets	
15210 Deferred Franchise Cost	10,033.33
17010 Organizational Costs	24,519.07
17999 Accumulated Amortization	-10,625.02
Total Other Assets	\$23,927.38
TOTAL ASSETS	\$704,676.29

IV Nutrition Franchisor, LLC

Balance Sheet As of May 31, 2023

	TOTAL
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 Accounts Payable (A/P)	129,077.94
Total Accounts Payable	\$129,077.94
Credit Cards	
20101 CC - CapitalOne Spark (0868)	35,255.48
20102 CC - Chase Southwest (6428)	10,811.31
20103 CC - AmEx (1005)	9,973.72
Total Credit Cards	\$56,040.51
Other Current Liabilities	
20099 Accrued Liabilities	21,226.10
20200 AL - Gift Card Payable	33,697.17
20210 Cross Center Redemptions	169.00
20301 Accrued Interest	2,505.00
20400 Direct Deposit Payable	0.00
21000 Payroll Liabilities	0.00
21010 Federal Taxes (941/944)	-32.00
21020 Federal Unemployment (940)	257.17
21031 KS Income Tax	1,342.73
21032 KS Unemployment Tax	1.51
21033 MT Income Tax	240.00
21034 MT Unemployment Tax	0.00
21035 OK Income Tax	818.00
21036 OK Unemployment Tax	136.89
21100 Employee Elections	
21101 AD&D	0.00
21102 Dental Insur	0.00
21103 Group Term Life	0.00
21104 Hospital Conf	0.00
21105 Medical	0.00
21106 Short Term Disability	0.00
21107 Vision	0.00
Total 21100 Employee Elections	0.00
MO Local Tax	81.76

IV Nutrition Franchisor, LLC

Balance Sheet As of May 31, 2023

	TOTAL
Total 21000 Payroll Liabilities	2,846.06
22000 Deferred Revenue	
22002 Retail & Supplements	3,558.06
22003 Marketing Material	7,932.30
22004 Brand Service Items	1,945.06
22005 Evolve Snacks	419.00
22012 Other/Misc Product Sales	4,240.70
Total 22000 Deferred Revenue	18,095.12
24201 Elective Advertising; Franchisee	67,981.83
24202 Due to; IV Nutrition, LLC	125,155.18
24203 Deferred Franchise Revenues	639,008.34
24205 McKesson Note	0.00
24206 PPP Loan	0.00
24207 QuickBooks Loan	0.00
24208 Due to; James Hart	0.00
Total Other Current Liabilities	\$910,683.80
Total Current Liabilities	\$1,095,802.25
Long-Term Liabilities	
24204 EIDL SBA Loan	41,740.00
24300 Jason Loan 11/2022	40,000.00
Total Long-Term Liabilities	\$81,740.00
Total Liabilities	\$1,177,542.25
Equity	
30000 Opening Balance Equity	0.00
30101 Owner's Investment - Jason	135,979.85
30102 Owner's Investment - Tara	2,259.62
30201 Owner's Distribution - Jason	0.00
39999 Retained Earnings	-519,433.82
Net Income	-91,671.61
Total Equity	\$ -472,865.96
TOTAL LIABILITIES AND EQUITY	\$704,676.29

IV Nutrition Franchisor, LLC

Profit and Loss January - May, 2023

	TOTAL
Income	
40100 Franchise Fees Collected	
40101 Royalties	126,169.77
40102 Brand Fee	59,473.43
40103 Technology Fees	77,625.00
40110 Start Up Franchise Fee	315,000.00
Total 40100 Franchise Fees Collected	578,268.20
40300 Product Sales	
40302 Supplements	20,739.22
40303 Marketing Materials	14,743.00
40304 Brand Service Items	7,191.58
40305 Evolve Snack	2,820.00
40308 Medical Equipment	75.87
40310 Other Retail	1,870.98
40312 Other/Misc Product Sales	3,669.22
Total 40300 Product Sales	51,109.87
40400 Services Income	
40401 Wellness Consultation	3,425.00
Total 40400 Services Income	3,425.00
49000 Shipping Charges to Clinics	2,432.15
49001 Rebates	2,888.97
49900 Uncategorized Income	50,000.00
Sales of Product Income	494.00
Total Income	\$688,618.19
Cost of Goods Sold	
55000 Cost of Goods Sold	0.00
55001 IV Fluids & Nutrients	15,051.98
55002 Retail & Supplements	7,746.51
55003 Marketing & Print	22,483.69
55004 Brand Items	0.00
55007 Equipment	2,036.48
55008 Supplies & Materials - COGS	3,617.11
55009 Lab COGS	3,699.46
55011 Logo Items / Miscellaneous Items	2,777.00
55900 Shipping, Freight & Delivery - COS	2,982.34
Total Cost of Goods Sold	\$60,394.57
GROSS PROFIT	\$628,223.62

IV Nutrition Franchisor, LLC

Profit and Loss January - May, 2023

	TOTAL
Expenses	
60000 Payroll Expenses	0.00
60100 Payroll Wages	0.00
60101 Salary	259,496.42
60120 Hourly	862.05
60131 Commissions	6,000.00
Total 60100 Payroll Wages	266,358.47
60200 Taxes	22,356.16
60300 Benefits; Employer Portion	14,206.60
60900 Contractors	134,498.05
Total 60000 Payroll Expenses	437,419.28
63020 Advertising & Marketing	4,283.80
63021 Franchisee Support	111,109.01
63022 Staff Recruitment	995.00
63023 Website Costs	2,804.00
63025 Social Media	645.00
Total 63020 Advertising & Marketing	119,836.81
63040 Bank & CC Fees	1,576.05
63041 Interest Expense	6,484.74
63055 Discovery Day	48.00
63057 Services	1,903.70
Total 63055 Discovery Day	1,951.70
63070 Gifts & Donations	416.25
63090 Insurance	7,980.84
63100 Internet & Phone	5,308.06
63110 Legal & Professional Services	19,548.25
63111 Payroll Servicing	382.69
Total 63110 Legal & Professional Services	19,930.94
63120 Entertainment	
63122 Meals	410.88
Total 63120 Entertainment	410.88
63130 Office Supplies	5,525.72
63150 Rent & Lease	17,862.50
63160 Repairs & Maintenance	956.16
63170 Shipping, Freight, & Delivery	226.00
63180 Software Expense	58,691.09
63190 Staff Benefits, Gifts, & Services	995.78
63200 Taxes & Licenses	184.00
63220 Uniforms	351.42

IV Nutrition Franchisor, LLC

Profit and Loss January - May, 2023

	TOTAL
63300 Travel	99.18
63301 Airfare	12,869.13
63302 Hotel	8,424.19
63303 Meals	7,187.18
63305 Transportation	4,246.61
63306 Gas	960.72
Total 63300 Travel	33,787.01
63920 Uncategorized Expense	0.00
Total Expenses	\$719,895.23
NET OPERATING INCOME	\$ -91,671.61
NET INCOME	\$ -91,671.61

IV Nutrition Franchisor, LLC

**Financial Statements
As of December 31, 2022 and 2021
and For the Years Then Ended**

With Report by Independent Auditor



Table of Contents

	Page
Independent Auditor's Report	1 - 2
Financial Statements	
Balance Sheets	3
Statements of Operations	4
Statements of Changes in Members' Equity (Deficit)	5
Statements of Cash Flows	6
Notes to the Financial Statement	7 - 13



Russell Shiplely CPA, CFE, CGFM, CGMA
Principal & Managing Director
(785) 760-4898
Russell@ShiplelyCPA.com

PO Box 751193
Topeka, KS 66675
ShiplelyCPA.com

INDEPENDENT AUDITOR'S REPORT

To the Members of
IV Nutrition Franchisor, LLC

Opinion

I have audited the accompanying financial statements of the IV Nutrition Franchisor, LLC, (the Company), which comprise the balance sheet as of December 31, 2022, and the related statements of operations, changes in members' equity (deficit) and cash flows for the year then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2022, and the changes in its equity and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Company and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audits. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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's report that includes my 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.



Russell Shipley CPA, CFE, CGFM, CGMA
Principal & Managing Director
(785) 760-4898
Russell@ShipleCPA.com

PO Box 751193
Topeka, KS 66675
ShipleCPA.com

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, I:

- 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 the Company'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Other Matter

Prior Year Financial Statements Audited by Other Auditors

The financial statements of the Company as of and for the year ended December 31, 2021 and the statement operations and changes in members' equity (deficit) and cash flows for the year ended December 31, 2020 were audited by other auditors who issued an unmodified opinion in their report dated April 29, 2022.

Shiple CPA, LLC

Shiple CPA, LLC
Topeka, Kansas
May 23, 2023

IV NUTRITION FRANCHISOR, LLC

**Balance Sheets
December 31,**

ASSETS

	2022	2021
Current Assets		
Cash and cash equivalents	\$ 21,186	\$ 70,490
Accounts receivable	159,539	58,245
Due from related parties	331,542	2,605
Deferred franchise acquisition costs	1,400	1,400
Prepaid expenses	17,147	-
Inventory	29,031	11,427
Total Current Assets	559,845	144,167
Non-Current Assets		
Property and equipment, net	26,014	683
Intangible assets, net	13,894	16,346
Deferred franchise acquisition costs	8,633	10,033
Total Non-Current Assets	48,541	27,062
Total Assets	\$ 608,386	\$ 171,229

LIABILITIES AND NET ASSETS

	2022	2021
Current Liabilities		
Accounts payable	\$ 95,165	\$ 28,270
Accrued liabilities	65,643	21,913
Due to related parties	127,215	-
Other deferred revenue	57,829	-
Notes payable	5,909	330
Non-refundable deferred franchise fees	382,125	25,875
Total Current Liabilities	733,886	76,388
Non-Current Liabilities		
Notes payable	77,091	42,570
Non-refundable deferred franchise fees	256,883	192,758
Total Non-Current Liabilities	333,974	235,328
Total Liabilities	1,067,860	311,716
Members' Equity (Deficit)		
Members' equity (deficit)	(459,474)	(140,487)
Total Net Assets	(459,474)	(140,487)
Total Liabilities and Net Assets	\$ 608,386	\$ 171,229

The accompanying notes are an integral part of these financial statements.

3 | Page

IV NUTRITION FRANCHISOR, LLC

Statements of Operations

For the Years Ended December 31,

	2022	2021	2020
Revenue			
Royalty fees	\$ 252,129	\$ 184,497	\$ 106,157
Franchise fees	192,375	14,950	14,125
Technology fees	89,625	47,660	10,820
Marketing fund fees	102,099	73,803	43,641
Product sales	248,885	117,519	80,103
Total Revenues	885,113	438,429	254,846
Cost of Sales	245,521	154,431	99,637
Gross Profit	639,592	283,998	155,209
Operating Expenses			
Franchise-related costs	92,312	24,645	24,654
Payroll	663,104	152,888	91,340
Advertising and promotion	94,453	52,005	32,860
General and administrative	71,822	51,934	19,149
Professional fees	35,830	11,622	5,199
Depreciation and amortization	4,106	2,740	2,658
Total Operating Expenses	961,627	295,834	175,860
Operating Income (Loss)	(322,035)	(11,836)	(20,651)
Other Income (Expense)			
Other income	2,846	15,562	2,000
Interest expense	(4,621)	(1,641)	(10,975)
Total Other Income (Expense)	(1,775)	13,921	(8,975)
Net Income (Loss)	\$ (323,810)	\$ 2,085	\$ (29,626)

The accompanying notes are an integral part of these financial statements.

4 | Page

IV NUTRITION FRANCHISOR, LLC

Statements of Changes in Members' Equity (Deficit)

For the Years Ended December 31,

	<u>Member Contributions</u>	<u>Accumulated (Deficit)</u>	<u>Total Members' (Deficit)</u>
Balance, December 31, 2019	\$ 58,502	\$ (189,663)	\$ (131,161)
Member contributions	22,484	-	22,484
Net income (loss)	-	(29,626)	(29,626)
Balance, December 31, 2020	80,986	(219,289)	(138,303)
Member contributions (distributions)	(4,269)	-	(4,269)
Net income (loss)	-	2,085	2,085
Balance, December 31, 2021	76,717	(217,204)	(140,487)
Member contributions	4,823	-	4,823
Net income (loss)	-	(323,810)	(323,810)
Balance, December 31, 2022	<u>\$ 81,540</u>	<u>\$ (541,014)</u>	<u>\$ (459,474)</u>

The accompanying notes are an integral part of these financial statements.

5 | Page

IV NUTRITION FRANCHISOR, LLC

Statements of Cash Flows

For the Years Ended December 31,

	2022	2021	2020
Cash Flows from Operating Activities			
Net income (loss)	\$ (323,810)	\$ 2,085	\$ (29,626)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:			
Depreciation and amortization	4,106	2,740	2,658
Forgiveness of debt	-	(15,490)	-
Recognition of deferred franchise acquisition costs	1,400	1,400	1,167
Recognition of non-refundable deferred franchise fees	420,375	(14,950)	(14,125)
Changes in assets and liabilities:			
Accounts receivable	(101,294)	(40,664)	(9,910)
Due from related parties	(328,937)	(2,605)	(30,035)
Prepaid expenses	(17,147)	-	-
Inventory	(17,604)	2,591	(5,203)
Deferred franchise acquisition costs	-	-	(14,000)
Accounts payable	66,895	23,736	(24,167)
Accrued liabilities	43,730	6,411	(6,763)
Due to related parties	127,215	-	-
Deferred revenue	57,829	-	-
Non-refundable deferred franchise fees	-	109,250	49,500
Net Cash Provided by (Used in) Operating Activities	(67,242)	74,504	(80,504)
Cash Flows from Investing Activities			
Purchases of long-term investments	(26,985)	(749)	-
Net Cash Used in Investing Activities	(26,985)	(749)	-
Cash Flows from Financing Activities			
Proceeds from notes payable	40,100	-	58,390
Member contributions (distributions)	4,823	(4,269)	22,484
Net Cash Provided by (Used in) Financing Activities	44,923	(4,269)	80,874
Net Change in Cash and Cash Equivalents	(49,304)	69,486	370
Cash and Cash Equivalents – Beginning	70,490	1,004	634
Cash and Cash Equivalents – Ending	\$ 21,186	\$ 70,490	\$ 1,004
Supplemental Disclosure of Cash Flow Information			
Cash paid for interest	\$ 4,621	\$ 1,641	\$ 864

The accompanying notes are an integral part of these financial statements.

6 | Page

IV NUTRITION FRANCHISOR, LLC

Notes to the Financial Statements December 31, 2022 and 2021

Note 1 – Summary of Significant Accounting Policies

A. Nature of Activities

IV Nutrition Franchisor, LLC (“the Company”) was formed on June 8, 2018, in the State of Kansas as a limited liability company. The Company grants franchises to qualified persons or business entities to operate a business that will provide clients with a unique, personal, and relaxing experience as they receive nutrition through intravenous, intramuscular, or oral delivery under the trademark “IV Nutrition Now.” All activities are conducted in a designated territory.

The Company has one affiliate. IV Nutrition, LLC, was formed on February 6, 2017 in the State of Kansas as a limited liability company and operates an IV Nutrition Now business similar to the franchise business.

B. Basis of Accounting

The Company’s policy is to prepare its financial statements on the accrual basis of accounting in accordance with financial reporting provisions prescribed by the Financial Accounting Standards Board. This basis of accounting is commonly known as U.S. Generally Accepted Accounting Principles (U.S. GAAP).

C. Use of Estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company’s accounting policies, and the report amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

D. Cash and Cash Equivalents

The Company considers cash and cash equivalents to include cash in interest bearing checking accounts, money market accounts and certificates of deposits with a maturity of three months or less.

E. Accounts Receivable

Accounts receivable arise in the normal course of business through franchise sales and royalties earned. The timing of revenue recognition may be different from the timing of invoicing to customers. The Company records accounts receivable when revenue is recognized prior to invoicing, or unearned revenue when revenue is recognized after invoicing. Management evaluates individual customer’s receivables considering their financial condition, credit history and current economic conditions. Accounts receivable are written off if deemed uncollectible and recoveries of accounts receivable previously written off are recorded as income when received. The Company did not have any allowance for doubtful accounts as of December 31, 2022 and 2021 and did not charge-off any accounts receivable during the years ended December 31, 2022 and 2021.

F. Property and Equipment

Furniture, equipment, computers and leasehold improvements are reported at cost. Depreciation is calculated on the straight-line method over the estimated useful lives of the respective assets.

IV NUTRITION FRANCHISOR, LLC

Notes to the Financial Statements
December 31, 2022 and 2021

Note 1 – Summary of Significant Accounting Policies (continued)

G. Inventory

Inventory is recorded at the lower of cost or net realizable value and consists of the Company's Supplements, marketing and print supplies and other supplies and materials.

H. Intangible Assets

The Company has adopted ASC 350, Intangibles – Goodwill and Other that requires that goodwill and intangible assets with indefinite lives (such as franchise development cost) no longer be amortized to earnings but be tested for impairment at least annually. Intangible assets with finite lives are amortized over their estimated useful lives. The useful life of an intangible asset is the period over which it is expected to contribute directly or indirectly to future cash flows. Intangible assets with finite lives are reviewed for impairment if events or changes in circumstances indicate that the carrying value might not be recoverable.

I. Revenue Recognition

Franchise Fee and Royalty Revenue Recognition

The Company recognizes revenue under the guidance of ASC 606 "Contracts with Customers". The Company's revenue is principally generated through franchise agreements executed with the Company's franchisees. Each franchise agreement is comprised of several performance obligations. The Company identifies those performance obligations, determines the contract price for each performance obligation, allocates the transaction price to each performance obligation and recognizes revenue when the Company has satisfied the performance obligation by transferring control of the good or service to the franchisee.

When a franchisee purchases an IV Nutrition Now franchise, the Company grants the franchisee the right to use the proprietary methods, techniques, trade dress, trademarks, and logos ("the license"). The license is symbolic intellectual property. Revenues related to the license are continuing royalties and are 6% of gross revenues. The royalties are billed bi-weekly and are recognized as revenue when earned. These revenues are used to continue the development of the Company's brand, the franchise system and provide ongoing support for the Company's franchisees over the term of the agreement. The royalties are billed semimonthly and are recognized as revenue when earned.

Revenue from initial fees is allocated to the performance obligations in the franchise agreement that are distinct from the symbolic intellectual property. These primarily include training services, opening support services, opening marketing assistance and franchisee acquisition and acceptance. The amount allocated to each identified performance obligation is determined using the cost approach. Revenue from initial fees is recognized when the performance obligation is satisfied and control of the good or service has been transferred to the franchisee. Performance obligations that are normally satisfied by the opening of the franchised business to the public are determined to be earned during the period from the execution of the contract to the opening of the franchised business which is generally less than one year. Unearned initial fee revenues from franchisee acquisition and acceptance will be recorded as deferred revenue and recognized as revenue over the term of the contract which is currently 10 years.

IV NUTRITION FRANCHISOR, LLC

Notes to the Financial Statements
December 31, 2022 and 2021

Note 1 – Summary of Significant Accounting Policies (continued)

I. Revenue Recognition (continued)

Incremental costs of obtaining a franchise agreement with a franchisee related to unsatisfied performance obligations will be recorded as a franchise acquisition asset and are recognized as franchise related costs over the same term as the related performance obligation which is currently 10 years.

National Marketing Fund

Contributions to the national marketing fund are 2% gross revenue. Under the terms of the franchise agreement the Company may increase the national marketing fund rate to 4% of gross revenue. Marketing fund revenues are recognized up to the amount paid by the fund, for both operating and capital expenditures, not to exceed amounts collected or accrued during the year. Any amounts collected or accrued but unspent at the end of the year are reported as deferred revenue on the balance sheet. As of the years ended December 31, 2022 and 2021, \$0 and \$0 respectively, is included in deferred revenue on the balance sheets.

J. Income Taxes

The members of the Company have elected to be taxed as a “Subchapter S Corporation” under the provisions of the Internal Revenue Code. Under those provisions, taxable income and losses of the Company are reported on the income tax returns of its members and no provisions for federal or state taxes have been recorded on the accompanying balance sheet.

The Company does not have any uncertain tax positions or associated unrecognized benefits that materially impact these financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there is no guarantee that the Company’s tax returns will not be challenged by taxing authorities or that the Company or its members will not be subject to additional tax, penalties, and interest as a result of such a challenge.

K. Advertising Costs

The Company expenses advertising costs as incurred. Advertising expense for the years ended December 31, 2022 and 2021 was \$17,594 and \$559, respectively.

Note 2 – Contract Balances

The Company has recognized an asset for the incremental costs and recorded a liability for unearned revenue associated with franchisee acquisition and acceptance performance obligation of the Company’s franchise agreement. The account balances and activity are as follows:

	<u>2022</u>	<u>2021</u>
Franchise Acquisition Costs		
Balance, Beginning of year	\$ 11,433	\$ 12,833
Recognition of franchise acquisition costs	<u>(1,400)</u>	<u>(1,400)</u>
Balance, End of Year	<u>\$ 10,033</u>	<u>\$ 11,433</u>

IV NUTRITION FRANCHISOR, LLC

Notes to the Financial Statements
December 31, 2022 and 2021

Note 2 – Contract Balances (continued)

	<u>2022</u>	<u>2021</u>
Deferred Non-Refundable Franchise Fees		
Balance, Beginning of year	\$ 218,633	\$ 124,833
Deferral of non-refundable franchise fees	446,250	109,250
Recognition of non-refundable franchise fees	<u>(25,875)</u>	<u>(15,450)</u>
Balance, End of Year	<u>\$ 639,008</u>	<u>\$ 218,633</u>

Estimated Recognition of Non-refundable Deferred Franchise Fees

Estimated revenues to be recognized in future periods related to non-refundable deferred franchise fees as reported at December 31, 2022, is as follows:

	<u>Franchise Acquisition Costs</u>	<u>Non-refundable Franchise Fees</u>
2023	\$ 1,400	\$ 382,125
2024	1,400	115,875
2025	1,400	25,875
2026	1,400	25,875
2027	1,400	25,875
Thereafter	<u>3,033</u>	<u>63,383</u>
	<u>\$ 10,033</u>	<u>\$ 639,008</u>

Disaggregation of Revenues

Disaggregated revenues based on the satisfaction of performance obligations in the Company's contracts with franchisees is as follows:

	<u>2022</u>	<u>2021</u>
Performance obligations satisfied at a point in time	\$ 338,510	\$ 165,179
Performance obligations satisfied through the passage of time	<u>546,603</u>	<u>273,250</u>
Total Revenues	<u>\$ 885,113</u>	<u>\$ 438,429</u>

IV NUTRITION FRANCHISOR, LLC

**Notes to the Financial Statements
December 31, 2022 and 2021**

Note 2 – Contract Balances (continued)

Other Deferred Revenue

	2022	2021
Other Deferred Revenue		
Balance, Beginning of year	\$ -	\$ -
Deferral of:		
Retail and supplements	13,220	-
Marketing material	25,602	-
Brand service items	6,843	-
Evolve snacks	1,514	-
Other miscellaneous products	10,650	-
Recognition of non-refundable franchise fees	-	-
Balance, End of Year	\$ 57,829	\$ -

Note 3 – Property and Equipment

Property and equipment and related accumulated depreciation consisted of the following at December 31:

	2022	2021
Computers	\$ 5,358	\$ 1,366
Furniture and equipment	4,981	-
Leasehold improvements	18,012	-
Accumulated depreciation	(2,337)	(683)
Total	\$ 26,014	\$ 683

Depreciation expense for the years ended December 31, 2022 and 2021 was \$1,654 and \$288, respectively.

Note 4 – Intangible Assets

Intangible assets, net consist of the following:

	2022	2021
Franchise development costs	\$ 24,519	\$ 24,519
Accumulated amortization	(10,625)	(8,173)
Total	\$ 13,894	\$ 16,346

Amortization expense was \$2,452 and \$2,452 for the years ended December 31, 2022 and 2021, respectively. Amortization expense for the next five years is expected to be approximately \$2,450 per year.

IV NUTRITION FRANCHISOR, LLC

**Notes to the Financial Statements
December 31, 2022 and 2021**

Note 5 – Due To/From Related Parties

At December 31, 2022 and 2021, \$331,542 and \$2,605 was due from the Company’s affiliate for costs and expenses paid on behalf of the Company for the affiliate. These amounts do not bear interest and are due on demand.

At December 31, 2022 and 2021, \$127,215 and \$0 was due to IV Nutrition, LLC for costs and expenses paid on behalf of the Company. These amounts do not bear interest and are payable on demand.

Note 6 – Notes Payable

The Company has a note payable with the Small Business Administration (SBA) under the EIDL Program for COVID-19 relief. Face amount of the note was \$42,900, payable in 360 monthly installments of \$199 including interest at the rate of 3.75% Final payment is due on June 18, 2050 and the note is collateralized by assets of the Company.

The Company entered into a note payable during 2022 from one of the Company’s members. Face amount of the note was \$40,000, payable in 360 monthly installments of \$1,200 including interest at the rate of 10.25% Final payment due on October 20, 2026. Collateralized by a personal guarantee of the member.

Future maturities of the long-term debt as are follows:

	SBA	Related Party Note	Total
2023	\$ 683	\$ 5,226	\$ 5,909
2024	705	11,358	12,063
2025	736	12,576	13,312
2026	765	10,840	11,605
2027	794	-	794
Thereafter	39,317	-	39,317
	\$ 43,000	\$ 40,000	\$ 83,000

Interest expense on the long-term debt was \$4,621 and \$1,641 for the years ended December 31, 2022 and 2020, respectively.

IV NUTRITION FRANCHISOR, LLC

Notes to the Financial Statements
December 31, 2022 and 2021

Note 7 – Liquidity

The Company's financial assets available within one year of the balance sheet date for general expenses are as follows:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 21,186	\$ 70,490
Accounts receivable	159,539	58,245
Due from related parties	331,542	2,605
	<u>\$ 512,267</u>	<u>\$ 131,340</u>

The Company's financial assets have been reduced by amounts not available for general use because of donor imposed restrictions within one year of the balance sheet date. As part of the Company's liquidity management, it has a policy to structure its financial assets to be available as its general expenses, liabilities, and other obligations come due.

Note 8 – Evaluation of Subsequent Events

The Company has evaluated subsequent events through the date of the independent auditor's report, which is the date which the financial statements were available to be issued.

IV NUTRITION FRANCHISOR, LLC

FINANCIAL REPORTS

~~AS OF DECEMBER 31, 2021~~



IV NUTRITION FRANCHISOR, LLC

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	3
Balance Sheets	4
Statements of Operations	5
Statements of Changes in Members' (Deficit)	6
Statements of Cash Flows	7
Notes to Financial Statements	8



Independent Auditor's Report

To the Members
IV Nutrition Franchisor, LLC
Kansas City, Kansas

Report on the Financial Statements

We have audited the accompanying balance sheets of IV Nutrition Franchisor, LLC as of December 31, 2021, and 2020 and the related statements of operations, members' (deficit) and cash flows for the years ended December 31, 2021, 2020, and 2019, and the notes to financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of IV Nutrition Franchisor, LLC as of December 31, 2021, and 2020 and the results of their operations and their cash flows for the years ended December 31, 2021, 2020, and 2019 in accordance with accounting principles generally accepted in the United States of America.

Reese CPA LLC

Thornton, Colorado
April 29, 2022

15953 Fillmore Street • Thornton, CO 80602
Office: (303) 999-6485 • Fax (303) 374-2328

**IV NUTRITION FRANCHISOR, LLC
BALANCE SHEETS**

	DECEMBER 31,	
	2021	2020
ASSETS:		
CURRENT ASSETS		
Cash and equivalents	\$ 70,490	\$ 1,004
Accounts receivable	58,245	17,581
Product inventory	11,427	14,018
Deferred franchise acquisition costs	1,400	1,400
TOTAL CURRENT ASSETS	141,562	34,003
NON-CURRENT ASSETS		
Property and equipment, net	683	222
Intangible assets, net	16,346	18,798
Deferred franchise acquisition costs	10,033	11,433
TOTAL ASSETS	\$ 168,624	\$ 64,456
LIABILITIES AND MEMBERS' (DEFICIT):		
CURRENT LIABILITIES		
Accounts payable	\$ 28,270	\$ 4,534
Accrued liabilities	21,913	15,502
Notes payable, current	330	15,490
Non-refundable deferred franchise fees, current portion	25,875	14,950
TOTAL CURRENT LIABILITIES	76,388	50,476
NON-CURRENT LIABILITIES		
Non-refundable deferred franchise fees, non-current portion	192,758	109,383
Notes payable	42,570	42,900
TOTAL LIABILITIES	311,716	202,759
MEMBERS' (DEFICIT)		
Members' (deficit)	(140,487)	(138,303)
Advances to related parties	(2,605)	-
TOTAL MEMBERS' (DEFICIT)	(143,092)	(138,303)
TOTAL LIABILITIES AND MEMBERS' (DEFICIT)	\$ 168,624	\$ 64,456

The accompanying notes are an integral part of these financial statements.

IV NUTRITION FRANCHISOR, LLC
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019

	2021	2020	2019
REVENUES			
Royalty fees	\$ 184,497	\$ 106,157	\$ 67,056
Franchise fees	14,950	14,125	10,000
Technology fees	47,660	10,820	-
Marketing fund fees	73,803	43,641	25,906
Product sales	<u>117,519</u>	<u>80,103</u>	<u>88,713</u>
TOTAL REVENUES	<u>438,429</u>	<u>254,846</u>	<u>191,675</u>
COST OF SALES	<u>154,431</u>	<u>99,637</u>	<u>76,295</u>
GROSS PROFIT	<u>283,998</u>	<u>155,209</u>	<u>115,380</u>
OPERATING EXPENSES			
Franchise-related costs	24,645	24,654	63,306
Payroll	152,888	91,340	81,763
Advertising and promotion	52,005	32,860	54,629
General and administrative	51,934	19,149	29,152
Professional fees	11,622	5,199	5,912
Depreciation and amortization	<u>2,740</u>	<u>2,658</u>	<u>2,096</u>
TOTAL OPERATING EXPENSE	<u>295,834</u>	<u>175,860</u>	<u>236,858</u>
OPERATING INCOME (LOSS)	(11,836)	(20,651)	(121,478)
OTHER INCOME (EXPENSE)			
Other income	15,562	2,000	-
Interest expense	<u>(1,641)</u>	<u>(10,975)</u>	<u>(11,774)</u>
TOTAL OTHER INCOME (EXPENSE)	<u>13,921</u>	<u>(8,975)</u>	<u>(11,774)</u>
NET INCOME (LOSS)	<u>\$ 2,085</u>	<u>\$ (29,626)</u>	<u>\$ (133,252)</u>

The accompanying notes are an integral part of these financial statements.

IV NUTRITION FRANCHISOR, LLC
STATEMENTS OF CHANGES IN MEMBERS' (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019

	<u>Member Contributions</u>	<u>Accumulated (Deficit)</u>	<u>Total Members' (Deficit)</u>
BALANCE, DECEMBER 31, 2018	15,883	(56,411)	(40,528)
Member contributions	42,619	-	42,619
Net (loss)	-	(133,252)	(133,252)
BALANCE, DECEMBER 31, 2019	<u>58,502</u>	<u>(189,663)</u>	<u>(131,161)</u>
Member contributions	22,484	-	22,484
Net (loss)	-	(29,626)	(29,626)
BALANCE, DECEMBER 31, 2020	<u>80,986</u>	<u>(219,289)</u>	<u>(138,303)</u>
Member contributions (distributions)		(4,269)	(4,269)
Net income	-	2,085	2,085
BALANCE, DECEMBER 31, 2021	<u>\$ 80,986</u>	<u>\$ (221,473)</u>	<u>\$ (140,487)</u>

The accompanying notes are an integral part of these financial statements.

IV NUTRITION FRANCHISOR, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019

	2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	\$ 2,085	\$ (29,626)	\$ (133,252)
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	2,740	2,658	2,096
Forgiveness of PPP loan	(15,490)	-	-
Recognition of deferred franchise acquisition costs	1,400	1,167	34,307
Recognition of non-refundable deferred franchise fees	(14,950)	(14,125)	(10,000)
Change in assets and liabilities			
Accounts receivable	(40,664)	(9,910)	22,329
Inventory	2,591	(5,203)	13,000
Prepaid expense	-	-	1,200
Deferred franchise acquisition costs	-	(14,000)	-
Accounts payable	23,736	(24,167)	28,701
Accrued expenses	6,411	(6,763)	22,265
Non-refundable deferred franchise fees	109,250	49,500	(15,000)
Net cash (used) provided by operating activities	77,109	(50,469)	(34,354)
<hr style="border: 1px solid red;"/>			
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	(749)	-	(617)
Net cash used in investing activities	(749)	-	(617)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from notes payable	-	58,390	
Due to affiliate	(2,605)	(30,035)	(12,015)
Member contributions	-	22,484	42,619
Member distributions	(4,269)	-	-
Net cash (used) provided by financing activities	(6,874)	50,839	30,604
NET INCREASE (DECREASE) IN CASH	69,486	370	(4,367)
CASH, beginning of period	1,004	634	5,001
CASH, end of year	\$ 70,490	\$ 1,004	\$ 634
SUPPLEMENTAL DISCLOSURES			
Cash paid for interest	\$ 1,641	\$ 10,975	\$ 11,774
Cash paid for taxes	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

**IV NUTRITION FRANCHISOR, LLC
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

IV Nutrition Franchisor, LLC (“the Company”) was formed on June 6, 2018, (Inception) in the State of Kansas as a limited liability company. The Company grants franchises to qualified persons or business entities to operate a business that will provide clients with a unique, personal, and relaxing experience as they receive nutrition through intravenous, intramuscular, or oral delivery under the trademark “IV Nutrition Now”. All activities are conducted in a designated territory.

The Company has one affiliate. IV Nutrition, LLC, was formed on February 6, 2017 in the State of Kansas as a limited liability company and operates an IV Nutrition Now business similar to the franchise business.

Summary of Franchise Activity

Changes in the number of franchises for the years ended December 31, 2021, 2020, and 2019, consist of the following:

	2021	2020	2019
Units in operation, beginning	6	5	1
Units opened	1	1	4
Units terminated or closed	-	-	-
Units in operation, ending	7	6	5
Franchised units	6	5	4
Affiliate owned units	1	1	1

COVID-19

In December 2019, a novel strain of coronavirus was reported in Wuhan, China. The World Health Organization has declared the outbreak to constitute a “Public Health Emergency of International Concern.” The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on the Company’s operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our customers, employees, and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact our financial condition or results of operations is uncertain.

A summary of significant accounting policies follows:

Basis of Presentation

The accompanying financial statements have been prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

Use of Estimates

Preparation of the Company’s financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

IV NUTRITION FRANCHISOR, LLC
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents. The Company had no cash equivalents as of December 31, 2021 and 2020.

Accounts Receivable

Accounts receivable arise in the normal course of business through franchise sales and royalties earned. Timing of revenue recognition may be different from the timing of invoicing to customers. The Company records an accounts receivable when revenue is recognized prior to invoicing, or unearned revenue when revenue is recognized after invoicing. Management evaluates individual customer's receivables considering their financial condition, credit history and current economic conditions. Accounts receivable are written off if deemed uncollectible and recoveries of accounts receivable previously written off are recorded as income when received. The Company did not have any allowance for doubtful accounts as of December 31, 2021 and 2020 and did not charge-off any accounts receivable during the years ended December 31, 2021, 2020, and 2019.

Inventory

Inventory consists primarily of IV fluids and supplements and is valued at the lower of cost (determined by the first in, first out method) or market.

Property and Equipment

The Company has adopted ASC 360 – Property, Plant and Equipment. Property and equipment are stated at historical cost. Depreciation is provided using straight-line method based on the estimated useful lives of the related assets (generally three to seven years).

Intangible Assets

The Company has adopted ASC 350, Intangibles – Goodwill and Other that requires that goodwill and intangible assets with indefinite lives (such as franchise development cost) no longer be amortized to earnings but be tested for impairment at least annually. Intangible assets with finite lives are amortized over their estimated useful lives. The useful life of an intangible asset is the period over which it is expected to contribute directly or indirectly to future cash flows. Intangible assets with finite lives are reviewed for impairment if events or changes in circumstances indicate that the carrying value might not be recoverable.

Income Taxes

The members of the Company have elected to be taxed as a “Subchapter S Corporation” under the provisions of the Internal Revenue Code. Under those provisions, taxable income and losses of the Company are reported on the income tax returns of its members and no provisions for federal or state taxes have been recorded on the accompanying balance sheet.

The Company adopted ASC 740-10-25-6 “Accounting for Uncertainty in Income Taxes”, that requires the Company to disclose uncertain tax positions. Under the standard an entity may only recognize or continue

IV NUTRITION FRANCHISOR, LLC
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (continued)

to recognize tax positions that meet a “more likely than not” threshold upon examination by taxing authorities. Based on its evaluation, the Company has concluded that there are no significant uncertain tax positions requiring recognition in its financial statements or that would affect the Company’s members. The Company’s evaluation was performed for the years ended December 31, 2021, 2020, and 2019, for U.S. Federal Income Tax and the State of Kansas Income Tax.

Franchise Fee and Royalty Revenue Recognition

The Company recognizes revenue under the guidance of ASC 606 “Contracts with Customers”. The Company’s revenue is principally generated through franchise agreements executed with the Company’s franchisees. Each franchise agreement is comprised of several performance obligations. The Company identifies those performance obligations, determines the contract price for each performance obligation, allocates the transaction price to each performance obligation and recognizes revenue when the Company has satisfied the performance obligation by transferring control of the good or service to the franchisee.

When a franchisee purchases an IV Nutrition Now franchise, the Company grants the franchisee the right to use the proprietary methods, techniques, trade dress, trademarks, and logos (“the license”). The license is symbolic intellectual property. Revenues related to the license are continuing royalties and are 6% of gross revenues. The royalties are billed bi-weekly and are recognized as revenue when earned. These revenues are used to continue the development of the Company’s brand, the franchise system and provide ongoing support for the Company’s franchisees over the term of the agreement. The royalties are billed semimonthly and are recognized as revenue when earned.

Revenue from initial fees is allocated to the performance obligations in the franchise agreement that are distinct from the symbolic intellectual property. These primarily include training services, opening support services, opening marketing assistance and franchisee acquisition and acceptance. The amount allocated to each identified performance obligation is determined using the cost approach. Revenue from initial fees is recognized when the performance obligation is satisfied and control of the good or service has been transferred to the franchisee. Performance obligations that are normally satisfied by the opening of the franchised business to the public are determined to be earned during the period from the execution of the contract to the opening of the franchised business which is generally less than one year. Unearned initial fee revenues from franchisee acquisition and acceptance will be recorded as deferred revenue and recognized as revenue over the term of the contract which is currently 10 years. Incremental costs of obtaining a franchise agreement with a franchisee related to unsatisfied performance obligations will be recorded as a franchise acquisition asset and are recognized as franchise related costs over the same term as the related performance obligation which is currently 10 years.

National Marketing Fund

Contributions to the national marketing fund are 2% gross revenue. Under the terms of the franchise agreement the Company may increase the national marketing fund rate to 4% of gross revenue. Marketing fund revenues are recognized up to the amount paid by the fund, for both operating and capital expenditures, not to exceed amounts collected or accrued during the year. Any amounts collected or accrued but unspent at the end of the year are reported as deferred revenue on the balance sheet. As of the year ended December 31, 2021, and 2020 \$0 and \$0 respectively, is included in deferred revenue on the balance sheets.

IV NUTRITION FRANCHISOR, LLC
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising Costs

The Company expenses advertising costs as incurred. Advertising expense for the years ended December 31, 2021, 2020, and 2019 was \$559, \$2,073, and \$8,642.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash, franchise receivables. The Company places its temporary cash investments with financial institutions. At times throughout the year the Company may, in the ordinary course of business, maintain cash balances in excess of federally insured limits. Management does not believe the Company is exposed to any unusual risks on such deposits. The Company grants credit to franchisees. The Company's ability to collect the amounts due from franchisees is affected by fluctuations in the economy and the operations of the franchisees.

Fair Value of Financial Instruments

For the Company's financial instruments which consist of cash and cash equivalents and amounts due to affiliate, the carrying amounts approximate fair value due to their short maturities.

Recently Adopted Accounting Guidance

The Company has adopted all recently issued Accounting Standards Updates ("ASU"). Management has not yet determined the effect of the adoption of the other recently issued ASUs, including those not yet effective, could have on the financial position or results of operations of the Company.

**IV NUTRITION FRANCHISOR, LLC
NOTES TO FINANCIAL STATEMENTS**

NOTE 2 – CONTRACT BALANCES

The Company has recognized an asset for the incremental costs and recorded a liability for unearned revenue associated with franchisee acquisition and acceptance performance obligation of the Company’s franchise agreement. The account balances and activity are as follows:

	December 31,	
	2021	2020
Franchise Acquisition Costs:		
Balance Beginning of year	\$ 12,833	\$ -
Deferral of franchise acquisition costs	-	14,000
Recognition of franchise acquisition costs	(1,400)	(1,167)
Balance at End of Year	\$ 11,433	\$ 12,833
Deferred Non-refundable Franchise Fees:		
Balance Beginning of year	\$ 124,833	\$ 88,958
Deferral of non-refundable franchise fees	109,250	49,500
Refund of franchise fees	-	-
Recognition of non-refundable franchise fees	(14,950)	(14,125)
Balance at End of Year	\$ 219,133	\$ 124,333

Estimated Recognition of Non-refundable Deferred Franchise Fees

Estimated revenues to be recognized in future periods related to non-refundable deferred franchise fees as reported at December 31, 2021, is as follows:

	Franchise Acquisition Costs	Non-refundable Franchise Fees
Year ending December 31:		
2022	\$ 1,400	\$ 25,875
2023	1,400	25,875
2024	1,400	25,875
2025	1,400	25,875
2026	1,400	25,875
Thereafter	4,433	89,258
	\$ 11,433	\$ 218,633

IV NUTRITION FRANCHISOR, LLC
NOTES TO FINANCIAL STATEMENTS

NOTE 2 – CONTRACT BALANCES (CONTINUED)

Disaggregation of Revenues

Disaggregated revenues based on the satisfaction of performance obligations in the Company’s contracts with franchisees is as follows:

	Year Ended December 31,		
	2021	2020	2019
Performance obligations satisfied at a point in time	\$ 165,179	\$ 90,923	\$ 88,713
Performance obligations satisfied through the passage of time	273,250	163,923	102,962
Total revenues	\$ 438,429	\$ 254,846	\$ 191,675

NOTE 3 – PROPERTY AND EQUIPMENT, NET

Property and Equipment, net consist of the following:

	December 31,	
	2021	2020
Computers	\$ 1,366	\$ 617
Accumulated depreciation	(683)	(395)
	\$ 683	\$ 222

Depreciation expense was \$288, \$206, and \$188 for the years ended December 31, 2021, 2020, and 2019.

NOTE 4 – INTANGIBLE ASSETS, NET

Intangible assets, net consist of the following:

	December 31,	
	2021	2020
Franchise development costs	\$ 24,519	\$ 24,519
Accumulated amortization	(8,173)	(5,721)
	\$ 16,346	\$ 18,798

Amortization expense was \$2,452, \$2,452, and \$1,907 for the years ended December 31, 2021, 2020, and 2019. Amortization expense for the next five years is expected to be \$2,450 per year.

NOTE 5 – DUE FROM AFFILIATE

At December 31, 2021, \$2,605 was from the Company’s affiliate for costs and expenses paid on behalf of the Company for the affiliate. These amounts do not bear interest and are due on demand and are reported as part members’ (deficit) on the attached balance sheet.

**IV NUTRITION FRANCHISOR, LLC
NOTES TO FINANCIAL STATEMENTS**

NOTE 6 – NOTES PAYABLE

The following is a summary of notes payable at December 31:

	2021	2020
Note payable with the Small Business Administration under the EIDL Program for COVID-19 relief. Face amount of \$42,900, payable in 360 monthly installments of \$199 including interest at the rate of 3.75% Final payment due on June 18, 2050. Collateralized by assets of the Company.	\$ 42,900	\$ 42,900
Note payable with the Small Business Administration under the EIDL Program for COVID-19 relief. Face amount of \$42,900, payable in 360 monthly installments of \$199 including interest at the rate of 3.75% Final payment due on June 18, 2050. Collateralized by assets of the Company.	-	15,490
	42,900	58,390
Less current maturities	(330)	(15,490)
	\$ 42,570	\$ 42,900

The maturities of the long-term debt are as follows:

Year ending December 31:

2022	\$ 330
2023	683
2024	705
2025	736
2026	765
Thereafter	39,681
	\$ 42,900

Interest expense on the long-term debt was \$1,641, \$864, and \$0 for the years ended December 31, 2021, 2020, and 2019.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

Litigation

The Company may be party to various claims, legal actions and complaints arising in the ordinary course of business. In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

IV NUTRITION FRANCHISOR, LLC
NOTES TO FINANCIAL STATEMENTS

NOTE 8 - SUBSEQUENT EVENTS

Date of Management's Evaluation

Management has evaluated subsequent events through April 29, 2022, the date on which the financial statements were available to be issued.

IV Nutrition Franchisor, LLC

Balance Sheet

As of December 7, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
10100 Checking - CapFed (5165)	91,682.91
10900 Gift Card Holding - CapFed (5166)	0.00
10910 Stripe	0.00
Total Bank Accounts	\$91,682.91
Accounts Receivable	
11000 Accounts Receivable (A/R)	283,865.07
Total Accounts Receivable	\$283,865.07
Other Current Assets	
15000 Inventory	0.00
15001 IV Fluids & Nutrients	0.00
15002 Supplements	6,904.13
15003 Marketing & Print	10,883.12
15008 Supplies & Materials	-3,918.94
Total 15000 Inventory	13,868.31
15100 Due from; Broadway IV, LLC	487,694.59
15200 Prepaid Expenses	3,986.82
15201 Insurance	879.00
15202 Travel	2,964.92
15203 Advertising & Marketing	129.00
15204 Conventions/Training	10,000.00
Total 15200 Prepaid Expenses	17,959.74
15300 Advances	0.00
15901 Uncategorized Asset	0.00
15902 Undeposited Funds	0.00
Total Other Current Assets	\$519,522.64
Total Current Assets	\$895,070.62
Fixed Assets	
16010 Computers	6,829.25
16030 Furniture & Fixtures	4,981.30
16050 Leasehold Improvements	18,012.03
16999 Accumulated Depreciation	-2,336.75
Total Fixed Assets	\$27,485.83
Other Assets	
15210 Deferred Franchise Cost	10,033.33
17010 Organizational Costs	24,519.07
17999 Accumulated Amortization	-10,625.02
Total Other Assets	\$23,927.38
TOTAL ASSETS	\$946,483.83

IV Nutrition Franchisor, LLC

Balance Sheet

As of December 7, 2023

	TOTAL
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 Accounts Payable (A/P)	172,051.81
Total Accounts Payable	\$172,051.81
Credit Cards	
20101 CC - CapitalOne Spark (0868)	46,664.51
20102 CC - Chase Southwest (6428)	9,775.73
20103 CC - AmEx (1005)	8,220.01
Total Credit Cards	\$64,660.25
Other Current Liabilities	
20099 Accrued Liabilities	22,105.10
20200 AL - Gift Card Payable	43,879.58
20210 Cross Center Redemptions	-191.60
20301 Accrued Interest	2,505.00
20400 Direct Deposit Payable	0.00
21000 Payroll Liabilities	0.00
21010 Federal Taxes (941/944)	-32.00
21020 Federal Unemployment (940)	257.17
21031 KS Income Tax	1,342.73
21032 KS Unemployment Tax	0.00
21033 MT Income Tax	240.00
21034 MT Unemployment Tax	0.00
21035 OK Income Tax	-22.00
21036 OK Unemployment Tax	-434.88
21100 Employee Elections	
21101 AD&D	0.00
21102 Dental Insur	0.00
21103 Group Term Life	0.00
21104 Hospital Conf	0.00
21105 Medical	0.00
21106 Short Term Disability	0.00
21107 Vision	0.00
Total 21100 Employee Elections	0.00
MO Local Tax	81.76
Total 21000 Payroll Liabilities	1,432.78
22000 Deferred Revenue	
22002 Retail & Supplements	3,558.06
22003 Marketing Material	7,932.30
22004 Brand Service Items	1,945.06
22005 Evolve Snacks	419.00
22012 Other/Misc Product Sales	4,240.70

IV Nutrition Franchisor, LLC

Balance Sheet

As of December 7, 2023

	TOTAL
Total 22000 Deferred Revenue	18,095.12
24201 Elective Advertising; Franchisee	74,572.59
24202 Due to; IV Nutrition, LLC	153,142.71
24203 Deferred Franchise Revenues	639,008.34
24205 McKesson Note	0.00
24206 PPP Loan	0.00
24207 QuickBooks Loan	0.00
24208 Due to; James Hart	62,670.14
Total Other Current Liabilities	\$1,017,219.76
Total Current Liabilities	\$1,253,931.82
Long-Term Liabilities	
24204 EIDL SBA Loan	40,480.00
24300 Jason Loan 11/2022	10,000.00
24301 Jason Loan 06/2023	330,979.85
24302 Jason Loan 07/2023	80,871.44
24303 Jason Loan 08/2023	78,997.19
24304 5 IV Loan 09/2023	50,000.00
24305 Jason Loan 11/2023	109,664.12
Total Long-Term Liabilities	\$700,992.60
Total Liabilities	\$1,954,924.42
Equity	
30000 Opening Balance Equity	13,898.22
30101 Owner's Investment - Jason	-1,145.00
30102 Owner's Investment - Tara	0.00
30201 Owner's Distribution - Jason	-79,900.00
30202 Owner's Distribution - Tara	-65,800.00
39999 Retained Earnings	-518,662.80
Net Income	-356,831.01
Total Equity	\$ -1,008,440.59
TOTAL LIABILITIES AND EQUITY	\$946,483.83

IV Nutrition Franchisor, LLC

Profit and Loss (Beta)
Jan 1 - Dec 7 2023

ACCOUNT NAME	TOTAL
Income	
Annual Convention	\$0.00
Ticket Sales	\$16,500.00
Vendor Sponsorships	\$16,500.00
Total for Annual Convention	\$33,000.00
Billable Expense Income	\$60,047.18
Franchise Fees Collected	\$50,000.00
Brand Fee	\$162,584.82
Miscellaneous Fees	\$500.00
Royalties	\$355,352.08
Start Up Franchise Fee	\$474,000.00
Technology Fees	\$194,250.00
Total for Franchise Fees Collected	\$1,236,686.90
Product Sales	\$0.00
Brand Service Items	\$23,254.38
Computers / Devices /Technology Equipment	\$427.00
Evolve Snack	\$7,530.00
IV Fluids & Nutrients	\$0.88
Marketing Materials	\$56,356.94
Medical Equipment	\$75.87
Nutrients	\$1,223.60
Other/Misc Product Sales	\$9,479.98
Other Retail	\$2,515.46
Supplements	\$56,257.88
Total for Product Sales	\$157,121.99
Rebates	\$2,888.97
Fullscripts rebates	\$1,700.42
Total for Rebates	\$4,589.39
Services Income	\$0.00
Wellness Consultation	\$14,273.88
Total for Services Income	\$14,273.88
Shipping Charges to Clinics	\$9,307.32
Uncategorized Income	-\$50,000.00
Total for Income	\$1,465,026.66

IV Nutrition Franchisor, LLC

Profit and Loss (Beta)
Jan 1 - Dec 7 2023

ACCOUNT NAME	TOTAL
Cost of Goods Sold	
Brand Items	\$7,569.96
Cost of Goods Sold	\$451.90
Equipment	\$5,759.89
Hot packs	\$2,264.68
IV Fluids & Nutrients	\$55,871.60
Lab COGS	\$4,456.82
Logo Items / Miscellaneous Items	\$4,811.04
Marketing & Print	\$67,138.23
Retail & Supplements	\$28,475.53
Shipping, Freight & Delivery - COS	\$9,878.31
Supplies & Materials - COGS	\$17,302.65
Total for Cost of Goods Sold	\$203,980.61
Gross Profit	\$1,261,046.05
Expenses	
Advertising & Marketing	\$17,990.88
Franchisee Support	\$192,727.28
Social Media	\$645.00
Staff Recruitment	\$4,573.17
Website Costs	\$26,663.40
Total for Advertising & Marketing	\$242,599.73
Ask My Accountant	\$2,985.07
Auto & Mileage	\$484.05
Bank & CC Fees	\$4,613.84
CC Processing Fees	\$67.55
Discovery Day	\$48.00
Services	\$4,754.95
Total for Discovery Day	\$4,802.95
Employee Enhancement	\$0.00
Continuing Education	\$1,120.00
Total for Employee Enhancement	\$1,120.00
Entertainment	\$0.00
Meals	\$2,289.84
Total for Entertainment	\$2,289.84

IV Nutrition Franchisor, LLC

Profit and Loss (Beta)

Jan 1 - Dec 7 2023

ACCOUNT NAME	TOTAL
Gifts & Donations	\$865.98
Insurance	\$17,499.08
Interest Expense	\$15,095.04
Internet & Phone	\$22,880.03
Legal & Professional Services	\$103,693.96
Payroll Servicing	\$3,623.30
Total for Legal & Professional Services	\$107,317.26
Office Supplies	\$9,985.30
Payroll Expenses	\$0.00
Benefits; Employer Portion	\$30,826.00
Contractors	\$156,288.30
Payroll Wages	\$28,583.88
Commissions	\$6,000.00
Hourly	\$862.05
Salary	\$593,850.96
Total for Payroll Wages	\$629,296.89
Taxes	\$47,992.90
Total for Payroll Expenses	\$864,404.09
Rent & Lease	\$44,087.50
Repairs & Maintenance	\$3,656.68
Shipping, Freight, & Delivery	\$226.00
Software Expense	\$189,554.51
Staff Benefits, Gifts, & Services	\$1,016.92
Taxes & Licenses	\$720.00
Travel	\$1,276.92
Airfare	\$29,809.49
Gas	\$2,141.72
Hotel	\$14,535.43
Meals	\$15,192.63
Misc	\$3,076.00
Transportation	\$9,997.08
Total for Travel	\$76,029.27
Uncategorized Expense	\$4,177.92
Uniforms	\$279.41

IV Nutrition Franchisor, LLC

Profit and Loss (Beta)

Jan 1 - Dec 7 2023

ACCOUNT NAME	TOTAL
Utilities	\$1,119.04
Total for Expenses	\$1,617,877.06
Net Operating Income	-\$356,831.01
Other Income	\$0.00
Other Expenses	\$0.00
Net Other Income	\$0.00
Net Income	-\$356,831.01

EXHIBIT D
TO FRANCHISE DISCLOSURE DOCUMENT

IV NUTRITION
LIST OF CURRENT AND FORMER FRANCHISEES

LIST OF OPERATIONAL FRANCHISEES AS OF DECEMBER 31, ~~2022~~2023

Franchisee Name (Legal Entity if Applicable)	Address	City	State	Postal	Telephone #
Sonas Health, LLC	4902 E Shea Blvd, Suite 105	Phoenix	AZ	85254	(602) 878-3146
10 IV Group	3379 N College Ave	Fayetteville	AR	72703	
10 IV Group	5100 Pauline Whitaker Pkwy Ste 105	Rogers	AR	72758	(479) 323-3985
IV Dietetics of Wash Park LLC	1211 East Alameda	Denver	CO	80209	(702) 336-7616
Broadway IV LLC	5178 S Broadway	Englewood	CO	80113	(720) 408-6638
Wadid Zaky	36993 Rehoboth Ave Ext	Rehoboth Beach	DE	19971	(302) 569-9444
10 IV Group	327 10th Ave N	Jacksonville	FL	32250	(904) 692-7371
Iowa Wellness IV LLC	2405 SW White Birch Drive, Suite 105	Ankeny	IA	50023	(515) 209-2003
IV Nutrition PLLC	7108 W. 135th St	Overland Park	KS	66223	(913) 398-2507
123 IV LLC	12917 Ridgedale Drive	Minnetonka	MN	55305	(612) 800-0371
KCMO IV	1801 Westport Rd	Kansas City	MO	64111	(816) 320-5544
10 IV Group	8813 Ladue Rd	Ladue	MO	63124	(314) 834-5796
Northern Lights Wellness, LLC	239 S Stewart Rd	Liberty	MO	64068	(816) 800-9134
Angela Bailey	7308 N Western Ave	Oklahoma City	OK	73116	(405) 625-6488
Bodyworks Enterprises, PPLC*	9999 S Mingo Rd, Suite G	Tulsa	OK	74133	(918) 303-7458
Chucho Group, PLLC*	4924 Greenville Ave, Suite 100	Dallas	TX	75206	(972) 528-8894

*Operating under an Area Development Agreement.

LIST OF FRANCHISEES WHO SIGNED A FRANCHISE AGREEMENT, BUT HAVE NOT YET OPENED AS OF DECEMBER 31, ~~2022~~2023

Franchisee Name (Legal Entity if Applicable)	Location	Telephone
KARBAL LLC*	Austin, TX	512-947-2292
H&B Health LLC*	Broomfield, CO	301-448-0768
IV Nuts Inc*	Denver, CO	303-549-6241
EMO Partnership LLC*	Fort Worth, TX	214-364-0686
CKL Management LLC*	Kenosha, WI	262-891-4471
<u>Laron Ploederer</u>	<u>Minnetonka, MN</u>	<u>612-260-5777</u>
MOKISE LLC*	Lee's Summit, MO	913-291-7533
Tennessee Infusions *	Nashville, TN	731-608-0524
Longevity Clinics LLC*	Virginia Beach, VA	757-784-1331
<u>5CE Wellness, LLC*</u>	<u>Sugarland, TX</u>	<u>713-815-5223</u>
<u>Colin Campbell*</u>	<u>Wichita, KS</u>	<u>405-642-4529</u>
<u>James Schoonover</u>	<u>St. Joseph, MO</u>	<u>TBD</u>
<u>Derek Betz/Michael Eiskant</u>	<u>St. Louis, MO</u>	<u>618-558-6119</u>
<u>Lynn Dang</u>	<u>Gilbert, AZ</u>	<u>TBD</u>
<u>Laura Ames/Kurt Mechelke</u>	<u>Effingham, IL</u>	<u>314-704-2430</u>
<u>Tara Zeller</u>	<u>Fort Collins, CO</u>	<u>TBD</u>
<u>Jeffrey Stark/Michael Richards*</u>	<u>Palm Beach County, FL</u>	<u>954-536-6055</u>

*Operating under an Area Development Agreement.

LIST OF FORMER FRANCHISEES AS OF DECEMBER 31, 2023

None.

<u>Franchisee Name (Legal Entity if Applicable)</u>	<u>Address</u>	<u>City</u>	<u>State</u>	<u>Postal</u>	<u>Telephone #</u>
<u>Terra Kane</u>	<u>15455 W. Bluemound Rd, Suite 250</u>	<u>Brookfield</u>	<u>WI</u>	<u>53005</u>	<u>(262) 230-2800</u>

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

EXHIBIT E
TO FRANCHISE DISCLOSURE DOCUMENT

IV NUTRITION
STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

We may register this Disclosure Document in some or all of the following states in accordance with the applicable state law. If and when we pursue franchise registration, or otherwise comply with the franchise investment laws, in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in each state and the state offices or officials that we will designate as our agents for service of process in those states:

State	State Administrator	Agent for Service of Process (if different from State Administrator)
California	Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 2101 Arena Boulevard Sacramento, CA 95834 866-275-2677	
Hawaii	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities P.O. Box 40 Honolulu, HI 96810 (808) 586-2722	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Franchise Bureau Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	
Indiana	Franchise Section Indiana Securities Division Secretary of State Room E-111 302 W. Washington Street Indianapolis, IN 46204 (317) 232-6681	
Maryland	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Commissioner of Securities 200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street Williams Building, 1st Floor Lansing, MI 48933 (517) 373-7117	
Minnesota	Minnesota Department of Commerce Securities-Franchise Registration 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Commissioner of Commerce Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500

New York	NYS Department of Law Investor Protection Bureau 28 Liberty St., 21 st Floor New York, NY 10005 (212) 416- 82858222	Secretary of State 99 Washington Avenue Albany, NY 12231
North Dakota	North Dakota Securities Department 600 East Boulevard Ave., State Capital Fourteenth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	Securities Commissioner 600 East Boulevard Ave., State Capital Fourteenth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712
Rhode Island	Department of Business Regulation Securities Division 1511 Pontiac Avenue John O. Pastore Complex-69-1 Cranston, RI 02920-4407 (401) 462-9527	
South Dakota	Division of Insurance Securities Regulation 124 South Euclid Suite 104 Pierre, SD 57501-3185 (605) 773-3563	Director of the Division of Insurance 124 South Euclid Suite 104 Pierre, SD 57501-3185 (605) 773-3563
Virginia	State Corporation Commission 1300 East Main Street 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Department of Financial Institutions Securities Division PO Box 9033-41200 Olympia, WA 9850798504- 1200 (360) 902-8760	Department of Financial Institutions Securities Division 150 Israel Rd SW Tumwater, WA 98501 (360) 902-8760
Wisconsin	Division of Securities Department of Financial Institutions Post Office Box 1768 Madison, WI 53701 (608) 266-2801	Securities And Franchise Registration Wisconsin Securities Commission 201 West Washington Avenue, Suite 300 Madison, WI 53703

EXHIBIT F
TO FRANCHISE DISCLOSURE DOCUMENT

IV NUTRITION
OPERATIONS MANUAL TABLE OF CONTENTS

<u>Subject</u>	<u>Number of Pages</u>
Corporate Structure	1 <u>10-11</u>
Accounting & Insurance	2 <u>15, 19-20, 25, 70</u>
Store Design & Décor	3 <u>18, 15-17, 56, 63</u>
Signage	4 <u>18, 15, 18, 63</u>
Construction & Equipment	5 <u>12, 16-18, 24, 56, 58</u>
Preparing to Open	6 <u>16, 20, 22-28</u>
Human Resources & Training	7 <u>129-32</u>
Items Offered for Sale & Purchasing	8 <u>16, 36-37</u>
Medical Policies & Procedures	9 <u>129-30, 55, 62, 67, 73</u>
Paperwork & Control	10 <u>13, 28, 72, 78, 101</u>
Cleaning, Cleanliness & Maintenance	11 <u>123-32</u>
IV Center Evaluations & Compliance	12 <u>110, 23-32</u>
Logo Use & Restrictions	13 <u>1</u>
Safety & Security	14 <u>138, 65, 72</u>
Marketing	12, 14 <u>15-1, 23-32</u>
Other Policies & Procedures	16 <u>129, 67</u>
Total Pages	196 <u>180</u>

EXHIBIT G
TO FRANCHISE DISCLOSURE DOCUMENT

IV NUTRITION
STATE-SPECIFIC ADDENDA TO THE
FRANCHISE DISCLOSURE DOCUMENT

CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

California Corporations Code, Section 31125 requires the franchisor to give the franchisee a disclosure document, approved by the Department Of Financial Protection and Innovation, prior to a solicitation of a proposed material modification of an existing franchise.

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

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA. SUCH REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION NOR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

ALL THE OWNERS OF THE FRANCHISE WILL BE REQUIRED TO EXECUTE PERSONAL GUARANTEES. THIS REQUIREMENT PLACES THE MARITAL ASSETS OF THE SPOUSES DOMICILED IN COMMUNITY PROPERTY STATES – ARIZONA, CALIFORNIA, IDAHO, LOUISIANA, NEVADA, NEW MEXICO, TEXAS, WASHINGTON AND WISCONSIN AT RISK IF YOUR FRANCHISE FAILS.

1. The following paragraph is added to the end of Item 3 of the Disclosure Document:

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

2. The following paragraph is added to the end of Item 6 of the Disclosure Document:

With respect to the Late Fee described in Item 6, this Item is amended to disclose that the maximum rate of interest permitted under California law is 10%.

3. The following paragraphs are added at the end of Item 17 of the Disclosure Document:

The Franchise Agreement requires franchisee to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring a franchise to waive compliance with any provision of that law or any rule or order thereunder is void.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

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

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement requires binding arbitration. The arbitration will occur in Johnson County, Kansas, with the costs being borne equally by Franchisor and Franchisee. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of Kansas and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The Franchise Agreement requires application of the laws of Kansas. This provision may not be enforceable under California law.

4. The following paragraph is added at the end of Item 19 of the Disclosure Document:

The earnings claims figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Orozco's business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

5. In registering this franchise, the California Department of Financial Protection and Innovation has not reviewed, and makes no statements concerning, the franchisor's compliance with state and federal licensing and regulatory requirements relating to the practice of medicine. You should consult with your attorney concerning these laws, regulations, and ordinances that may affect the operation of your business. If the California Medical Board, or any other agency overseeing the practice of medicine in this state, determines that the operation of the franchise fails to comply with state law, the franchisor may be required to cease operations of the franchised business in California. This may result in the termination of your franchise and loss of your investment.

HAWAII ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Hawaii only, this Disclosure Document is amended as follows:

All Initial Franchise Fees under the Franchise Agreement and Development Fees under the Area Development Agreement will be deferred until Franchisor has met its pre-opening obligations to Franchisee and Franchisee has commenced doing business. If more than one location is contemplated through an Area Development Agreement, then the total amount to be collected will be prorated and collected by the Franchisor as each store is opened under the Area Development Agreement.

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Registered agent in the state authorized to receive service of process:

Commissioner of Securities
335 Merchant Street
Honolulu, Hawaii 96813

Registration of franchises or filings of offering circulars in other states. As of the date of filing of this Addendum in the State of Hawaii:

1. States in which this proposed registration is effective are listed on the page of the FDD on the page entitled, "State Effective Dates."
2. No states have refused, by order or otherwise to register these franchises.
3. No states have revoked or suspended the right to offer these franchises.

4. The proposed registration of these franchises has not been withdrawn in any state.

ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Illinois only, this Disclosure Document is amended as follows:

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction of venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration/ mediation outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

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

The franchisor is required to defer all initial fees in the State of Illinois until the franchisor has completed all of its pre-opening obligations and the franchisee is open for business. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

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

MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Maryland only, this Disclosure Document is amended as follows:

The following is added to Item ~~175~~:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

The following is added to Item 17:

Pursuant to COMAR 02-02-08-16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

~~You are not required to assent to a period of limitations for causes of action~~Any claims arising under the Maryland Franchise Registration and Disclosure Law, ~~Business Regulation Article, §14-227, Annotated Code of Maryland, other than the period of limitations set forth in that statute. You must bring an action under such law~~be brought within ~~three~~3 years after the grant of the franchise.

~~You have the right to file~~A franchisee may bring a lawsuit ~~alleging a cause of action in Maryland for claims~~ arising under the Maryland Franchise Registration and Disclosure Law ~~in any court of competent jurisdiction in the State of Maryland.~~

The Franchise Agreement provides for termination upon bankruptcy of the franchisee. This provision may not be enforceable under federal bankruptcy law.

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

MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Minnesota only, this Disclosure Document is amended as follows:

Special Risks to Consider About This Franchise in Minnesota:

1. **Unopened Franchises.** The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.
2. **Additional License Required.** The training program provided by the franchisor (see Item 11) is not designed to provide a franchisee with the license(s) and training (the "License") that will be necessary to operate the franchise business in the state of Minnesota. Franchisees will either need to possess the required License already, subsequently acquire the License at their own expense, or hire employees that possess the required License. The additional costs associated with acquiring the required License may reduce your ability to make a profit in your franchise business.

- Item 6 shall be amended in part to state that the amount of the Insufficient Funds Fee shall be \$30.00.
- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.
- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, which states “No action may be commenced pursuant to this Section more than three years after the cause of action accrues.”
- Minnesota Rule 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable.
- No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with this franchise.
- Pursuant to the franchisor’s financial condition, the Minnesota State Department of Commerce has required the franchisor to defer the initial franchise fee until it has completed its pre-opening obligations and the franchisee is open for business.

THIS FRANCHISE HAS BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION

WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

In the State of New York only, this Disclosure Document is amended as follows:

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CAN NOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

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

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

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in

the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

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

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

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

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

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

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of North Dakota only, this Disclosure Document is amended as follows:

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09):

1. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.
2. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.
3. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.
4. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.
5. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.
6. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.
7. Waiver of Exemplary & Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.
8. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.
9. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.
10. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.
11. Deferral of Initial Franchise Fee. Payment of the Initial Franchise Fees will be deferred until Franchisor has met its initial obligations, and franchisee has commenced doing business. This requirement has been imposed by the North Dakota Securities Commissioner.

RHODE ISLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Rhode Island only, this Disclosure Document is amended as follows:

Item 17, summary columns for (v) and (w) are amended to add the following:

Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT

In the Commonwealth of Virginia only, this Disclosure Document is amended as follows:

The following statements are added to Item 17(h):

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

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to the franchisee under the franchise, that provision may not be enforceable.

Item 17(t) is amended to read as follows:

Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.

[The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.](#)

WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT

(See Exhibit D to the Franchise Agreement (Exhibit A to this Disclosure Document) for Washington Addendum to the Disclosure Document, Franchise Agreement, ~~Representations and Acknowledgments Statement~~, and Related Agreements)

STATE EFFECTIVE DATES

The following States require that the Franchise Disclosure Document be registered or filed with the State, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	<u>Pending</u> January 3, 2024
Hawaii	<u>Pending</u> Pending
Illinois	<u>Pending</u> September 27, 2023
Indiana	<u>Pending</u> March 14, 2023
Maryland	<u>Pending</u> Pending
Michigan	<u>Pending</u> July 20, 2023
Minnesota	<u>Pending</u> Pending
New York	<u>Pending</u> January 3, 2024
North Dakota	<u>Pending</u> September 22, 2023
Rhode Island	<u>Pending</u> August 3, 2023
South Dakota	<u>Pending</u> August 4, 2023
Virginia	<u>Pending</u> August 14, 2023
Washington	<u>Pending</u> Pending
Wisconsin	<u>Pending</u> July 18, 2023

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

**RECEIPT
(OUR
COPY)**

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

If IV Nutrition Franchisor, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements or payment of any consideration that relates the franchise relationship. Under Iowa law, we must give you this disclosure document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

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

~~Under Iowa law, we must give you this disclosure document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.~~

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

The franchisor offering the franchise: IV Nutrition Franchisor, LLC, 7108 West 135th St., Overland Park, KS 66223, (479) 799-8518. The individual franchise seller who offered you an IV Nutrition is:

<input type="checkbox"/> <u>Jason Fechter</u> <u>7108 West 135th St.</u> <u>Overland Park, KS 66223</u> <u>(479) 799-8518</u>	<input type="checkbox"/> <u>FranDevCo</u> <u>19460 Old Jetton Road, Suite 204</u> <u>Cornelius, NC 28031</u> <u>(425) 985-5502</u>	<input type="checkbox"/> _____ _____ _____
--	---	--

Issuance Date: ~~April 20, 2024~~ June 14, 2023

See Exhibit E for our registered agents authorized to receive service of process.

I have received a Disclosure Document dated ~~April 20, 2024~~ June 14, 2023 that included the

following Exhibits:

- Exhibit A Franchise Agreement
- Exhibit B Area Development Agreement
- Exhibit C Financial Statements
- Exhibit D List of Current and Former Franchisees
- Exhibit E List of State Administrators & Agents for Service of Process
- Exhibit F Operations Manual Table of Contents
- Exhibit G State-Specific Addenda to The Franchise Disclosure Document

PROSPECTIVE FRANCHISEE:

If a business entity:

Name of Business Entity
Sign: _____
Title: _____
(Print Name): _____

Dated: _____
(Do not leave blank)

If an individual:

Sign: _____
(Print Name): _____

Dated: _____
(Do not leave blank)

Please sign this copy of the receipt, print the date on which you received this Disclosure Document, and return it, by mail or e-mail, to IV Nutrition Franchisor, LLC, 7108 West 135th St., Overland Park, KS 66223;
email: Franchising@ivnutrition.com

**RECEIPT
(YOUR
COPY)**

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

If IV Nutrition Franchisor, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements or payment of any consideration that relates the franchise relationship. Under Iowa law, we must give you this disclosure document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

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

~~Under Iowa law, we must give you this disclosure document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.~~

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

The franchisor offering the franchise: IV Nutrition Franchisor, LLC, 7108 West 135th St., Overland Park, KS 66223, (479) 799-8518. The individual franchise seller who offered you an IV Nutrition is:

<input type="checkbox"/> <u>Jason Fechter</u> <u>7108 West 135th St.</u> <u>Overland Park, KS 66223</u> <u>(479) 799-8518</u>	<input type="checkbox"/> <u>FranDevCo</u> <u>19460 Old Jetton Road, Suite 204</u> <u>Cornelius, NC 28031</u> <u>(425) 985-5502</u>	<input type="checkbox"/> _____ _____ _____ _____
--	---	---

Issuance Date: ~~April 20, 2024~~ June 14, 2023

See Exhibit E for our registered agents authorized to receive service of process.

I have received a Disclosure Document dated ~~April 20, 2024~~ June 14, 2023 that included the

following Exhibits:

- Exhibit A Franchise Agreement
- Exhibit B Area Development Agreement
- Exhibit C Financial Statements
- Exhibit D List of Current and Former Franchisees
- Exhibit E List of State Administrators & Agents for Service of Process
- Exhibit F Operations Manual Table of Contents
- Exhibit G State-Specific Addenda to The Franchise Disclosure Document

PROSPECTIVE FRANCHISEE:

If a business entity:

Name of Business Entity
Sign: _____
Title: _____
(Print Name): _____

Dated: _____
(Do not leave blank)

If an individual:

Sign: _____
(Print Name): _____

Dated: _____
(Do not leave blank)