

## FRANCHISE DISCLOSURE DOCUMENT



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The franchise offered is for the right to operate a “P3 Recovery Center” franchised business offering health, wellbeing and fitness recovery services with a combination of state-of-the art equipment and a world class space, including (i) core services (e.g. cold immersion, Contrast Water Therapy, Compression Therapy, infrared and traditional sauna, Red Light Therapy, and breathwork workshops) (the “Core Services”), (ii) certain specialized care services (e.g. Hyperbaric Oxygen Therapy, and IV therapy (the “Specialty Services”), (iii) branded nutritional products, apparel and equipment (the “Proprietary Products”) and other products, services and equipment (collectively, the “Authorized Products and Services”).

The total investment necessary to begin operation of a P3 Recovery Center franchise ranges from \$731,022 - \$1,360,022. This amount includes up to \$65,000 that must be paid to the franchisor or its affiliate.

If you want development rights, you must pay the franchisor or its affiliate a development fee equal to \$65,000 (the initial franchise fee for the first P3 Recovery Center) plus a deposit of \$32,500 for the second and each additional P3 Recovery Center you will develop (you must develop a minimum of 2 P3 Recovery Centers). The total investment necessary to begin operation when you sign a development agreement rider ranges from \$763,522 to \$1,392,522, which assumes a development fee for 2 P3 Recovery Centers (the minimum required if you sign a development agreement rider). This amount includes up to \$97,500 that must be paid to the franchisor or its 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 Jonathan McAlees, Chief Innovation Officer at 9000 W. Colonial Drive, Suite 401, Ocoee, FL 34761, and (407) 347-9614.

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

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

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

Issuance date of this Franchise Disclosure Document: March 9, 2026.

## 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
<b>How much can I earn?</b>	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 <u>Exhibit I</u> .
<b>How much will I need to invest?</b>	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.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or <u>Exhibit F</u> includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only P3 Recovery business in my area?</b>	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What’s it like to be a P3 Recovery franchisee?</b>	Item 20 or <u>Exhibit I</u> lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	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 clients and members, 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 A](#).

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 or litigation only in the city of Orlando, Florida. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Orlando, Florida than in your own state.
2. **Short Operating History.** The franchisor is at an early stage of development and only has a brief operating history for you to review in order to assist you in determining whether or not to make this investment.

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.

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## **LIST OF EXHIBITS**

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<u>Exhibit L</u>	Form Affiliated Provider Agreement

APPLICABLE STATE LAW MIGHT REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT. THESE ADDITIONAL DISCLOSURES, IF ANY, APPEAR IN EXHIBIT K.

## Item 1

### THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The franchisor is P3 RECOVERY USA LLC (“we,” “us,” or “our”). “You” means the individual or entity that buys the franchise. If you are a corporation, partnership, limited liability company, or other entity, your owners must sign our “Guaranty and Assumption of Obligations” in their individual capacities, which means that all of the provisions of the Franchise Agreement (defined below) also will apply to your owners.

We are a Delaware limited liability company formed on August 19, 2025. Our principal business address is 9000 W. Colonial Drive, Suite 401, Ocoee, FL 34761 . We operate under the name “P3 Recovery” and no other name. If we have an agent in your state for service of process, we disclose that agent in Exhibit B. We have not previously conducted business in this or any other line of business and we are offering franchises for the first time in this or any line of business with this Disclosure Document.

#### Parents, Affiliates and Predecessors

Our parent is P3 Global USA LLC (“P3 Global USA”), a Delaware limited liability company. P3 Global USA’s principal place of business is ‘1’ 5 Kortum Drive, Burleigh Heads QLD 4220, Australia.

Through common control, we are affiliated with P3 Global Pty Ltd (“P3 Global Australia”), an Australian proprietary company formed in Queensland, Australia, which began offering franchises on October 1, 2022. P3 Global Australia’s principal place of business is ‘1’ 5 Kortum Drive, Burleigh Heads QLD 4220, Australia. P3 Global Australia operates, and grants others the right to operate P3 Recovery Centers in Australia, and has done so since October 1, 2022. As of the date of this disclosure document, there are 15 P3 Recovery Centers operating in Australia. We have no other parents or predecessors required to be disclosed in this item.

We have no parents or affiliates who currently provide products or services to franchise owners of P3 Recovery Centers. Other than as described above, we have no parents or affiliates who have offered or currently offer franchises in any lines of business.

#### The Franchise

We grant franchises for Centers operating under the “P3 Recovery” name and other trademarks, trade names, service marks, and commercial symbols (collectively, the “Marks”). For reference purposes in this Disclosure Document, we collectively refer to all businesses using the System (defined below) and the Marks as “P3 Recovery Centers,” and we call the P3 Recovery Center that you will operate the “Center.”

We currently require all P3 Recovery Centers to offer the Core Services and all Specialty Services described below provided at the order and direction of a licensed medical professional, including a physician or advance practice registered nurse, or a licensed or permitted entity (an “Authorized Care Provider”) unless you are restricted from offering any of the Authorized Products and Services by applicable law or we agree otherwise in writing.

P3 Recovery Centers use our business formats, methods, procedures, signs, designs, layouts, standards, specifications and Marks (the “System”), all of which we may improve, further develop or otherwise modify. If you acquire a franchise, you must operate the Center according to the System. The Center will be operated from a site we accept located at the principal business address listed on Exhibit B of the Franchise Agreement (the “Premises”).

We also may grant multi-unit development rights to qualified franchise owners, who then will have the right to develop a number of P3 Recovery Centers within a defined area (the “Area”) over a specific time period or according to a pre-determined development schedule. These franchise owners may open and operate P3 Recovery Centers directly or through controlled affiliates and will be required to sign our then-current form of Franchise Agreement for each P3 Recovery Center opened in the Area, which may differ from the current form of Franchise Agreement attached as Exhibit C. Our Development Agreement Rider to the Franchise Agreement is attached as Exhibit D.

### Authorized Products and Services

P3 Recovery Centers offer health, wellbeing and fitness recovery services, including (i) core services (e.g. cold immersion, Contrast Water Therapy, Compression Therapy, infrared and traditional sauna, Red Light Therapy, and breathwork workshops) (the “Core Services”), (ii) certain specialized care services (e.g. Hyperbaric Oxygen Therapy, and IV therapy) (the “Specialty Services”), (iii) branded nutritional products, apparel and equipment (the “Proprietary Products”) and other products, services and equipment (collectively, the “Authorized Products and Services”). which now comprise, or in the future may comprise, part of the System or our trade secrets which are developed by and are proprietary to us or our affiliates.

P3 Recovery Centers provide, or facilitate access to, the Authorized Products and Services that we prescribe. All Specialty Services (i) must be offered, administered or provided only by or through the supervision of a licensed medical professional, including a physician or advance practice registered nurse, or a licensed or permitted entity and (ii) are subject to compliance with applicable law (including any applicable Authorized Care Provider Regulations). “Authorized Care Provider Regulations” means certain federal, state, and local rules, regulations, attorney general opinions, medical board pronouncements and determinations related to the practice of medicine, remote consultations, and other related requirements.

We (or the Authorized Care Provider) may require you to add to, eliminate, modify, discontinue access to any of the Authorized Products and Services, including the Specialty Services, at our sole discretion or as required under any applicable Authorized Care Provider Regulations.

Clients may request and purchase Authorized Products and Services individually or through our universal, multi-tier membership program, which allows members to receive a specified number of Authorized Products and Services each month depending upon the membership tier selected and, for Specialty Services, the clinical determination of an Authorized Care Provider. Clients who are in good standing under an active membership may access and receive Authorized Products and Services at any P3 Recovery Center in the system; provided, that for any Specialty Services, the ordering Authorized Care Provider must be licensed in the State where the P3 Recovery Center is located.

We currently require all P3 Recovery franchisees to ensure that all Specialty Services are performed or supervised only by or through an Authorized Care Provider, regardless of whether it is required under their states’ corporate practice of medicine (“CPOM”) and nursing (“CPON”) rules or

Authorized Care Provider Regulations. At all times, you must act solely in the capacity of an administrative services agent to an Authorized Care Provider that administers or supervises the Specialty Services rendered at the Center. In these instances, you must sign both a Franchise Agreement with us to operate the P3 Recovery Center and an Affiliated Provider Agreement (“APA”) with an Authorized Care Provider before you begin operating the P3 Recovery Center. We will designate the Authorized Care Provider that you must use to facilitate access to the Specialty Services at your Center, unless we agree in writing to allow you to contract with an alternative, third-party Authorized Care Provider. Although we provide the form of the APA that you must enter into with the Authorized Care Provider we designate, you remain solely responsible for independently engaging your own legal counsel to evaluate, review, and ensure that your APA and its terms comply with all applicable state and federal laws and regulations, including any CPOM and CPON rules in the applicable state and other Authorized Care Provider Regulations.

Please note that some state agencies or medical, or nursing boards may regulate the Authorized Products and Services differently and, in some instances, require these services to be administered or provided only by or through the supervision of an Authorized Care Provider that is licensed by the applicable state. We may, but are not obligated to, permit you to directly employ a licensed medical professional to order, administer, and/or provide certain Specialty Services in jurisdictions where direct employment of licensed medical professionals by a non-licensed entity is permitted under applicable law. You are solely responsible for determining and complying with all applicable laws relating to the Authorized Products and Services, and you are strongly encouraged to seek guidance from legal counsel regarding these matters to ensure compliance with these laws.

### Market and Competition

The Center will be located in a specific geographic territory (the “Territory”) and will offer or facilitate access to products and services to the general public throughout the year and compete with other health, wellbeing and fitness recovery providers. The market for health, wellbeing and fitness recovery providers generally is well-developed and competitive nationally.

You can expect to compete in your market with locally-owned businesses, as well as national and regional chains that offer similar products and services offered by P3 Recovery Centers. The Authorized Products and Services offered by P3 Recovery Centers are not seasonal. The market for the products and services offered by P3 Recovery Centers (e.g. health, wellbeing and fitness recovery products and services) is developed, well-established, and highly competitive. The Center may also be affected by other factors, such as changes in consumer taste, economic conditions, population, and travel patterns. The Center will compete on the basis of various factors such as price, service, location, and convenience. We recommend that you consult with your own independent business advisors and legal counsel to evaluate these and other factors before deciding to invest in a P3 Recovery Center.

### Industry-Specific Laws and Regulations

P3 Recovery Centers offer or facilitate access to certain Authorized Products and Services that may be subject to federal and state laws and regulations, as well as local permitting and zoning requirements at a county and/or municipal level. These laws and regulations may include (i) state CPOM or CPON rules, (ii) Authorized Care Provider Regulations, (iii) laws and state board regulations and rules pertaining to the practice of medicine and/or nursing, (iv) telemedicine laws and regulations, (v) state individual and facility licensure and registration requirements, (vi) patient inducement and fee-splitting laws, (vii) laws and regulations pertaining to medical devices and related healthcare

equipment regulated by the Food and Drug Administration (“FDA”), (viii) laws and regulations pertaining to health facilities, including requirements applicable to membership programs, gift cards, pre-paid packages, (ix) laws and regulations pertaining to state pharmacy boards, (x) federal and state consumer protection laws, including data privacy laws, electronic communication laws such as the Telephone Consumer Protection Act (“TCPA”), advertising and marketing laws regulated by the Federal Trade Commission (“FTC”) or state agencies; (xi) clinical laboratory laws and regulations; (xii) workplace safety laws issued and enforced by the Occupational Safety and Health Administration (“OSHA”) or state agencies; and (xiii) federal and state laws pertaining to wage and hour laws, employer liability and employee misclassification.

No claims for Authorized Products and Services will be billed to any federal or state health care program or commercial health plan by you or any Authorized Care Provider, and therefore, no federal fraud and abuse laws or state insurance fraud laws should apply to your arrangement with Authorized Care Providers under the APA, but certain states may have provider inducement or anti-kickback laws that are payor indifferent that must be complied with. In the future, should we authorize your P3 Recovery Center to participate in federal or state healthcare programs or contract with commercial payors, additional laws, such as federal and state anti-kickback laws or physician self-referral laws may also apply.

#### Compliance with CPOM/CPON Rules

The CPOM/CPON rules in many states may restrict a non-licensed individual or legal entity from employing a licensed healthcare professional or entering into any arrangement where a non-licensed individual or legal entity is directing or controlling the performance of Specialty Services or the professional’s independent medical judgement. Further, in most states a non-licensed individual or corporation may not split or share in the professional fees received in exchange for providing Specialty Services, which affects the billing, collection and flow of funds related to certain Specialty Services that you facilitate access to at your P3 Recovery Center. For example, certain states prohibit compensation arrangements with a non-licensed individual or legal entity based on a percentage of revenue (or profit) on the grounds that it is the unlawful practice of medicine through fee-splitting or improper payments for patient referrals or solicitation. It is important to note that these rules directly impact how you may structure, manage, account for, and operate your P3 Recovery Center and charge for Specialty Services rendered by the Authorized Care Providers to ensure compliance with such rules. Finally, it is important to note that certain state legislatures have proposed CPOM laws that would prohibit or further restrict administrative service arrangements with licensed professionals, so it is important to monitor changes to applicable state laws.

We currently require all P3 Recovery Center franchisees to ensure and hold out to the public that Specialty Services are offered, administered and/or provided only by or through the supervision of an Authorized Care Provider that we designate, regardless of whether your state has applicable CPOM or CPON rules, unless we agree in writing to allow you to contract with an alternative, third-party Authorized Care Provider. You must enter into an APA substantially in the form attached to this Disclosure Document as Exhibit L with the Authorized Care Provider we designate to provide the Authorized Care Provider with (i) exclusive space in your P3 Recovery Center and (ii) administrative services and personnel for the Authorized Care Provider to deliver the Specialty Services to clients on-site and/or from a remote location. If we agree in writing to allow you to contract with an alternative, third-party Authorized Care Provider, you must enter into an APA in a form approved by us that includes a full description of the arrangement and services to be rendered to the Authorized Care Provider, as well as your representation and covenant to fully itemize and disclose the charge for the

professional medical services rendered by the Authorized Care Provider in relation to the Specialty Services requested by the client that complies with the CPOM and/or CPON rules, if any, in the applicable state and other Authorized Care Provider Regulations.

We may (but are not obligated to) permit P3 Recovery Center franchisees to directly employ a licensed physician or other medical professional to order, administer, and/or provide certain Specialty Services in jurisdictions where direct employment is permitted or required under applicable law. If we agree in writing to allow you to directly employ or engage a licensed physician or other medical professional to order, administer, or provide certain Specialty Services, the negotiated rate under the template APA may be adjusted to reflect the costs incurred for any licensed individuals employed directly by you. Although we provide the form of the APA that you must enter into with the Authorized Care Provider we designate, you must directly hire your own attorney to independently evaluate, review, and ensure that your APA and its terms comply with all applicable laws, rules and regulations, including Authorized Care Provider Regulations. Your failure to comply with applicable state CPOM laws or other Authorized Care Provider Regulations may lead to the unauthorized practice of medicine or other violations by you, your P3 Recovery Center or the Authorized Care Provider, and will give us the right to terminate the Franchise Agreement and any other agreements between you and us.

There are extensive federal, state, and local laws, rules and regulations that regulate the type of marketing that we or you may or may not make regarding the Authorized Products and Services offered, the specific results that a client may or may not achieve, whether or not the Authorized Products and Services are cleared or approved by any government agency or authority, and other promotional activities that you and the Authorized Care Provider must comply with in certain states.

Further, there are specific regulations regarding the standards and scopes of practice that you and the Authorized Care Provider must comply with in certain states. It is also important to note that certain Authorized Products and Services may, based upon Authorized Care Provider Regulations, particularly at a state level, only be administered or delivered by licensed professionals such as physicians, nurse practitioners (with or without physician supervision), nurses, or other licensed or certified healthcare professionals. In addition, the determination of the scope of treatment by these licensed professionals may also be governed by the medical, nursing or pharmacy boards or other licensing or accrediting body of a given state, which may change and impact the Authorized Products and Services available at one Center compared to others. State healthcare laws and regulations will also dictate which licensed healthcare provider (e.g., physician, nurse practitioner or nurse) can evaluate individuals or order a Specialty Service, in addition to who can perform the Specialty Service. You are required to ensure that your Center and staff comply with all Authorized Care Provider Regulations. Importantly, you or your staff may not direct or control the performance of Specialty Services or the professional's independent medical judgement regardless of whether your state has applicable CPOM or CPON rules or Authorized Care Provider Regulations, if any. All payments for professional medical services should be charged and made directly to the Authorized Care Provider, and the Authorized Care Provider should determine the professional fees and modification or waiver thereof in an individual case. Under the APA, the Authorized Care Provider must authorize you as their agent of payee to bill and collect the professional fees from the client or member, which amounts must be billed separately or clearly itemized and disclosed to the client or member in the invoice.

#### Changes in Applicable Regulations

The operation of your P3 Recovery Center may be substantially affected by various changes in local codes and ordinances, which may disrupt business activity, client demand, supplies, or

employee availability. Compliance with these laws and regulations is mandatory and violation of these laws may result in civil and/or criminal fines and penalties. You should consider these laws and regulations when evaluating your purchase of a franchise.

We strongly encourage you to consult counsel about any potential impact of these laws, regulations, and/or other requirements that may be imposed on you, your Center, and the individuals hired by your Center or with whom you contract.

## **Item 2**

### **BUSINESS EXPERIENCE**

#### **Paul Goldfinch: Chief Executive Officer**

Paul Goldfinch has been our Co-Founder and Chief Executive Officer since our inception in August 2025, and the Co-Founder and Chief Executive Officer of P3 Australia since its inception in July 2021. Mr. Goldfinch also served as Business Consultant for PPG Consulting from February 2020 to June 2021. Mr. Goldfinch is based in Burleigh Heads, Queensland, Australia.

#### **Marc Marano: Chief Growth Officer**

Marc Marano has been our Chief Growth Officer since our inception in August 2025, and the Chief Growth Officer of P3 Australia since 2022. Mr. Marano also served as a consultant for Franchiseable from January 2021 to June 2023. Mr. Marano is based in Sydney, New South Wales, Australia.

#### **Jonathan McAlees: Chief Innovation Officer**

Jonathan McAlees has been our Chief Innovation Officer since our inception in August 2025. Mr. McAlees has also served as Senior Vice President of Business Development-Healthcare for Fortis in Dallas, Texas from January 2014 to July 2025. Mr. McAlees is based in Park City, Utah.

#### **Stefanos Sifandos: Chief Wellness Officer**

Stefanos Sifandos has been our Chief Wellness Officer since our inception in August 2025. Mr Sifandos has also served as Director for Kosmic Consciousness in Austin, Texas since September 2018. Mr Sifandos is based in Encinitas, California.

#### **Brigitte Goldfinch: Head of Franchise Operations**

Brigitte Goldfinch has been our Co-Founder and Head of Franchise Operations since our inception in August 2025, and the Co-Founder and Head of Franchise Operations of P3 Australia since its inception in June 2021. Mrs. Goldfinch also served as Operations Manager for P3 Recovery Centers in Burleigh Heads, Queensland, Australia from July 2021 to September 2022, and Customer Service Representative for P3 Recovery Centers in Burleigh Heads, Queensland, Australia from March 2020 to June 2021. Mrs. Goldfinch is based in Burleigh Heads, Queensland, Australia.

### Nick Abrahams: Head of Franchise Growth

Nick Abrahams has been our Head of Franchise Growth since our inception in August 2025, and the Head of Franchise Growth for P3 Australia since February 2023. Mr. Abrahams also served as National Development Manager for Boutique Fitness Studios in Currambine, Western Australia, Australia from November 2022 to January 2023, and Director of Franchise Sales for Mayweather Fitness & Boxing in Los Angeles, California from December 2019 to November 2022. Mr. Abrahams is based in Sydney, New South Wales, Australia.

### **Item 3**

#### **LITIGATION**

Functional HIIT Fitness, LLC v. F45 Training, Inc., Adam Gilchrist, Robert Deutsch, Marc Marano, Luke Armstrong, and Nick Abrahams, Case No. 5:22-cv-10168-FKB-KGA (E.D. Mich.).

On or about January 26, 2022, Functional HIIT Fitness, LLC, an F45 Training, Inc. (“F45”), franchisee, filed suit in federal court in Michigan against F45, and several officers, including Marc Marano, our current Chief Growth Officer. The Complaint alleged claims for breach of contract, breach of the implied covenant of good faith and fair dealing, violations of the Michigan Franchise Investment Law, violations of the California Franchise Investment Law (“CFIL”), fraudulent inducement, negligent misrepresentation, and violations of the Delaware Deceptive Trade Practices Act (“DDTPA”). The Complaint sought unspecified monetary damages, rescission of the franchise agreements entered into by the plaintiff, exemplary and special damages in an unspecified amount, restitution in an unspecified amount, attorneys’ fees and costs, and other unspecified relief. On September 28, 2023, the court dismissed the claims for breach of the implied covenant of good faith, unjust enrichment, violations of the CFIL, and DDTPA, and dismissed all claims against Gilchrist, Deutsch, Armstrong, and Abrahams. F45 and plaintiff entered into a confidential settlement agreement on June 11, 2024, under which the parties dismissed and released each other from all claims and counterclaims, the franchisee plaintiff agreed to continue to operate one F45 Studio under one franchise agreement, the parties agreed to terminate the franchise agreement for a second F45 Studio, and F45 agreed to pay plaintiff fifteen monthly payments of \$100,000 each. For the one franchise agreement that will remain in existence, the parties agreed that the plaintiff may raise money for a business that is in the fitness industry but is not the same or similar to an F45 studio. Other than this exception, the plaintiff must abide by the non-competition covenants. On June 26, 2024, the court entered a stipulation of dismissal.

### **Item 4**

#### **BANKRUPTCY**

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

## Item 5

### INITIAL FEES

#### Franchise Agreement

##### Initial Franchise Fee

If we grant you a franchise for a P3 Recovery Center, then when you sign the Franchise Agreement you must pay us a non-recurring initial franchise fee (the “Initial Franchise Fee”) in the amount of \$65,000. The Initial Franchise Fee is fully earned by us when paid and is not refundable under any circumstances, except as provided below in this Item 5. The Initial Franchise Fee is uniform as to all franchise owners purchasing a franchise for a P3 Recovery Center.

You may be eligible to receive a refund of up to 50% (less any costs or expenses incurred by us for administration or training of you and your employees/managers) of your Initial Franchise Fee if: (1) your required attendees to our initial training program described in Item 11 below cannot complete initial training to our satisfaction, we terminate the Franchise Agreement (at our option), and you sign and submit to us a release of claims in a form we prescribe (a sample of which is attached as Exhibit H); or (2) we and you cannot agree upon a location for the Center within 60 days after the date we sign the Franchise Agreement (the “Effective Date”), we terminate the Franchise Agreement (at our option), and you sign and submit to us a release of claims in a form we prescribe (a sample of which is attached as Exhibit H); or (3) you are unable to obtain all necessary governmental approvals, licenses, permits, or other legal authorizations required to open and operate the Center lawfully by the agreed upon opening date, we terminate the Franchise Agreement (at our option), and you sign and submit to us a release of claims in a form we then prescribe (a sample of which is attached as Exhibit H).

#### Development Agreement Rider

If we allow you to sign our Development Agreement Rider to the Franchise Agreement because you commit to develop a minimum number of P3 Recovery Centers in an Area, we currently charge a development fee that you must pay in full when you sign the Development Agreement Rider. The development fee due equals the full \$65,000 Initial Franchise Fee for the P3 Recovery Center covered by that Franchise Agreement plus a deposit of \$32,500 for each additional P3 Recovery Center you will develop. The balance of the Initial Franchise Fee (that is, the remaining \$32,500) for the second and each additional P3 Recovery Center is due when you sign the Franchise Agreement for that P3 Recovery Center. We and you will determine the number of P3 Recovery Centers you must develop, and the dates by which you must develop them, before signing the Development Agreement Rider.

The development fee is not refundable under any circumstances. If you sign the Development Agreement Rider, pay the development fee, and then cannot find sites for P3 Recovery Centers or choose not to perform for another reason (in which case the first Franchise Agreement and/or the Development Agreement Rider is terminated), we may keep the entire development fee and need not return any money to you.

Range of Pre-Opening Amounts Received During Prior Fiscal Year

Because we are offering franchises for P3 Recovery Centers for the first time with this Disclosure Document, we did not receive any amounts toward the pre-opening fees described above from any franchise owners under Franchise Agreements or Development Agreement Riders during our prior fiscal year.

**Item 6**

**OTHER FEES**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
<b>Type of Fee<sup>(1)</sup></b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Continuing Service and Royalty Fee (“Royalty”)	8% of weekly Gross Revenues for the first 12 months of operation; 10% of weekly Gross Revenues thereafter, subject to (i) the Minimum Monthly Royalty Fee and (ii) adjustment and an alternative fixed fee royalty structure <sup>(2)</sup>	Weekly, by the Monday of the following week <sup>(2)</sup>	“Gross Revenues” is defined in Note 3. If applicable laws or regulations prohibit a percentage-based royalty, then we may increase the royalty rate or, at our election, charge you a fixed fee royalty that we specify.
Local Advertising	On a monthly basis, a minimum of \$2,000	As incurred	Beginning in the 2 <sup>nd</sup> month of the franchise term, you must spend this amount on local marketing activities for the Center according to our guidelines.
Cooperative Advertising Programs	Up to 2% of Gross Revenues, unless increased by vote of 67% or more of the P3 Recovery Centers operating in your defined Advertising Coverage Area <sup>(4)</sup>	As Cooperative Advertising Program directs	No Cooperative Advertising Program yet exists for any P3 Recovery Centers as of this Disclosure Document’s issuance date. Cooperative Advertising Program spend, if and when required, will offset against local advertising requirement. Any amounts you contribute to a Cooperative Advertising Program will count toward the minimum amount you are required to spend on local advertising.

<b>Column 1</b> <b>Type of Fee<sup>(1)</sup></b>	<b>Column 2</b> <b>Amount</b>	<b>Column 3</b> <b>Due Date</b>	<b>Column 4</b> <b>Remarks</b>
Initial Training Fee	Then-current training fee per person for our Initial Training Program (currently, \$500 per person, per day, plus expenses, not to exceed \$700 per person, per day, plus expenses) and our personnel’s then-current per diem charges (currently \$100 per trainer per day, not to exceed \$250 per trainer per day) and actual travel and living expenses.	As incurred	We provide the Initial Training Program for you (or your managing owner), a registered nurse that meets the System Standards (as defined in Item 8) and any other requirements under Authorized Care Provider Regulations who is responsible for administering certain Authorized Products and Services to clients of the Center (the “Lead Nurse”) and the manager-level employee you appoint (the “General Manager”) at no additional cost. We may charge you for additional employees’ attendance at the Initial Training Program at our training facility. You must pay our personnel’s then-current per diem charges and actual travel and living expenses while providing the on-site support phases of the Initial Training Program, or if we decide to provide any of the Initial Training Program at a location we designate instead of online.
Additional or Renewal Training and Assistance	Then-current training fee per person for additional training during the term of the Franchise Agreement (currently, \$500 per person, per day, plus expenses not to exceed \$700 per person, per day, plus expenses) and our personnel’s then-current per diem charges (currently \$100 per trainer per day, not to exceed \$250 per trainer per day) and actual travel and living expenses.	As incurred	We may charge you for additional or special assistance or training you need or request or that we may require during the franchise term. These amounts also apply to on-site consultation services we may provide at the Center during the franchise term (including any additional or special guidance, assistance, or training you request during the initial on-site support period) and for new General Managers or Lead Nurse you may hire or appoint during the franchise term. If we provide any of these training courses at a location that requires our trainers to travel, you must pay our personnel’s then-current per diem charges and actual travel and living expenses

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
<b>Type of Fee<sup>(1)</sup></b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Transfer	\$10,000 <sup>(5)</sup>	Before transfer completed	Applicable to transfers of an interest in you, the Franchise Agreement, or the assets of the Center. You must satisfy all our conditions of transfer as provided under the Franchise Agreement in order for us to approve any transfer
Renewal	50% of then-current franchise fee	Upon signing the Successor Franchise Agreement	You must meet certain conditions to have the option to acquire a successor franchise
Testing	The cost of inspection and testing	As incurred	This covers our costs and expenses for evaluating and testing new products or inspecting new suppliers you propose
Technology Fee	Up to 1% of monthly Gross Revenues (we are not currently charging this fee)	Weekly	We may charge you a fee to support and maintain required computer hardware and software and/or supply technology solutions, payment card processing services, and any other technology existing now or developed in the future used in the operation of the Center. We may increase or decrease the amount of the Technology Fee at any time on written notice to you.
Audit	The cost of inspection or audit	Upon invoice	Due if you do not give us reports, supporting records, or other required information
Interest on Overdue Amounts	4% above the prime rate of interest on the first day of each month or the maximum rate allowable by applicable law <sup>(6)</sup>	As agreed	Due on all overdue amounts
Insurance	You must reimburse our costs	As incurred	If you fail to obtain insurance, we may obtain insurance for you and you must reimburse us
Insufficient Funds Processing Fee	\$100, plus our expenses	As incurred	Due if you have insufficient funds in your EDTA to cover a payment, or, if you pay by check, a check is returned for insufficient funds
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	Due when you do not comply with the Franchise Agreement

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
<b>Type of Fee<sup>(1)</sup></b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Brand Damages	Will vary under circumstances <sup>(7)</sup>	As incurred	Due only if you terminate the Franchise Agreement before it expires, in which case you must pay us for all Brand Damages (as defined in Note 6 below) related to the early termination
Reimbursement for Client/Member Complaints	Will vary under circumstances	As incurred	You and your employees must handle all client and member complaints, refunds, returns, and other adjustments in a manner that will not detract from the name and goodwill of the Marks, the System or us. We may resolve a client or member complaint on your behalf, in which case you must reimburse us for our out-of-pocket costs in resolving the complaint.
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we are held liable for claims from the Center's operations and other damages we incur
Management Fee	Direct out-of-pocket costs and expenses (plus \$500 per day)	As incurred	Due when we (or a third party we designate) manage the Center after your or your managing owner's death or disability or upon your default or abandonment
Administrative Fee	\$500 per day that we may terminate the Franchise Agreement	As incurred	Due when you do not comply with the Franchise Agreement

1/ Except as otherwise noted in this Item 6, all fees are imposed and collected by and payable to us. All fees are uniform and nonrefundable.

2/ Before the Center begins operating, you must sign and deliver to us the documents we require to authorize us to debit your business checking account automatically for the Royalty, Technology Fee, and other amounts due under the Franchise Agreement and for your purchases from us and/or our affiliates (the "EDTA"). We will debit the EDTA for these amounts on their due dates. Funds must be available in the EDTA for withdrawal. We may require payment other than by automatic debit, and you must comply with our payment instructions.

If we are unable to ascertain the Center's Gross Revenues during any reporting period, we may debit your EDTA for 120% of the last Royalty and Technology Fee contribution that we debited. If the amounts we debit are less than the amounts you actually owe us, then we will debit your EDTA for the remaining balance on the day we specify. If the amounts we debit are greater than the amounts you actually owe us, then we will credit the excess against the amounts that we otherwise would debit from your EDTA during the following week less a 2% administrative fee on the excess amount due to your failure to report.

The amount of the Royalty paid to us will be subject to a minimum monthly royalty of \$5,000 beginning in the first month of your second year operating your Center (i.e., the 13th month after the Business Opening Date) (the “Minimum Monthly Royalty Fee”).

If any applicable law prohibits or invalidates your payment of Royalty based on Gross Revenue, then we may either: (a) increase the royalty rate, as applied to the permissible portion of your Gross Revenue that is not otherwise restricted or prohibited, to a rate/amount determined by us so that the net amount of the Royalty paid to us is not less than the Royalty we would have received had the federal, state, and/or local government agency, entity, law, rule and/or regulation not prohibited your payment of Royalty based on Gross Revenue related to a restricted activity; or (b) charge you a fixed fee royalty that we specify.

- 3/ “Gross Revenues” means all revenue that you derive from operating the Center, including all amounts that you receive at or away from the Premises, and all revenues earned by the Center under or pursuant to any APAs or other arrangements in place with any Authorized Care Provider, and whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit transactions and all other income of every kind and nature related to the Center (including, revenues and income you receive from the proceeds of any business interruption insurance policies), but (1) excluding all federal, state, or municipal sales, use, or service taxes collected from clients and members and paid to the appropriate taxing authority, (2) excluding any client or member tips to Center employees and (3) reduced by the amount of any documented refunds, credits, allowances, and charge-backs the Center in good faith gives to clients and/or members. For the avoidance of doubt, Gross Revenues does not include the professional fees you have billed and collected in relation to the Specialty Services on behalf of the Authorized Care Provider as their agent of payee.
- 4/ Members of the Cooperative Program will include P3 Recovery Centers managed by us or our affiliates that are located within the Advertising Coverage Area. Each P3 Recovery Center operating in the Advertising Coverage Area, including P3 Recovery Centers operated by us or our affiliates that are located within the Advertising Coverage Area, will have one vote. No Cooperative Program yet exists for the franchise network.
- 5/ The transfer fee will be \$10,000 for transferring an ownership interest in you or your owners, as long as in either case: (i) the proposed transferee and its owners (whether direct or indirect) are of good character and otherwise meet our then applicable standards for franchise owners (including no involvement with a Competitive Business, as defined in Item 17); (ii) you give us prior notice of the transfer and later provide us final documentation of the consummated transfer; and (iii) you reimburse us, upon our demand at any time, for any costs we incur related to the proposed transfer (regardless of whether the proposed transfer actually occurs). “Control” means the power to direct or cause the direction of management and policies. A “controlling ownership interest” means in a partnership, corporation, limited liability company or other form of business entity, the power, directly or indirectly (including via a nominee arrangement), either to (i) vote 50% or more of the securities having ordinary voting power; (ii) determine the majority of the board of directors, management committee or similar governing body of such person or business entity; or (iii) direct or cause the direction of the management and policies of such person or business entity whether by contract or otherwise. In a trust, a trustee will be deemed to hold 50% of the voting interests of the trust, and each beneficiary of a trust will be deemed to hold his proportionate share of the voting interest of the trust or, if that interest is indeterminate, 50% of the voting interests of the trust.

6/ If there is no applicable legal maximum rate, interest will be calculated at the rate of 4% above the prime rate of interest on the first day of each month for the past due amount, as published in The Wall Street Journal.

7/ “Brand Damages” include all damages, costs, expenses, attorneys’ and experts’ fees directly or indirectly related to early termination, including lost Royalties, lost Technology Fee payments, lost profits, loss of goodwill and damage to our Marks and reputation, lost opportunities, travel and personnel costs, expenses that we may incur in developing or finding another franchise owner to develop a new P3 Recovery Center in the Territory, and any other lost payments or benefits we would have received for the balance of the term of the Franchise Agreement after the effective date of termination.

**Item 7**

**ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>
<b>Type of Expenditure</b>	<b>Amount</b>	<b>Method of Payment</b>	<b>When Due</b>	<b>To Whom Payment is to be made</b>
Initial Franchise Fee (1)	\$65,000	Lump Sum	Upon signing Franchise Agreement (and, if applicable, Development Agreement Rider)	Us
Real Estate/Rent (2)	\$25,000 - \$75,000	As Agreed	As Incurred	Landlord
Site Selection & Negotiation	\$10,000	As Agreed	As Incurred	Rapid Realty Group LLC
Lease, Utility and Security Deposits	\$25,000 - \$50,000	As Agreed	As Incurred	Landlord
Project Management	\$8,000	As Agreed	As Incurred	Rapid Design Build, LLC
Design & Architectural Fees	\$9,000 - \$11,000	As Agreed	As Incurred	Outside Suppliers

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>
<b>Type of Expenditure</b>	<b>Amount</b>	<b>Method of Payment</b>	<b>When Due</b>	<b>To Whom Payment is to be made</b>
Leasehold Improvements (3)	\$250,000 - \$550,000	As Agreed	As Incurred	Outside Suppliers
Equipment & Furniture (4)	\$250,000 - \$450,000	As Agreed	As Incurred	Outside Suppliers
Signage	\$15,000 - \$30,000	As Agreed	As Incurred	Outside Suppliers
POS System and Software (5)	\$8,522 - \$11,022	As Agreed	As Incurred	Outside Suppliers
Professional Fees (6)	\$2,500 - \$5,000	As Agreed	As Incurred	Lawyers, Accountants and other Advisors
Business License and Permits	\$15,000 - \$20,000	As Agreed	As Incurred	Government Agencies
Startup Inventory (7)	\$3,000 - \$5,000	As Agreed	As Incurred	Outside Suppliers, Us
Grand Opening Advertising (8)	\$20,000	As Incurred	As Incurred; must be spent during the 5 months before scheduled opening and 2 weeks after opening	Third-party Advertising Sources, as approved
Training Expenses (out-of-pocket costs for up to 2 people) (9)	\$2,500 - \$5,000	As Incurred	As Incurred	Third Parties
Insurance (10)	\$2,500 - \$5,000	As Incurred	As Incurred	Insurance Company
Additional Funds – 3 months (11)	\$20,000 - \$40,000	As Incurred	As Incurred	Third Parties

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>
<b>Type of Expenditure</b>	<b>Amount</b>	<b>Method of Payment</b>	<b>When Due</b>	<b>To Whom Payment is to be made</b>
<b>TOTAL ESTIMATED INITIAL INVESTMENT (12)</b>	\$731,022 - \$1,360,022			

### **Explanatory Notes**

- \* Except for the Initial Franchise Fee, all amounts listed in the above table are nonrefundable. If you want development rights and sign the Development Agreement Rider, you must pay us a development fee equal to \$65,000 (the initial franchise fee for the first P3 Recovery Center) plus a deposit of \$32,500 for each additional P3 Recovery Center you will develop (you must develop a minimum of 2 P3 Recovery Centers).
1. We describe the Initial Franchise Fee in Item 5.
  2. It is your responsibility to identify a suitable Premises within the Territory, which we must accept. We estimate that the Premises for a “core” or “traditional” P3 Recovery Center should occupy approximately 2,700 to 5,500 square feet of space. We anticipate that you will rent the Premises and the range estimates 3 months’ rent. It is possible, however, that you might choose to buy, rather than rent, real estate on which a building suitable for the Center 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. Rent depends on geographic location, size, local rental rates, businesses in the area, site profile, and other factors, and could be considerably higher in large metropolitan areas. P3 Recovery Centers can be located at Non-Traditional Sites (as defined in Item 12) and in non-free-standing units, strip shopping centers and other venues in downtown commercial areas and in residential areas with high street visibility.
  3. Leasehold improvements may include necessary construction work, landscaping and grading of the Premises and parking lots, and other alterations to the proposed site to create a suitable retail space for the Center. This estimate excludes any allowances for tenant improvements that you may receive from the landlord of the Premises.
  4. The costs for furniture, fixtures and equipment vary depending on the size, configuration and condition of the Center.
  5. You must purchase a Computer System that meets our specifications, which currently includes (i) the required point-of-sale (“POS”) system and related hardware and software from our designated vendor; (ii) Hapana management software, (iii) Xero accounting software, (iv) FranConnect software, (v) Canva Marketing software, (vi) Youtube subscription, (vii) Google Workspace subscription, and (viii) Apple Mac PC and related hardware. This estimate includes

the initial costs of the Computer System, and the monthly costs of the Computer System for the period beginning on the date the Center opens and ending 3 months after the Center opens.

6. We recommend that you engage the services of professionals to assist you in evaluating our franchise opportunity and to help you establish your business. This will include your lawyer and accountant.
7. You are responsible for purchasing an initial supply of Proprietary Products and marketing materials from designated or approved suppliers (which may include us or our affiliates).
8. We must approve your grand opening marketing plan that covers a period beginning 5 months before the scheduled opening of the Center and ending 2 weeks after the date the Center opens for business. Your advertising must comply with our specifications.
9. These estimates are for the per diem charges and actual travel and living expenses for 2 of our trainers to provide the on-site support phases of the Initial Training Program. The low end of the training costs estimate assumes you are located near our training facility and the high end of the training costs estimate assumes you are not located near our training facility.
10. You must obtain and maintain certain types and amounts of insurance. Insurance costs depend on policy limits, types of policies, nature and value of physical assets, gross revenue, number of employees, square footage, location, business contents, and other factors bearing on risk exposure. The estimate contemplates insurance costs for 3 months.
11. This item estimates your initial start-up expenses (other than the items identified separately in the table). These expenses include: employee payroll (but not any draw or salary for you); initial marketing expenditures for 3 months (not including your grand opening advertising expenditure); bookkeeping and payroll services for 3 months; equipment; installations; security deposits; utility costs; incorporation fees; materials; and any unforeseen incidental expenses related to facilities improvements. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting the business. Your costs depend on your management skill, experience, and business acumen; local economic conditions; the local market for your products and services; the prevailing wage rate; competition; and the sales level reached during the initial period. We relied on our affiliate's and our executives' experience in operating P3 Recovery Centers and other recovery businesses to compile these estimates.
12. You should review these estimated figures carefully with a business advisor before deciding to acquire the franchise. These amounts are only estimates and your costs could vary considerably depending on the particular circumstances for the Center. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and lending policies of financial institutions from which you request a loan.

The estimates above generally apply to a new P3 Recovery Center. If we allow you to purchase an existing company-owned location, then the initial estimates may vary depending on the circumstances to require a greater or smaller investment than shown above in this Item; however, we

do not anticipate that the estimated initial investment will cost significantly more than the estimates shown for a new franchise location.

## YOUR ESTIMATED INITIAL INVESTMENT

### DEVELOPMENT AGREEMENT RIDER

(1) Type of expenditure	(2) Amount	(3) Method of Payment	(4) When Due	(5) To whom payment is to be made
Development Fee (Note 1)	\$97,500	One lump sum	Upon Signing Development Agreement Rider	Us
Total Initial Investment of Your First P3 Recovery Center (2)	\$666,022- \$1,295,022			
<b>TOTAL</b>	<b>\$763,522 - \$1,392,522</b>			

Note 1: As described in Item 5, if you execute a Development Agreement Rider, you must pay us a development fee in full when you sign the Development Agreement Rider, which is fully earned when paid and not refundable under any circumstances. The development fee due equals the full Initial Franchise Fee for the P3 Recovery Center covered by that Franchise Agreement plus a deposit equal to 50% of the applicable Initial Franchise Fee for the second and each additional P3 Recovery Center you will develop.

Note 2: You must open a minimum of 2 P3 Recovery Centers under the Development Agreement Rider. An initial investment will be required for each P3 Recovery Center you open. The table above includes our current estimated initial investment for the first P3 Recovery Center you develop under the Development Agreement Rider, excluding the \$65,000 Initial Franchise Fee for that P3 Recovery Center that is included in the development fee.

## Item 8

### RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

#### Franchise Agreement

You must operate the Center according to our System Standards. System Standards may regulate, among other things, the delivery of Authorized Products and Services at your Center, the types, models, and brands of equipment, fixtures, furniture, vehicles, furnishings, and signs (collectively, "Operating Assets"); products, other equipment and supplies you must use in operating the Center; unauthorized and prohibited products, equipment, and services; inventory requirements; and designated and approved suppliers of Operating Assets and other items.

In the case of Operating Assets, suppliers may be limited to us, our affiliates, and/or our designated third-party suppliers, and you must buy those Operating Assets during the franchise term only from us, our affiliates, and/or our designated third-party suppliers at the prices we and they decide to charge. We have the absolute right to limit the suppliers with whom you may deal. We restrict your sources of products and supplies in order to protect our trade secrets, assure quality, assure a reliable supply of products that meet our standards, achieve better terms of purchase and delivery service, control usage of the Marks by third parties, and monitor the manufacture, packaging, processing, and sale of these items.

We plan to introduce in the future a new entity affiliated with us (the “P3 Supply Entity”) that will supply some or all P3 Recovery equipment, building materials, fixtures, and furniture. When the P3 Supply Entity is established, we may require that you purchase some or all of the required equipment, building materials, fixtures, and furniture exclusively from the P3 Supply Entity.

Other than described above, neither we nor any of our affiliates are currently an approved supplier of any products or services. None of our officers currently own an interest in any designated third-party supplier to the franchise network.

You must purchase certain services only from suppliers we designate. This includes Rapid Design Build, LLC (design and project management services), Rapid Realty Group, LLC (realty services and financing), Rapid Construction Solutions, LLC (general contractor services), and Rapid Building Solutions, LLC (construction labor). Social Fitness is currently the designated supplier for the grand opening advertising and local advertising expenditure. You also must purchase certain Operating Assets from our designated supplier, which includes hydration drinks and sticks from A-game Beverages Inc. You are also required to use (i) Hapana for your operating system, CRM system, and booking platform, (ii) Xero for your accounting software, (iii) Stripe for your POS terminals, (iv) FranConnect for your franchise management software, (v) Canva Marketing for creating marketing materials, (vi) Youtube for your media provision, and (vii) Google Workspace for your productivity and collaboration software, as further detailed in Item 11.

Except as we describe above, there are no other goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate or comparable items for establishing or operating the Center that you currently must buy or lease from us (or an affiliate) or designated suppliers.

To maintain the quality of the goods and services that P3 Recovery Centers sell and our System’s reputation, we may condition your right to buy or lease goods and/or services (besides those described above that you may obtain only from us, our affiliates, and/or other specified exclusive sources) on their meeting our minimum standards and specifications and/or being acquired from suppliers that we approve. We will issue and modify standards and specifications based on our and our P3 Recovery Center franchise owners’ experience in operating P3 Recovery Centers. Our standards and specifications may impose minimum requirements for production, performance, reputation, prices, quality, design, and appearance. Our confidential operating manual and other communications we may provide to you (collectively, the “Operations Manual”) will identify our standards and specifications for the System. We will notify you and, where appropriate, the suppliers, of our standards and specifications. There might be situations where you can obtain items from any supplier who can satisfy our requirements and, therefore, would be an approved supplier.

If we institute any type of restrictive sourcing program and you want to use any item or service that we have not yet evaluated or to buy or lease from a supplier that we have not yet approved or designated, you first must send us sufficient information, specifications, and samples so that we can determine whether the item or service complies with System Standards or the supplier meets our approved supplier criteria. We list examples of our criteria for supplier approval in the following paragraph below in this Item, and we will make available our then-current criteria to you, as necessary, upon request if we are asked to evaluate and approve a new supplier, item, or service for use with the System. We may require you or the supplier to reimburse us for our costs and expenses for the evaluation and will decide within a reasonable time (no more than 120 days). We periodically will establish procedures for your requests and may limit the number of approved items, services, and/or suppliers as we think best.

Supplier approval might depend on product quality, delivery frequency and reliability, service standards, financial capability, client and member relations, concentration of purchases with limited suppliers to obtain better prices and service, a supplier's willingness to pay us, one of our affiliates, and/or our system for the right to do business with our system, or other criteria. We and our affiliates may receive payments or other material consideration from suppliers on account of their actual or prospective dealings with you and other franchise owners and to use all amounts that we and our affiliates receive without restriction (unless we and our affiliates agree otherwise with the supplier) for any purposes we and our affiliates deem appropriate. Supplier approval might be temporary until we evaluate the supplier in more detail. We may inspect a proposed supplier's facilities during and after the approval process to make sure that the supplier meets our standards. If it does not, we may revoke our approval by notifying the supplier and you in writing. We have no obligation to approve any request for a new supplier, product, or service. We may charge you our actual costs of inspection and testing of products in connection with our evaluation and approval or disapproval of proposed suppliers.

Neither we nor our affiliates received any payments directly from franchise owners, or from suppliers based on franchise owner purchases, in respect of products or services during the prior fiscal year.

#### Authorized Care Providers.

You must contract with an Authorized Care Provider so that you can facilitate clients' access to, and the performance of, the Specialty Services (as further described in Item 16). You must use an Authorized Care Provider that satisfies the System Standards and is designated by us, unless we allow you to contract with an alternative, third-party Authorized Care Provider to provide or supervise the Specialty Services.

You must enter into an APA substantially in the form attached to this Disclosure Document as Exhibit L with the Authorized Care Provider we designate to provide the Authorized Care Provider with (i) exclusive space in your P3 Recovery Center and (ii) administrative services and personnel for the Authorized Care Provider to deliver the Specialty Services to clients on-site and/or from a remote location. If we agree in writing to allow you to contract with an alternative, third-party Authorized Care Provider, you must enter into an APA in a form we approve that includes a full description of the arrangement and administrative services to be rendered to the Authorized Care Provider, as well as a compensation formula that complies with the CPOM or CPON rules, if any, in the applicable state and other Authorized Care Provider Regulations.

We may (but are not obligated to) permit P3 Recovery franchisees to directly employ a licensed individual to order, administer, or provide certain Specialty Services in jurisdictions where direct employment is permitted or required under applicable law and regulations. If we agree in writing to allow you to directly employ a licensed individual to order, administer, or provide certain Specialty Services, the compensation formula under the APA with our designated Authorized Care Provider may be adjusted to reflect the costs incurred for any licensed individuals employed directly by you.

Although we provide the form of the APA that you must enter into with the Authorized Care Provider we designate, you must directly hire your own attorney to independently evaluate, review, and ensure that your APA and its terms comply with all applicable laws, rules and regulations, including Authorized Care Provider Regulations. Your failure to comply with applicable state CPOM laws or other Authorized Care Provider Regulations may lead to the unauthorized practice of medicine or other violations by you, your P3 Recovery Center or the Authorized Care Provider, and will give us the right to terminate the Franchise Agreement and any other agreements between you and us. You are solely responsible for determining and complying with all applicable provisions of such laws with respect to your businesses, operations, locations, and employees, and you are encouraged to seek guidance from legal counsel regarding these matters.

Importantly, you or your staff may not direct or control the performance of Specialty Services or the professional's independent medical judgement regardless of whether your state has applicable CPOM or CPON rules or Authorized Care Provider Regulations, if any. All payments for professional fees should be charged and made directly to the Authorized Care Provider, and the Authorized Care Provider should determine the professional fees and modification or waiver thereof in an individual case. Under the APA, the Authorized Care Provider must authorize you as their agent of payee to bill and collect the professional fees from the client or member, which amounts must be billed separately or clearly itemized and disclosed to the client or member in the invoice.

Insurance. Besides these purchases or leases, you must obtain and maintain, at your own expense, the insurance coverage that we periodically require and satisfy other insurance-related obligations underwritten by responsible insurance carriers acceptable to us and which are authorized to do business in the state(s) in which the Center is located. You currently must have comprehensive commercial general liability coverage (\$1 million per occurrence and \$1 million aggregate), healthcare professionals civil liability coverage (\$1 million per occurrence for professional indemnity and \$3 million aggregate; \$20 million per occurrence for public liability and \$60 million aggregate; and \$20 million aggregate for products liability), cyber security insurance, and other policies containing the minimum liability coverage we specify from time to time, including worker's compensation and employer's liability insurance (\$500,000 per accident for bodily injury, \$500,000 per employee for injury by disease, and \$500,000 aggregate for injury by disease), and any other coverage required by law or your lease. Premiums depend on the insurance carrier's charges, terms of payment, and your history. All insurance policies must name us and our affiliates, officers, partners, shareholders, members, directors, managers, agents, employees, successors and assignees as additional insured parties. If you fail to obtain or maintain required insurance coverage for the Center, we may do so on your behalf and invoice you for reimbursement of our costs to arrange the missing coverage. The types and coverage amounts we require you to obtain and maintain are only minimums, and we have not assessed whether, and do not guarantee that, the types and coverage amounts are sufficient for the Center.

Advertising Materials. Before you use them, you must send us for review samples of all advertising, promotional, and marketing materials that we (or a supplier we may designate, at our

option) have not prepared or previously approved. If you do not receive written notice of approval within 10 days after you submit materials to us, they are deemed disapproved. You may not use any advertising, promotional, or marketing materials that we have not approved or have disapproved.

P3 Recovery Center Development. You are responsible for developing the Center, and you must use the services of a licensed contractor. We may give you mandatory and suggested specifications and layouts for a P3 Recovery Center, including requirements for dimensions, design, image, interior layout, décor, and color scheme. These plans might not reflect the requirements of any federal, state, or local law, code, or regulation, including those arising under the Americans with Disabilities Act (“ADA”) or similar rules governing public accommodations for persons with disabilities. You must prepare a site survey and all required construction plans and specifications and floor plans for the Center’s site and make sure that they comply with the ADA and similar rules, other applicable ordinances, building codes, permit requirements, and lease requirements and restrictions. We may to review and approve all final plans and specifications before you begin constructing the Center and all revised or “as built” plans and specifications during construction. Our review is only to ensure your compliance with our design requirements. We may inspect the Center (including the use of “mystery customers”) during its development and during the franchise term.

P3 Recovery Center Site. We may accept or not accept your lease or sublease and to require that you sign our required form of lease addendum to any third-party lease you sign (attached as an exhibit to the Franchise Agreement). We may also enter into a master lease for the site of the Center and sublease the Premises to you. You must submit, for our review and written acceptance, all information and materials we request regarding any site at which you propose to operate a P3 Recovery Center.

Collectively, the purchases and leases described above are approximately 80% of your overall purchases and leases in establishing the Center and 50% of your overall purchases and leases in operating the Center.

Neither we nor our affiliates received any revenue or other material consideration during 2025 from selling items to P3 Recovery Center franchise owners, but we may do so in the future. During fiscal year 2025, we received no rebates from any suppliers, but we may do so in the future.

There currently are no purchasing or distribution cooperatives. We may negotiate purchase arrangements with suppliers (including price terms). We do not provide material benefits to P3 Recovery Center franchise owners (for example, renewal or granting additional franchises) based on their purchase of particular products or services or use of particular suppliers.

#### Development Agreement Rider

The Development Agreement Rider does not require you to buy or lease from us (or our affiliates), our designees, or approved suppliers, or according to our specifications, any goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items. You must give us information and materials we request regarding each site at which you propose to operate a P3 Recovery Center so we can assess that site. The information and materials we may request is consistent with the information and materials we may request for site selection under the Franchise Agreement.

## Item 9

### FRANCHISEE’S OBLIGATIONS

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

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	Sections 1.D, 2.A., and 2.B of Franchise Agreement; Section 6 of Development Agreement Rider	Items 7, 8, and 12
b. Pre-opening purchases/leases	Sections 2.A to 2.G and 8 of Franchise Agreement	Items 5, 7, 8, and 11
c. Site development and other pre-opening requirements	Section 2 of Franchise Agreement	Items 7, 8, and 11
d. Initial and ongoing training	Section 4 of Franchise Agreement	Items 6, 7, and 11
e. Opening	Section 2.G of Franchise Agreement; Section 3 of Development Agreement Rider	Item 11
f. Fees	Sections 2.B, 2.C, 2.E, 2.F, 3.A to 3.C, 3.E to 3.G, 4.A to 4.E, 8.G, 8.L, 8.O, 9, 11.B, 12.C, 13.A, 14.C, 14.F, 15.D, 16.D, and 17.C of Franchise Agreement; Section 5 of Development Agreement Rider	Items 5, 6, and 7
g. Compliance with standards and policies/operating manual	Sections 4.D, 4.E, and 8 of Franchise Agreement	Items 8 and 11
h. Trademarks and proprietary information	Sections 5 and 6 of Franchise Agreement; Section 4 of Development Agreement Rider	Items 13 and 14

<b>OBLIGATION</b>	<b>SECTION IN AGREEMENT</b>	<b>DISCLOSURE DOCUMENT ITEM</b>
i. Restrictions on products/services offered	Sections 1.D and 8 of Franchise Agreement; Section 4 of Development Agreement Rider	Items 8, 11, 12, and 16
j. Warranty and customer service requirements	Section 8 of Franchise Agreement	Items 8, 12, and 16
k. Territorial development and sales quotas	Sections 1.D to 1.G and 8.P of Franchise Agreement; Sections 2, 3, and 6 of Development Agreement Rider	Items 12 and 17
l. Ongoing product/service purchases	Sections 2.E, 2.G, and 8 of Franchise Agreement	Items 6 and 8
m. Maintenance, appearance, and remodeling requirements	Sections 8 and 13 of Franchise Agreement	Items 8, 11, 16, and 17
n. Insurance	Section 8.L of Franchise Agreement	Items 7 and 8
o. Advertising	Section 9 of Franchise Agreement	Items 6, 7, 8, and 11
p. Indemnification	Section 16.D of Franchise Agreement; Section 10 of Development Agreement Rider	Item 6
q. Owner's participation/management/staffing	Sections 1.C, 4, 6, and 8 of Franchise Agreement	Items 11 and 15
r. Records and reports	Section 10 of Franchise Agreement	Not Applicable
s. Inspections and audits	Section 11 of Franchise Agreement	Items 6 and 11
t. Transfer	Section 12 of Franchise Agreement; Section 9 of Development Agreement Rider	Item 17
u. Renewal	Section 13 of Franchise Agreement	Item 17
v. Post-termination obligations	Section 15 of Franchise Agreement	Item 17

<b>OBLIGATION</b>	<b>SECTION IN AGREEMENT</b>	<b>DISCLOSURE DOCUMENT ITEM</b>
w. Non-competition covenants	Sections 7, 12, 15, and 16 of Franchise Agreement	Items 15 and 17
x. Dispute resolution	Section 17 of Franchise Agreement; Section 10 of Development Agreement Rider	Item 17
y. Other - Guaranty	Sections 1.C and 12.C of Franchise Agreement; <u>Exhibit F</u> to Franchise Agreement	Items 1 and 15

**Item 10**

**FINANCING**

We and our affiliates do not offer direct or indirect financing. Neither we nor our affiliate will 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.**

**Pre-Opening Assistance**

Before you open and begin operating the Center, we will:

1. Identify a designated area for you to select a site for the Center (the “Designated Area”). We will use reasonable efforts to help analyze your market area, to help determine site feasibility, and to assist in designating the location, although we will not conduct site selection activities for you. We may refer sites within the Designated Area to you for your consideration. (Franchise Agreement – Section 2.A)
  
2. We anticipate that you will operate the Center in a commercial space that you will lease. We will accept or not accept each site that you propose within the Designated Area according to our general criteria for selection of a P3 Recovery Center. The site must meet our criteria for demographic characteristics; traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; size; appearance; and other physical and commercial characteristics. You must submit and receive our acceptance of a site within the Designated Area and related materials to us within 120 days after the Effective Date. (Franchise Agreement – Sections 1.D, 2.A and 2.B)

3. We must accept your third-party lease for the Premises. The lease must be in form and substance we accept, and must include the provisions of our required lease addendum. You must submit a proposed lease or purchase document for the Premises to us within 60 days after we accept the site for the Premises. You must deliver to us the accepted and fully-signed lease (including the provisions of the lease addendum) within 7 days after you sign the lease or purchase document for the Premises or, if earlier, before the date specified in any Development Agreement Rider that we and you sign. At our option, we may terminate the Franchise Agreement if you and we do not agree on a site, and you do not submit a lease or purchase document for that site to us, within 180 days after the Effective Date. (Franchise Agreement – Sections 2.B and 14.B)
4. Designate the Territory for the Center. (Franchise Agreement – Section 1.F)
5. Provide you mandatory and suggested specifications and layouts for a P3 Recovery Center, including requirements for dimensions, design, image, interior layout, décor, fixtures, equipment, signs, furnishings, and color scheme. (Franchise Agreement – Section 2.C)
6. As discussed in Item 8, identify the Operating Assets, Proprietary Products and related products and services, equipment and supplies that you must use to develop and operate the Center, provide written specifications in the Operations Manual for the minimum standards and specifications that you must satisfy, and provide a written list in the Operations Manual of the designated and approved suppliers from whom you must or may buy or lease these items (which may be limited to and/or include us, our affiliates, and/or other specified exclusive sources, and we may, but are not required to, deliver and/or install these items). (Franchise Agreement – Sections 2.A, 2.D, and 8)
7. Provide you access to the Operations Manual, the current table of contents of which is Exhibit G. As of the date of this Disclosure Document, the Operations Manual contains 105 pages. (Franchise Agreement – Section 4.D)
8. Advise you on the Center’s grand opening advertising program. (Franchise Agreement – Section 9.A)
9. Provide the Initial Training Program to you (or your managing owner), the Lead Nurse and the General Manager. (Franchise Agreement – Section 4.A) We describe this training program later in this Item.
10. Provide you with template membership agreements to use with members of the Center. (Franchise Agreement – Section 8.O)
11. Designate a specific number of P3 Recovery Centers you must develop and open at accepted locations in the Area (if we grant you development rights). We also will supply to you our site selection criteria and may put you in contact with a commercial real estate broker in your Area. (Development Agreement Rider – Sections 2, 3, and 6) Some of the assistance noted above may be performed during the term of a Development Agreement Rider but before the signing of a second or subsequent Franchise Agreement.
12. You are responsible for developing the Center, and you must use the services of a licensed contractor. We may give you mandatory and suggested specifications and layouts for a P3

Recovery Center, including requirements for dimensions, design, image, interior layout, décor, and color scheme. These plans might not reflect the requirements of any federal, state, or local law, code, or regulation, including those arising under the Americans with Disabilities Act (“ADA”) or similar rules governing public accommodations for persons with disabilities. You must prepare a site survey and all required construction plans and specifications and floor plans for the Center’s site and make sure that they comply with the ADA and similar rules, other applicable ordinances, building codes, permit requirements, and lease requirements and restrictions. We may to review and approve all final plans and specifications before you begin constructing the Center and all revised or “as built” plans and specifications during construction. Our review is only to ensure your compliance with our design requirements. We may inspect the Center (including the use of “mystery customers”) during its development and during the franchise term.

### **Ongoing Assistance**

During your operation of the Center, we will:

1. Advise you regarding the Center’s operation based on your reports or our inspections, audits and/or evaluations of your training methods, techniques, equipment, staff and services given to clients and members. We also will guide you on standards, specifications, and operating procedures and methods that P3 Recovery Centers use; purchasing required and authorized Operating Assets, Proprietary Products and related products and services, and other items and arranging for their distribution to you; advertising and marketing materials and programs; employee training; and administrative, bookkeeping, and accounting procedures. We will guide you in our Operations Manual, bulletins, or other written materials; by electronic media; by telephone consultation; and/or at our office or the Center. (Franchise Agreement – Section 4.C)
2. Give you, at your request (and our option), additional or special guidance, assistance, and training. (Franchise Agreement – Section 4)
3. Continue to provide you access to the Operations Manual, which could include audiotapes, videotapes, compact disks, computer software, other electronic media, and/or written materials. The Operations Manual contains mandatory and suggested specifications, standards, operating procedures, and rules (“System Standards”) that we periodically require. We may modify the Operations Manual periodically to reflect changes in System Standards. (Franchise Agreement – Sections 4.D and 8)
4. Issue and modify System Standards for P3 Recovery Centers. We periodically may modify System Standards, which may accommodate regional or local variations, and these modifications may require you to invest additional capital in the Center and/or incur higher operating costs. (Franchise Agreement – Section 8)
5. Establish, to the fullest extent allowed by applicable law, maximum, minimum, or other pricing requirements with respect to the prices you may charge for products and services. (Franchise Agreement – Section 8.M)
6. Inspect the Center and observe the Center’s operations to help you comply with the Franchise Agreement and all System Standards. (Franchise Agreement – Section 11.A)

7. Let you use our confidential information. (Franchise Agreement – Section 6)
8. Let you use our Marks. (Franchise Agreement – Section 5)
9. Periodically offer refresher training courses. (Franchise Agreement – Section 4.C)

### **Pre-Opening Membership Sales**

You will perform all required and recommended pre-opening membership sales activities during the 5-month period preceding the projected opening date of the Center (or any other period as we may prescribe). All membership sales activities must comply with our System Standards and other requirements under the Franchise Agreement. Before you begin membership sales activities, the following must occur: (i) we have activated your social media accounts, designated online account (which allows you to manage and track memberships and sales for the Center), and we have authorized you in writing to sell memberships to the public; (ii) if we require it, you (or your Operator) and the General Manager must complete to our satisfaction the presales training program; and (iii) you must have secured all financing and permits necessary to develop, build and fully equip the Center, as described in the Franchise Agreement. You must also comply with and certify to us in writing that you have obtained all necessary bonds and otherwise have complied, and will comply, with all applicable laws relating to your presale of memberships. (Franchise Agreement – Section 2.F).

### **Grand Opening Advertising**

You must spend \$20,000 (or a greater sum if required by your lessor or the master lessor) to advertise and promote the Center during a period beginning 5 months before the scheduled opening of the Center and ending 2 weeks after the Center opens for business. You agree to comply with our guidelines for this grand opening advertising program.

### **Your Local Advertising**

In addition to your grand opening advertising obligation, you must spend, during the second month of the franchise term and in all subsequent months, \$2,000 per month to advertise and promote the Center. You must participate at your own expense in all advertising, promotional and marketing programs that we require. You must send us monthly reports of your marketing expenditures.

Your local advertising and promotion must follow our guidelines and comply with applicable laws. All advertising and promotional materials that you develop for the Center must contain notices of our website's domain name in the manner we designate. You may not develop, maintain, or authorize any website that mentions or describes you or the Center or the Authorized Care Provider or displays any of the Marks without our prior written approval or that of the Authorized Care Provider, as applicable. We alone may establish, maintain, modify or discontinue all Internet, worldwide web and electronic commerce activities pertaining to the System, including through the use of a page or profile on a social media website such as Facebook, Instagram, TikTok, Pinterest, LinkedIn and X. All advertising, promotion, marketing, and public relations must be completely clear, factual, and not misleading and conform to the highest standards of ethical advertising and marketing, the policies that we periodically require, and applicable laws. Before you use them, you must send us or our designated agency for review samples of all advertising, promotional, marketing, and public relations materials that we have not prepared or previously approved. Promotional material includes materials you provide on a website or similar medium. If you do not receive written approval or disapproval within

10 days after we or our designated agency receives the materials, they are deemed to be disapproved. You may not use any advertising, promotional, marketing, or public relations materials that we have not approved or that we have disapproved.

You must list and advertise the Center in at least one online directory listing (e.g., Google or Yelp) as we designate or approve from time to time. (Franchise Agreement – Section 9.B)

There is no obligation for us to maintain any advertising program or to spend any amount on advertising in your geographic area. We have the right to require you to use one or more required suppliers for your local advertising and to require you to spend all or a portion of the required money you must spend on local advertising with required suppliers.

### **Cooperative Advertising Programs**

We may designate an advertising coverage area (“ACA”) – local or regional – in which 2 or more P3 Recovery Centers are located in order to seek to establish a cooperative advertising program (“Cooperative Program”). An ACA is the area covered by the particular advertising medium recognized in the industry. We will require all franchise owners in the ACA to participate. Each P3 Recovery Center operating in the ACA will have one vote, including those we or our affiliate operate.

Each Cooperative Program will be organized and governed in a form and manner, and begin operating on a date, that we determine in advance. Each Cooperative Program’s purpose is, with our approval, to administer advertising programs and develop promotional materials for the area the Cooperative Program covers. If we establish a Cooperative Program for the geographic area in which the Center is located, you must sign the documents we require to become a member of the Cooperative Program and participate in the Cooperative Program as those documents require.

If a Cooperative Program is established for your ACA, you must contribute up to 2% of the Center’s Gross Revenues to the Cooperative Program weekly, monthly, or as otherwise specified by 50% or more of the P3 Recovery Centers operating in the ACA. You need not contribute more than 3% of the Center’s Gross Revenues to the Cooperative Program unless 67% or more of the P3 Recovery Centers operating in the ACA, including those we or our affiliates operate, vote to increase the contribution in excess of 2%. Any amounts you contribute to a Cooperative Program will count toward the minimum amount you are required to spend on local advertising.

We do not have a franchise owner advisory council that advises us on advertising policies.

### **Computer System**

You must obtain and use in the Center a computer system containing the hardware and software we specify or that we recommend (the “Computer System”), the initial cost of which is between approximately \$5,000 and \$7,500 depending on the hardware you select. The Computer System currently includes: (i) the required point-of-sale (“POS”) system and related hardware and software from our designated vendor; (ii) Hapana management software, (iii) Xero accounting software, (iv) FranConnect software, (v) Canva Marketing software, (vi) Youtube subscription, (vii) Google Workspace subscription, and (viii) Apple Mac PC and related hardware.

Currently, our required POS system is provided by Stripe. Stripe is included in the Hapana management software package. You must pay Hapana a monthly fee which includes the POS system, which is currently \$835 per month.

We currently require you to use Xero for you Center's accounting software. You must pay Xero a monthly fee, which is currently \$75 per month. We also require you to use FranConnect franchise management software. You must pay FranConnect a monthly fee, which is currently \$195 per month.

We currently require you to use Canva Marketing for creation of marketing materials for the Center. You must pay Canva Marketing a monthly fee, which is currently \$35 per month. We also currently require you to use YouTube to provide media for your Center. You must pay YouTube a monthly fee, which is currently \$17 per month. Additionally, we currently require you to use Google Workspace for productivity and collaboration software for the Center. You must pay Google Workspace a monthly fee, which is currently \$17 per month.

You must purchase all other parts of the Computer System from vendors we have approved for a particular component and your Computer System for the Center meets our overall specifications. We may modify the specifications for and components of the Computer System. You will be responsible for the costs of updating and implementing any changes we make to the Computer System.

You will be solely responsible for ongoing maintenance and upgrading of the Computer System. Currently, the annual cost of any optional or required maintenance, updating, upgrading or support contracts is included in the monthly subscription fees for the POS system. Other than the \$835 on-going monthly fee that you will pay for Hapana, the third parties whose Computer System-related products you purchase or lease have no contractual rights or obligations to provide ongoing maintenance, repairs, upgrades or updates unless you obtain a service contract or a warranty covers the product.

The types of data to be generated or stored in the Computer System include sales information, costs analysis and other information that we may specify in the Operations Manual. We have independent, unlimited access to the information generated by the Computer System, and there are no contractual limitations on our right to do so. We may connect remotely to your Computer System at any time for any information and you must never block or restrict this access. You must also have a functioning email address so that we can send you notices and otherwise communicate with you by this method. You must provide us with current passwords and login information for full access to the POS System. This access will help enable us to provide suggestions for growth and development, to calculate monthly fees owed to us, and to compile metrics for projections for advertising and future development.

We may change the Computer System at any time. There are no contractual limitations on the frequency and cost of this obligation. We need not reimburse you for any of these costs. We may require you to use proprietary software, for which you may pay an annual license fee. We or our affiliates may condition any license of proprietary software to you, or your use of technology that we or our affiliates develop or maintain, on your signing a software license agreement or similar document that we or our affiliates prescribe to regulate your use of, and our and your respective rights and responsibilities concerning, the software or technology. We or our affiliates may charge you a monthly, annual, or other license fee for any proprietary software or technology that we or our affiliates

license to you and for other maintenance and support services that we or our affiliates provide during the franchise term.

## **Opening**

We estimate that it will be 120 to 365 days after you sign the Franchise Agreement before you open and begin operating the Center. The specific timetable for opening and operating the Center depends on various factors, including the location of the Premises; the delivery schedule for equipment and supplies; completing training; and complying with local laws and regulations. You must notify us in writing of the Center's opening date at least 30 days before the opening of the Center. You may not open or begin operating the Center until: (1) we notify you in writing that the Center and Premises meet our standards and specifications; (2) you (or your managing owner), the Lead Nurse, and your other employees complete the Initial Training Program to our satisfaction; (3) you pay the initial franchise fee and other amounts then due to us; and (4) you give us certificates or other evidence we require for all required insurance policies. In any case, you must open the Center within 365 days after the Effective Date of the Franchise Agreement. (Franchise Agreement – Section 2.G)

## **Training**

### **Initial Training Program**

If this is your first P3 Recovery Center, then before the Center opens for business, we will train you (or your managing owner), the Lead Nurse, and the General Manager you appoint on operating a P3 Recovery Center. The Initial Training Program currently consists of approximately 355 hours of training, excluding the days of on-site opening support we describe later in this Item. We will use the Operations Manual and various instructional materials as we conduct the Initial Training Program. If we determine that you (or your managing owner), the Lead Nurse, and the General Manager cannot complete initial training to our satisfaction, then we may terminate the Franchise Agreement. In that case, you will be eligible to receive up to a 50% refund of any initial franchise fee that you have already paid if you sign our required form of release of claims. (Franchise Agreement – Section 4.B) If you do not satisfactorily complete the required Initial Training Program during the normal time allotted, we may require you (or your managing owner), the Lead Nurse, and/or your employees to attend additional training programs in order to achieve the sufficient level of training we require. We may charge reasonable fees for such additional training, as well as for additional training programs we may require or offer during the franchise term. If we decide to provide these additional training programs at a location we designate instead of online, you also must pay for all actual travel and living expenses that you and your personnel incur and for your personnel's wages and workers' compensation insurance while they attend this additional training at our training facility or the location we designate. If we require it, presale training will be included in the Initial Training Program. (Franchise Agreement – Section 4.B)

Additional people beyond 3 attendees may attend the Initial Training Program, subject to our ability and capacity to accommodate these extra persons in any training session, if you pay our then-current training charge for each additional person (currently, \$500 per person, per day, not to exceed \$700 per person, per day). We or our designee conduct our Initial Training Program as frequently as we deem necessary. All classroom training may be conducted at a location we designate and/or online. The on-site support phase of the Initial Training Program around the Center's opening is conducted at the Premises. If we decide to provide the classroom training at a location we designate instead of online, you must pay for all actual travel and living expenses that you and your personnel incur, and

for your personnel’s wages and workers’ compensation insurance while they train at our training facility or the location we designate. (Franchise Agreement – Section 4.B)

Any training and assistance we or a third-party provides on our behalf will be expressly limited to activities that are not regulated by Authorized Care Provider Regulations. We do not provide training or assistance related to Specialty Services that would be deemed the practice of medicine or nursing requiring performance by an Authorized Care Provider. Our training expressly excludes standards, procedures and requirements related to delivery of medical services, including the diagnosis, treatment or care of any patients.

We or our designee conduct our Initial Training Program as frequently as we deem necessary. Initial training will occur no more than 18 weeks before the Center’s scheduled opening date, and must be completed to our satisfaction at least 2 weeks before the Center opens. You (or your managing owner), the Lead Nurse, and the General Manager must complete the Initial Training Program to our satisfaction before you may open and begin operating the Center. As of the date of this Disclosure Document, our required Initial Training Program includes the following programming:

### INITIAL TRAINING PROGRAM

<b>Subject</b>	<b>Hours of Classroom Training</b>	<b>Hours of On-the-Job Training</b>	<b>Location</b>
Franchise Setup Lessons	4	8	Online
Marketing Lessons	6	0	Online
Social Media / Canva Training	1	0	Online and In-Person
Sales Lessons	4	0	Online and In-Person
Education Resources Lessons	4	0	Online and In-Person
Pre-Launch Sales Training Lessons	3	10	Online and In-Person
Partnership Program / Corporate Training Program	1	40	Online and In-Person
Hapana Core Learnworlds Training	7.5	0	Online
Hapana Core Presales Onboarding	1	40	Online
Hapana Grow CRM Onboarding	5.5	16	Online
Hapana Core Operations Onboarding	1	40	Online and In-Person
Human Resources Lessons	3	10	Online and In-Person
Operations Lessons	8	40	Online and In-Person
Manager Essentials Lessons	8	40	Online and In-Person
Brauer Healthy Swim Courses	8	0	Online
Business Fundamentals Lessons	3	0	Online

<b>Subject</b>	<b>Hours of Classroom Training</b>	<b>Hours of On-the-Job Training</b>	<b>Location</b>
Brauer Pool Systems Training	0	2	In-Person
In-Center Introduction	8.5	32	In-Person
<b>Totals</b>	76.5	278	

Brigitte Goldfinch, our Head of Franchise Operations, supervises and coordinates our training programs. Mrs. Goldfinch has 5 years of relevant experience in the health and wellness field and 3 years' experience with us.

The instructional materials for our required training programs currently include, or may include in the future, computer-based training courses and software, videos, handouts, the Operations Manual, and tests or other evaluations we may require you or your attendees to complete.

As described above, we will, as part of the Initial Training Program, send at least 1 of our representatives to the Center, for a period of no more than 3 days, to provide on-site support in connection with pre-opening and opening activities when the Center is preparing to open for business. We may provide more representatives, or more days of on-site support, at the Premises during this period as we deem necessary. We solely determine the timing, scheduling and staffing of on-site support we provide according to this paragraph, including the calendar dates, times of our support, and whether we provide these days consecutively or intermittently. You must successfully complete all activities of this on-site support period to our satisfaction. If you request, and we agree to provide, additional or special guidance, assistance, or training during this on-site support period, then you will pay our then applicable charges, including our personnel's then-current per diem charges (currently, \$100 per trainer, per day, not to exceed \$250 per trainer, per day) and actual travel and living expenses.

You (or your managing owner), the Lead Nurse, and/or other previously trained and experienced employees must attend and complete to our satisfaction various training courses that we periodically provide either online or in-person at the times and locations we designate. We may charge reasonable registration or similar fees for these courses, and we will not require in-person attendance at these training courses by you or your personnel for more than 15 total days during a calendar year. Besides attending these courses, we may require you to attend an annual national meeting of all P3 Recovery Center franchise owners at a location we designate. You are responsible for all related travel and living expenses that you and your personnel incur, and for your personnel's wages and workers' compensation insurance while they attend these courses and meetings. Additionally, if we provide any of these training courses and/or meetings at a location that requires our trainers to travel, you must pay our personnel's then-current per diem charges (currently, \$100 per trainer, per day, not to exceed \$250 per trainer, per day ) and actual travel and living expenses.

If any audit discloses a failure by you to operate the Center in accordance with the System Standards or the clinical standards the Authorized Care Provider establishes, then we may require you to undertake additional training at a location that we designate, and we will determine the duration of the training and the number of trainers in our sole discretion. If we require you to undertake this additional training, you will pay our then-applicable charges, including our personnel's then-current

per diem charges (currently, \$100 per trainer, per day, not to exceed \$250 per trainer, per day) and actual travel and living expenses.

Other personnel we designate may assist in our Initial Training Program and other training programs, including other P3 Recovery Center representatives, or other P3 Recovery Center franchise owners or qualified managers or operators of P3 Recovery Centers.

## **Item 12**

### **TERRITORY**

#### Franchise Agreement

If the Center is to be located at a location other than a Non-traditional Site, you will operate the Center within a specific Territory that we first must accept. We will describe the Territory in the Franchise Agreement before you sign it. We will determine the size and boundaries of the Territory in our sole judgment, based on population density. The Territory will cover a geographic area that comprises an estimated population of 70,000 people. (For purposes of the Territory, the term “population” shall include all potential persons within the Territory, whether arising from personal, residential, weekday or daytime business, and/or general commercial business, or any combination thereof.) We may reduce or otherwise modify the size or boundaries of your Territory during the term of the Franchise Agreement, at our sole option and upon providing notice to you, as long as the re-defined Territory (as modified) still encompasses a geographic area around the Premises consisting of 70,000 people. If we do so, we will amend Exhibit B to the Franchise Agreement to reflect the modified Territory and provide you an updated version of that Exhibit. We are not obligated to expand or modify the size and/or boundaries of the Territory to include a greater population than 70,000 people.

If the Center is to be located at a Non-Traditional Site, then the Territory will be limited to the Non-Traditional Site. “Non-Traditional Sites” include sites that generate client traffic flow which is independent from the general client traffic flow of the surrounding area, including, without limitation, military bases, shopping malls, major industrial or office complexes, hotels and resorts, schools, campuses, hospitals and educational facilities.

We and our affiliates retain certain rights within and outside the Territory, as described below in this Item. Therefore, you will not receive an exclusive territory. You may face competition from other P3 Recovery Center franchise owners, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Except as described below under “Development Agreement Rider”, you have no options, rights of first refusal, or similar rights to acquire additional franchises within the Territory or in contiguous territories. You may operate the Center only from the Premises we accept within the Territory and may not relocate the Premises without our approval. We will approve relocation only if the lease for the Premises expires or is terminated without your fault, or if the site for the Premises is destroyed, condemned, or otherwise rendered unusable, and the proposed substitute site meets our criteria. You must locate a substitute site, and begin operating the Center from a substitute site, within 180 days after you lose the right to occupy the Premises.

Except as limited below, as long as you are in full compliance with the Franchise Agreement, then we and our affiliates will not operate or grant a franchise for the operation of a P3 Recovery Center

at a location in the Territory during the term of the Franchise Agreement. Otherwise, we and our affiliates retain all rights with respect to P3 Recovery Centers, the Marks, the sale of identical, similar or dissimilar products and services, and any other activities we deem appropriate whenever and wherever we desire, including, but not limited to:

(1) the right to operate, and to grant others the right to operate P3 Recovery Centers located anywhere outside the Territory under any terms and conditions we deem appropriate and regardless of proximity to the Center;

(2) the right to establish and operate, and to grant to others the right to establish and operate businesses offering similar or dissimilar products and services through similar or alternative channels of distribution, at any locations inside or outside the Territory under trademarks or service marks other than the Marks and on any terms and conditions we deem appropriate;

(3) the right to market and sell memberships to clients located anywhere (including the Territory) to use all P3 Recovery Centers then-operating (including the Center);

(4) the right to provide, offer and sell and to grant others the right to provide, offer and sell products and services that are identical or similar to and/or competitive with those products and services provided by P3 Recovery Centers, whether identified by the Marks or other trademarks or service marks, through alternative distribution channels (including, without limitation, the Internet or similar electronic media, and any other form of electronic commerce) both inside and outside the Territory and on any terms and conditions we deem appropriate;

(5) the right to establish and operate, and to grant to others the right to establish and operate, businesses offering dissimilar products and services, both inside and outside the Territory under the Marks and on any terms and conditions we deem appropriate;

(6) the right to market and sell products and services to national, regional and institutional accounts, whether located inside or outside the Territory. “National, regional and institutional accounts” are organizational or institutional clients whose presence is not confined to your Territory, including (by way of example only): business entities with offices, facilities or branches situated both inside and outside of your Territory; government agencies, branches or facilities; healthcare networks; the military; and any other client whose presence is not confined to your Territory;

(7) the right to operate and grant others the right to operate P3 Recovery Centers at “Non-Traditional Sites” within and outside the Territory on any terms and conditions we deem appropriate;

(8) the right to acquire the assets or ownership interests of one or more businesses providing products and services the same as or similar to those provided at P3 Recovery Centers, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchise owners or licensees of these businesses) are located or operating (including in the Territory); and

(9) the right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services the same as or similar to those provided at P3 Recovery Centers, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Territory.

Only we will have the right to enter into contracts with national, regional and/or institutional accounts (which may include facilities or projects within your Territory). If we receive contracts for any P3 Recovery products and/or services calling for performance or delivery in your Territory as a result of our engaging in commerce with national, regional and institutional accounts, then we will have the right, but not the obligation, either to require you to fulfill such contracts at the price we agree on with the client or to give you the opportunity to fulfill such contracts at the price we agree on with the client. If we give you the opportunity to fulfill such contracts and if, for any reason, you do not desire to or cannot serve the client, or if the client desires for any or no reason to deal exclusively with us, our affiliate or another franchise owner and not with you, then we, our affiliate or any other P3 Recovery Center may serve the client within your Territory, and you will not be entitled to any compensation. The procedures governing our national, regional and institutional accounts program are set forth in our Operations Manual.

We may exercise any of the retained rights without compensating you. Although we have the right to do so (as described above), neither we nor an affiliate currently operates, franchises, or has present plans to operate or franchise a business under a different trademark that sells or will sell goods or services similar to those you will sell in your Center.

You may not use other channels of distribution to make sales at the Center without our prior written consent, such as any form of electronic commerce other than the Internet, catalog sales, telemarketing, or other direct marketing to make sales inside or outside the Territory. You must advertise and solicit clients and members for the Center only within the Territory. Continuation of your franchise and your territorial exclusivity does not depend on your achieving a certain sales volume, market penetration, or other contingency.

Continuation of your franchise and your territorial exclusivity depends on your achieving the Minimum Performance Standards we specify in each year during the term of the Franchise Agreement. If you fail to meet the Minimum Performance Standards in any given time period we specify, we may, at our option, require you to complete additional training or place you in a remedy plan you will be required to agree to in writing. Your failure to comply with the remedy plan, will be a material breach of the Franchise Agreement, entitling us to reduce the size of the Territory, in addition to our other rights and remedies under the Franchise Agreement. The Minimum Performance Standards you must achieve are set forth in the table below:

<b>Minimum Performance Standard</b>	<b>Deadline</b>
Achieve a minimum of 350 clients on memberships	6 months after commencement of operations

Minimum Performance Standard	Deadline
Achieve a minimum of 20 gym/fitness center partners	12 months after commencement of operations
Achieve a minimum of 10 corporate partnerships	12 months after commencement of operations

Development Agreement Rider

You may (if you qualify) develop and operate a number of P3 Recovery Centers within the Area. We and you will identify the Area in the Development Agreement Rider before signing it. The Area typically is a city, cities, or counties. We base the Area’s size primarily on the number of P3 Recovery Centers you agree to develop, demographics, and site availability. We and you will negotiate the number of P3 Recovery Centers you must develop to keep your development rights and the dates by which you must develop them. We and you then will complete the schedule in the Development Agreement Rider before signing it. While the Development Agreement Rider is in effect, we (and our affiliates) will not establish or operate, or grant to others the right to establish or operate, other P3 Recovery Centers the physical premises of which are located within the Area. There are no other restrictions on us (or our affiliates). You must not develop or operate P3 Recovery Centers outside the Area. We may terminate the Development Agreement Rider if you do not satisfy your development obligations when required. In addition, if you fail to comply with the terms of the Development Agreement Rider during its term, we may, at our option, elect to terminate only the exclusivity of the Area instead of terminating the Development Agreement Rider entirely. This means that during the remainder of the term of the Development Agreement Rider, we and our affiliates will have the right to establish and operate, and grant to others the right to establish and operate, P3 Recovery Centers the physical premises of which are located within the Area and continue to engage, and grant to others the right to engage, in any activities that we (and they) desire within the Area without any restrictions. However, our termination of the exclusivity will be without prejudice to our right to later terminate the Development Agreement Rider for the same default or any other defaults under the Development Agreement Rider.





Despite the development schedule under the Development Agreement Rider, we may delay your development of additional P3 Recovery Centers within the Area for the time period we deem best if we believe, when you apply for the next P3 Recovery Center, that you are not yet operationally, managerially, or otherwise prepared (due to the particular amount of time that has elapsed since you developed and opened your most recent P3 Recovery Center) to develop, open and/or operate the additional P3 Recovery Center according to our standards and specifications. We may delay additional development as long as the delay will not in our reasonable opinion cause you to breach your development obligations under the development schedule (unless we are willing to extend the schedule to account for the delay).

Except as described above, we may not alter your Area during the Development Agreement Rider’s term.

### Item 13

#### TRADEMARKS

You may use certain Marks in operating the Center. The current principal Marks are:

MARK	APPLICATION NUMBER	APPLICATION DATE	OWNER
P3 RECOVERY	99/674524	February 27, 2026	Live Better Group USA LLC
	99/674528	February 27, 2026	Live Better Group USA LLC
	99/674532	February 27, 2026	Live Better Group USA LLC
	99/674539	February 27, 2026	Live Better Group USA LLC
	99/674547	February 27, 2026	Live Better Group USA LLC

Live Better Group USA LLC has licensed us the right to use the System and Marks and to sublicense them to our franchise owners in a trademark, copyright, and know-how license agreement dated as of February 27, 2026. The trademark, copyright, and know-how license agreement allows us to use, and sublicense to our franchise owners the right to use, the Marks, System, and other intellectual property anywhere in the world. The trademark, copyright, and know-how license agreement provides for an indefinite term, unless earlier terminated by Live Better Group USA LLC or us upon 120 days' prior written notice to the other party. P3 Recovery Center franchise owners must cease using the System and Marks upon termination of the trademark, copyright, and know-how license agreement. No other agreement limits our right to use or license the Marks.

Neither we nor Live Better Group LLC have a federal registration for our principal Marks listed in the table above. Therefore, those Marks do not have many legal benefits and rights as a federally registered trademark. If our right to use those Marks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

You must follow our rules when you use the Marks, including giving proper notices of trademark and service mark registration and obtaining fictitious or assumed name registrations required

by law. You may not use any Mark in your corporate or legal business name; with modifying words, terms, designs, or symbols (except for those we license (or sublicense, as applicable) to you); in selling any unauthorized services or products; or as part of any domain name, homepage, social media site page, group or post, electronic address, or otherwise in connection with a website.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the principal Marks. We do not actually know of either superior prior rights or infringing uses that could materially affect your use of the Marks in any state.

You must notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any person's claim of any rights in any Mark, and you may not communicate with any person other than us, our attorneys, and your attorneys, regarding any infringement, challenge, or claim. We may take the action we deem appropriate (including no action) and control exclusively any litigation, USPTO proceeding, or other administrative proceeding arising from any infringement, challenge, or claim. You must assist us, as we direct, in protecting and maintaining our interests in any litigation or USPTO or other proceeding. At our option, we may defend and/or control the defense of any proceeding arising from your use of any Mark. We need not participate in your defense and/or indemnify you for damages or expenses in a proceeding involving the Marks; however, if you timely notify us and comply with our directions in response to a trademark infringement proceeding that disputes your authorized use of the Marks, then we will reimburse you for your damages and reasonable expenses you incur.

If it becomes advisable at any time for us and/or you to modify or discontinue using any Mark and/or to use one or more additional or substitute trade or service marks, you must comply with our directions within a reasonable time after receiving notice. We need not reimburse you for your direct expenses of changing the Center's signs, for any loss of revenue due to any modified or discontinued Mark, any loss of goodwill associated with any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

#### **Item 14**

### **PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION**

No patents or pending patent applications are material to the franchise. We claim copyrights in the Operations Manual (which contains our trade secrets), advertising and marketing materials, and similar items used in operating P3 Recovery Centers. We have not registered these copyrights with the United States Registrar of Copyrights, but we need not do so at this time to protect them. You may use these items only as we specify while operating the Center (and must stop using them if we so direct you).

There currently are no effective adverse determinations of the USPTO, the United States Copyright Office, or any court regarding the copyrighted materials. No agreement limits our right to use or allow others to use the copyrighted materials. We do not actually know of any infringing uses of our copyrights that could materially affect your use of the copyrighted materials in any state.

We need not protect or defend copyrights, although we intend to do so if in the best interests of the System or all or some P3 Recovery Centers, as we solely determine. We may control any action

we choose to bring, even if you voluntarily bring the matter to our attention. We need not participate in your defense and/or indemnify you for damages or expenses in a proceeding involving a copyright.

Our Operations Manual and other materials contain our confidential information (some of which constitutes trade secrets under applicable law). This information includes, or may in the future include: training and operations materials; methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating P3 Recovery Centers; marketing and advertising programs for P3 Recovery Centers; any computer software or similar technology that is proprietary to us or the System; knowledge of specifications for and suppliers of Operating Assets and other products and supplies; knowledge of the operating results and financial performance of P3 Recovery Centers other than the Center; client and membership information; and graphic designs and related intellectual property.

By the first of each month after opening the Center and on or before December 31 of each year, you must provide us in whatever electronic format we require which may be via a designated site on the Internet, all member lists for the Center, including both active and inactive members, which must include names, addresses, and telephone numbers of the members (hereinafter collectively referred to as “Membership Lists”). We will be the sole owner of the Membership Lists (subject to applicable privacy laws) and you may not distribute, in any form or manner, the Membership Lists to any third party. You must comply with all applicable privacy laws and ensure that all of the persons on the Membership Lists have consented to the collection, disclosure and use of the Membership Lists.

All ideas, concepts, inventions, techniques, or materials concerning a P3 Recovery Center, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the System, and works made-for-hire for us. To the extent any item does not qualify as a “work made-for-hire” for us, you assign ownership of that item, and all related rights to that item, to us and must take whatever action (including signing assignment or other documents) we request to show our ownership or to help us obtain intellectual property rights in the item.

You may not use our confidential information in an unauthorized manner. You must take reasonable steps to prevent its improper disclosure to others.

## **Item 15**

### **OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS**

If you are a legal entity, you must appoint a shareholder, member, or partner (as applicable) to be your “Managing Owner” responsible for overseeing and supervising the Center’s operation. You must maintain a competent, conscientious, trained staff, including a fully-trained, full-time manager, who may be you (or your Managing Owner), who must act as the General Manager of the Center with responsibility for direct supervision of the Center. The Center must at all times be under the full-time direct, on-premises management of a General Manager we have approved and a Lead Nurse. You (or your Managing Owner) and the General Manager are responsible for conducting day-to-day business activities at the Center. You must at all times faithfully, honestly, and diligently perform your contractual obligations and use best efforts to promote and enhance the Center. System Standards may regulate the Center’s staffing levels, identifying the Center’s personnel, and employee qualifications, training, dress, and appearance. You and your employees must handle all client and member

complaints, refunds, returns, and other adjustments in a manner that will not detract from the name and goodwill of the Marks, the System or us. We may resolve a client or member complaint on your behalf, in which case you must reimburse us for our out-of-pocket costs in resolving the complaint.

If you are a corporation, partnership, limited liability company, or other entity, your owners must sign our “Guaranty and Assumption of Obligations” in their individual capacities, which means that all of the provisions of the Franchise Agreement (a form of which is attached as Exhibit C) also will apply to your owners. Depending on the creditworthiness of the owners and the community property laws of the states in which they reside, we may also require that the spouse of each owner sign our “Guaranty and Assumption of Obligations.”

You must have our then-current form of “Nondisclosure and Non-Competition Agreement” executed by all of the following persons: (i) the General Manager, Lead Nurse, any supervisory or other employees of yours who have received or will receive training from us, before their employment; (ii) if you are an entity, all your officers, directors, shareholders, partners, members and owners, and those of any entity directly or indirectly controlling you, at the same time the Franchise Agreement is signed, or at such time as they assume such status; and (iii) you, your owners and your and your owners’ spouses. You agree to provide us copies of all executed Nondisclosure and Non-Competition Agreements no later than 15 days following their execution. We will be a third-party beneficiary of each Nondisclosure and Non-Competition Agreement with independent enforcement rights.

## **Item 16**

### **RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must offer and sell all goods and perform all services that we periodically require for P3 Recovery Centers. If we give you the opportunity to fulfill national, regional or institutional contracts and if, for any reason, you do not desire to or cannot serve the client, or if the client desires for any or no reason to deal exclusively with us, our affiliate or another franchise owner and not with you, then you will not be permitted to serve such clients. You may not offer or sell any products, perform any services that we have not authorized. Our System Standards may regulate: (i) required and/or authorized equipment, materials, supplies, and other products and services; and (ii) unauthorized and prohibited services, products, equipment, materials, and supplies. We periodically may change required and/or authorized services and other products. There are no limits on our right to do so.

All Specialty Services must be offered, administered and/or provided only by or through the supervision of an Authorized Care Provider, and are subject to compliance with applicable law (including any applicable Authorized Care Provider Regulations). We currently require all P3 Recovery franchise owners to ensure and hold out to the public that Specialty Services are offered, administered and/or provided only by or through the supervision of an Authorized Care Provider, regardless of whether your state has applicable CPOM or CPON rules. In all cases, you will act solely in the capacity of an administrative services agent to an Authorized Care Provider. We currently designate the Authorized Care Provider that you must use to provide Specialty Services at your Center unless we agree in writing to allow you to contract with a different third-party Authorized Care Provider. Although we provide the form of the APA that you must enter into with the Authorized Care Provider we designate, you remain solely responsible for independently engaging your own legal counsel to evaluate, review, and ensure that your APA and its terms comply with all applicable state and federal laws and other Authorized Care Provider Regulations.

You may conduct business only with clients and members at the Center in compliance with System Standards. Subject to applicable law, the Center must only accept payments from clients and members in the form of credit and debit cards, mobile payments and any other methods of payment we may specifically authorize in writing. We do not restrict the clients and members whom you may serve at the Center. You must advertise and solicit clients and members for the Center only within the Territory. You may not operate the Center or offer products or services for sale from any physical location other than at the Premises.

We will specify in the Operations Manual or otherwise in writing the types of memberships and passes that you may offer to clients and members, and the benefits that you must provide to members who purchase certain memberships or passes. You may sell memberships in the Center to clients and visitors, but you may not sell memberships to any client or visitor that we determine, in our sole judgment (i) could harm or damage the Marks and associated goodwill, (ii) could interfere with other members' reasonable enjoyment of the Center, or (iii) are included in a list of restricted persons as provided to you in the Operations Manual or otherwise in writing. All members will have unrestricted access to all common areas and amenities of the Center. You must follow any rules and policies that we include in the Operations Manual for the membership agreements. You must promptly respond to any complaints made by your members or clients and take such other steps as may be reasonably necessary to ensure satisfactory customary relations with your members.

We will provide you with templates for membership agreements and you will be responsible for modifying the membership agreements and waivers to comply with all applicable laws. You must obtain our written consent before you modify any terms we require to be included in the template membership agreements. We may include a list of the mandatory terms for the membership agreements in the Operations Manual or otherwise in writing, which list we may modify in our sole discretion. You may not modify or negotiate any of the mandatory terms in any membership agreement, except in accordance with the Operations Manual or as we otherwise approve in advance in writing. Our acceptance of a form of an agreement is not a warranty or representation of any kind as to the compliance of the agreement with applicable law.

Certain members may have and will continue to enter into membership agreements that include global roaming access privileges, which provide those members access to P3 Recovery Centers in multiple jurisdictions, including the Center (such privileges, "Global Roaming Privileges"). You must abide by our policies for members with Global Roaming Privileges as we may specify in the Operations Manual or otherwise in writing, which we may modify during the term of the Franchise Agreement as we deem appropriate in our sole discretion. You must allow Global Roaming Members access to the Center and treat global roaming members in the same manner as your members. As of the date of this Disclosure Document, we have not established a Global Roaming Privileges program.

#### Affiliated Provider Agreement.

As a P3 Recovery franchise owner, you will operate your Center(s) at all times in two separate and concurrent capacities depending on whether the Authorized Products and Services being provided constitute Specialty Services, as follows:

(1) In one capacity, you will directly provide to clients the Authorized Products and Services that are not Specialty Services.

(2) In a separate capacity, when Specialty Services are being requested and provided by

an Authorized Care Provider, you will provide non-clinical administrative services to support the Authorized Care Provider that is responsible for providing or supervising the Specialty Services and making all medical determinations and judgements. You cannot and are not authorized by us to make decisions regarding which Specialty Services are appropriate for any individual regardless of whether the state in which the Center is located has CPOM and/or CPON rules or Authorized Care Provider Regulations or whether you are a licensed medical professional or not. In order to offer the Specialty Services, you must enter into an APA with the Authorized Care Provider in the form attached to this disclosure document as Exhibit L, or, if we agree in writing to allow you to contract with an alternative, third-party Authorized Care Provider, enter into an APA with the Authorized Care Provider in a form we approve in writing. Although we either provide or approve the form of the APA that you must enter into with Authorized Care Providers, (i) we make no representation or warranty regarding the effectiveness of the APA, the APA's compliance with Authorized Care Provider Regulations, or other merits or risks related to the APA or other arrangements you may enter into with an Authorized Care Provider, and (ii) you are responsible for independently engaging your own legal counsel to evaluate, review, and ensure that your APA and its terms comply with all applicable state and federal laws, rules and regulations, including Authorized Care Provider Regulations. Your failure to comply with applicable state CPOM and CPON laws or other Authorized Care Provider Regulations may lead to the unauthorized practice of medicine or other violations by you, your P3 Recovery Center or the Authorized Care Provider, and will give us the right to terminate the Franchise Agreement and any other agreements between you and us.

**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 IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
a. Length of the franchise term	Section 1.E of Franchise Agreement	5 years from the Effective Date of the Franchise Agreement.  Term of Development Agreement Rider depends on development obligations.
b. Renewal or extension of the term	Section 1.E and Section 13 of Franchise Agreement	If you are in full compliance, you may acquire 2 successor franchise terms of 5 years each, or as long as you have the right to maintain possession of the Premises, whichever is less. The successor

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		<p>franchises will be on our then-current form of Franchise Agreement (which may contain materially different terms and conditions than your original franchise agreement)</p> <p>No renewal or extension of Development Agreement Rider.</p>
<p>c. Requirements for franchisee to renew or extend</p>	<p>Section 13 of Franchise Agreement</p>	<p>To “renew,” you must be in full compliance with the Franchise Agreement; give us timely notice; pay us the renewal fee; maintain possession of the Premises or find acceptable substitute premises; remodel the Center according to our then-current standards (regardless of cost); and sign our then-current Franchise Agreement, a release (if law allows), and other documents we use to grant franchises</p> <p>The terms of our then-current Franchise Agreement that you sign for renewal of the franchise may differ materially from any and all of those contained in the Franchise Agreement attached to this Disclosure Document, including reduced Territory and increased fees</p>
<p>d. Termination by franchisee</p>	<p>Section 14.A of Franchise Agreement</p>	<p>If we breach the Franchise Agreement and the arbitrators determine that we did not cure default after notice from you</p>
<p>e. Termination by franchisor without cause</p>	<p>Not Applicable</p>	<p>Not Applicable</p>

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
f. Termination by franchisor with cause	Section 14.B of Franchise Agreement and Section 8 of Development Agreement Rider	We may terminate your franchise (and development rights) only if you or your owners commit one of several violations
g. "Cause" defined-curable defaults	Section 14.B of Franchise Agreement	You have 72 hours to cure any health, safety or sanitation law, ordinance, or regulation regulating the operation of the Center; 10 days to cure failure to maintain required insurance; 30 days to cure monetary defaults, operational defaults and other defaults not listed in (h) below; 180 days to relocate the Premises to a new site we accept if you lose possession of the Premises (subject to state law)
h. "Cause" defined- non-curable defaults	Sections 14.B and 14.C of Franchise Agreement and Section 8 of Development Agreement Rider	Non-curable defaults include: misrepresentation in acquiring the franchise; failure to submit and receive our acceptance of a site within the Designated Area within 120 days; failure to deliver a signed lease addendum within 7 days after its execution; failure to open and operate the Center within 365 days; failure to complete training; abandonment; unapproved transfers; conviction of a felony, crime involving moral turpitude, or other crime; dishonest or unethical conduct; making any statement that negatively affects the Center's reputation or the goodwill associated with the Marks; making an unauthorized representation or warranty on our behalf; unauthorized use or disclosure of the Operations Manual or other confidential information; refusing to permit us to inspect the Center or

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		<p>your books, records, or accounts; failure to pay us or our affiliates; failure to pay vendors or suppliers; failure to pay taxes; failure to meet Minimum Performance Standards or comply with the relevant remedy plan; understating Gross Revenues; repeated defaults (even if cured); continued failure to comply with the Franchise Agreement or Authorized Care Provider standards; an assignment for the benefit of creditors; appointment of a trustee or receiver; violation of any anti-terrorism law; knowingly maintaining false books or records or submitting false reports; termination of any other agreement between you (or your owners or affiliates) and us (or our owners and affiliates) due to failure to comply with the agreement (subject to state law)</p> <p>We may terminate the Development Agreement Rider if you do not meet development schedule or other obligations; if the Franchise Agreement or any other franchise agreement between us and you (or your affiliated entity) is terminated by us for cause or by you for any or no reason; or we have delivered formal notice of default to you (or your affiliated entity) under the Franchise Agreement or another franchise agreement (whether or not default is cured) (subject to state law)</p>
i. Franchisee’s obligations on termination/nonrenewal	Section 15 of Franchise Agreement	Obligations include paying outstanding amounts; paying Brand Damages (if applicable); complete de-identification; assigning telephone and other numbers; notifying, transferring, and/or

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		refunding members; and returning confidential information (also see (o) and (r) below)
j. Assignment of contract by franchisor	Section 12.A of Franchise Agreement	No restriction on our right to assign; we may assign without your approval
k. “Transfer” by franchisee – defined	Section 12.B of Franchise Agreement	Includes transfer of Franchise Agreement, the Center (or its profits, losses or capital appreciation), sale of Operating Assets, and ownership change in you or your owners
l. Franchisor approval of transfer by franchisee	Section 12.B of Franchise Agreement and Section 9 of Development Agreement Rider	No transfer without our prior written consent  Your development rights under the Development Agreement Rider are not assignable at all
m. Conditions for franchisor approval of transfer	Section 12.C of Franchise Agreement	New franchise owner qualifies (based on business experience, aptitude and financial resources); you pay us, our affiliates, and third party vendors all amounts due and submit all required reports; no default during 60 -day period before transfer request or during period between request and transfer’s proposed effective date; new franchise owner (and its owners and affiliates) are not in a Competitive Business; training completed; your landlord allows the transfer or sublease of your lease; you or transferee signs our then-current Franchise Agreement and other documents; transfer fee paid; you sign release (if law allows); we approve material terms; you subordinate amounts due to you; you de-identify; you correct existing Center deficiencies of which we

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		notify you on punchlist; and you assign membership agreements to transferee (also see (r) below)
n. Franchisor's right of first refusal to acquire franchisee's business	Section 12.G of Franchise Agreement	We may match any offer for the Center or an ownership interest in you
o. Franchisor's option to purchase franchisee's business	Section 15.E of Franchise Agreement	We have the option to purchase the Center upon termination or expiration of the franchise term
p. Death or disability of franchisee	Section 12.E of Franchise Agreement	Your or your managing owner's representative must assign the franchise or an ownership interest in you to an approved party within 6 months; substitute management must be appointed within 15 days; we may assume management of the Center and collect our costs and expenses if the Center is not being managed properly
q. Non-competition covenants during the term of the franchise	Section 7 of Franchise Agreement	No diverting business; no ownership interest in, performing services for, or lending money to, Competitive Business anywhere ("Competitive Business" means (i) any business which derives more than five percent (5%) of its revenue from selling health, wellbeing, and fitness recovery services or equipment, or (ii) any business granting franchises or licenses to others to operate the type of business specified in the preceding subparagraph (i) (other than a P3 Recovery Center operated under a franchise agreement with us).
r. Non-competition covenants after the franchise is	Section 15.D of Franchise Agreement	For 2 years after earlier of termination or expiration: (i) no direct or indirect ownership interest in, or performing services for, a

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
terminated or expires		Competitive Business at the Premises where the Center is located; within the Territory; within a 25 mile radius of the Territory; or within 25 miles of any other P3 Recovery Center in operation or under construction as of date Franchise Agreement expires or is terminated, (ii) no direct or indirect contact with or solicitation of any clients or members of the Center for the purpose of providing services that are competitive with the products and services provided by the Center; and (iii) no diversion or attempt to divert any business, client or member of the Center to a Competitive Business (subject to state law)
s. Modification of the agreement	Section 17.J of Franchise Agreement	No modifications except by written agreement signed by both us and you, but we may change Operations Manual and System Standards
t. Integration/merger clause	Section 17.N of Franchise Agreement	Only the terms of the Franchise Agreement are binding (subject to state law). However, nothing in the Franchise Agreement or any related agreement is intended to disclaim our representations made in this Disclosure Document
u. Dispute resolution by arbitration or mediation	Sections 17.E and 17.F of Franchise Agreement	Subject to the requirement to mediate certain disputes, we and you must arbitrate all disputes in the city where our then-current principal business address is located (currently, Orlando, Florida)
v. Choice of forum	Section 17.H of Franchise Agreement	Subject to mediation and arbitration requirements, litigation generally must be in the state or federal court of competent jurisdiction located

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		closest to our then-current principal business address (currently, Orlando, Florida) (subject to state law)
w. Choice of law	Section 17.G of Franchise Agreement	Except for Federal Arbitration Act and other federal law, Florida law governs (subject to state law)

**Item 18**

**PUBLIC FIGURES**

We currently do not use any public figures to promote franchises for P3 Recovery Centers.

**Item 19**

**FINANCIAL PERFORMANCE REPRESENTATIONS**

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

We do not make any representations about a franchise owner’s future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting: Jonathan McAlees, Chief Innovation Officer at 9000 W. Colonial Drive, Suite 401, Ocoee, FL 34761, and (407) 347-9614; the Federal Trade Commission; and the appropriate state regulatory agencies.

**Item 20**

**OUTLETS AND FRANCHISEE INFORMATION**

**Table 1  
Systemwide Outlet Summary  
For years 2023 to 2025**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>
<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of Year</b>	<b>Outlets at the End of Year</b>	<b>Net Change</b>
Franchised	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Company Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
<b>Total Outlets</b>	2023	0	0	0
	2024	0	0	0
	2025	0	0	0

**Table 2  
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)  
For years 2023 to 2025**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
All States	2023	0
	2024	0
	2025	0
<b>Totals</b>	2023	0
	2024	0
	2025	0

**Table 3**  
**Status of Franchised Outlets**  
**For years 2023 to 2025**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non-Renewals	Col. 7 Reacquired By Franchisor	Col. 8 Ceased Operations - Other Reasons	Col. 9 Outlets at End of the Year
All States	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
<b>Totals</b>	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0

**Table 4**  
**Status of Company-Owned Outlets**  
**For years 2023 to 2025**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
All States	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0
<b>Totals</b>	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0

**Table 5**  
**Projected Openings as of December 31, 2025**

Column 1 State	Column 2 Franchise Agreements Signed but Outlets Not Opened	Column 3 Projected New Franchised Outlets In The New Fiscal Year	Column 4 Projected New Company-Owned Outlets In The New Fiscal Year
Florida	0	1	0
<b>Totals</b>	0	1	0

Exhibit I reflects the current list of franchise owners as of the end of our last fiscal year. As of the date of this Disclosure Document, and as currently reflected in Exhibit I attached, we do not have any franchise owners operating P3 Recovery Centers or former franchise owners that have departed our franchise network during our prior fiscal year. Therefore, no franchise owners had an outlet terminated, canceled, transferred, or not renewed, or otherwise voluntarily or involuntarily ceased to do business under our franchise agreement, during our last fiscal year or who have not communicated with us within 10 weeks of this Disclosure Document's issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last 3 fiscal years, no current or former franchise owners have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchise owner in our franchise system.

There are currently no trademark-specific franchise owner organizations associated with the franchise system.

## **Item 21**

### **FINANCIAL STATEMENTS**

Exhibit F contains our audited opening balance sheet as of December 31, 2025. We have not been in business for three years or more and cannot include all the financial statements required by the FTC Rule for our last three fiscal years. Our fiscal year end is December 31.

## **Item 22**

### **CONTRACTS**

The following agreements are exhibits:

- (a) Exhibit C Franchise Agreement
- (b) Exhibit D Development Agreement Rider
- (c) Exhibit E State Addenda to Franchise Agreement
- (d) Exhibit H Sample Form of General Release
- (e) Exhibit J Franchise Owner Disclosure Questionnaire
- (f) Exhibit L Form Affiliated Provider Agreement

## **Item 23**

### **RECEIPTS**

Our and your copies of the receipt to this Disclosure Document are located at the last 2 pages of this Disclosure Document.

**EXHIBIT A TO FDD**

**LIST OF STATE ADMINISTRATORS**

Listed here is the contact information for each of the state agencies responsible for franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

**CALIFORNIA**

Office of the Commissioner  
California Department of Financial Protection  
and Innovation  
320 West 4th Street, Suite 750  
Los Angeles, California 90013-2344  
(866) 275-2677

**HAWAII**

Commissioner of Securities  
State of Hawaii, Dept. of Commerce &  
Consumer Affairs  
Business Registration Division - Securities  
Compliance Branch  
335 Merchant Street, Room 203  
Honolulu, Hawaii 96813  
(844) 808-3222

**ILLINOIS**

Chief – Franchise Bureau  
Office of Attorney General  
State of Illinois  
500 South Second Street  
Springfield, Illinois 62706  
(217) 782-4465

**INDIANA**

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

**MARYLAND**

Office of the Attorney General  
Securities Division  
200 St. Paul Place  
Baltimore, Maryland 21202-2020  
(410) 576-6360

**MICHIGAN**

Corporate Oversight Division  
Franchise Section  
Michigan Attorney General’s Office  
G. Mennen Williams Building, 5<sup>th</sup> Floor  
525 W. Ottawa Street  
Lansing, Michigan 48933  
(517) 373-7117

**MINNESOTA**

Minnesota Department of Commerce  
85 7th Place East, Suite 280  
St. Paul, Minnesota 55101-2198  
(651) 539-1500

**NEW YORK**

New York State Department of Law  
Investor Protection Bureau  
28 Liberty Street, 21<sup>st</sup> Floor  
New York, New York 10005  
(212) 416-8222 Phone  
(212) 416-6042 Fax

**NORTH DAKOTA**

North Dakota Insurance & Securities Department  
600 East Boulevard Avenue, Dept. 401  
Bismarck, North Dakota 58505  
(701) 328-2910

**OREGON**

Dept. of Consumer & Business Services  
Division of Finance and Corporate Securities  
350 Winter St. NE, Rm. 410  
Salem, OR 97301-3881  
(503) 378-4140

**RHODE ISLAND**

Department of Business Regulation  
Division of Securities  
1511 Pontiac Avenue  
John O. Pastore Complex – Building 69-2  
Cranston, Rhode Island 02920  
(401) 462-9500

**SOUTH DAKOTA**

Department of Labor and Regulation  
Division of Insurance – Securities Regulation  
124 S. Euclid, Second Floor  
Pierre, South Dakota 57501  
(605) 773-3563

**VIRGINIA**

State Corporation Commission  
Division of Securities and Retail Franchising  
1300 East Main Street, 9th Floor  
Richmond, Virginia 23219  
(804) 371-9051

**WASHINGTON**

Department of Financial Institutions  
Securities Division  
P.O. Box 41200  
Olympia, WA 98504-1200  
(360) 902-8760

**WISCONSIN**

Wisconsin Department of Financial Institutions  
4822 Madison Yards Way, North Tower  
Madison, Wisconsin 53705  
(608) 266-0448

## **EXHIBIT B TO FDD**

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

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states. If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process. There also may be additional agents appointed in some of the states listed.

#### **CALIFORNIA**

Commissioner of the Department of Financial  
Protection and Innovation:  
Toll Free: 1 (866) 275-2677

##### ***Los Angeles***

Suite 750  
320 West 4th Street  
Los Angeles, California 90013-2344  
(213) 576-7500

##### ***Sacramento***

651 Bannon Street, Suite 300  
Sacramento, California 95811  
(916) 327-7585

##### ***San Diego***

1455 Frazee Road, Suite 315  
San Diego, California 92108  
(619) 610-2093

##### ***San Francisco***

One Sansome Street, Suite 600  
San Francisco, California 94104-4428  
(415) 972-8565

#### **HAWAII**

Commissioner of Securities  
State of Hawaii, Dept. of Commerce  
& Consumer Affairs  
Business Registration Division – Securities  
Compliance Branch  
335 Merchant Street, Room 203  
Honolulu, Hawaii 96813  
(844) 808-3222

#### **ILLINOIS**

Office of Attorney General of Illinois  
500 South Second Street  
Springfield, Illinois 62706  
(217) 782-4465

#### **INDIANA**

Indiana Securities Commission  
200 West Washington Street, Room 201  
Indianapolis, Indiana 46204  
(317) 232-6531

#### **MARYLAND**

Maryland Securities Commissioner  
at the Office of Attorney General-  
Securities Division  
200 St. Paul Place  
Baltimore, Maryland 21202-2021  
(410) 576-6360

#### **MICHIGAN**

Department of Attorney General  
Consumer Protection Division  
Franchise Section  
G. Mennen Williams Building, 1st Floor  
525 West Ottawa Street  
Lansing, Michigan 48933  
(517) 373-7117

#### **MINNESOTA**

Commissioner of Commerce  
Department of Commerce  
85 7th Place East, Suite 280  
St. Paul, Minnesota 55101-2198  
(651) 539-1600

**NEW YORK**

Attention: New York Secretary of State  
New York Department of State  
One Commerce Plaza  
99 Washington Ave., 6th Floor  
Albany, New York 12231  
(518) 473-2492

**NORTH DAKOTA**

Insurance Commissioner  
North Dakota Insurance & Securities Department  
600 East Boulevard Avenue, Dept. 401  
Bismarck, North Dakota 58505  
(701) 328-2910

**OREGON**

Oregon Division of Finance and Corporate  
Securities  
350 Winter Street NE, Room 410  
Salem, Oregon 97301-3881  
(503) 378-4387

**RHODE ISLAND**

Director of Department of Business Regulation  
1511 Pontiac Avenue  
John O. Pastore Complex – Building 69-2  
Cranston, Rhode Island 02920  
(401) 462-9500

**SOUTH DAKOTA**

Department of Labor and Regulation  
Division of Insurance - Securities Regulation  
124 S. Euclid Ave., Second Floor  
Pierre, South Dakota 57501  
(605) 773-3563

**VIRGINIA**

Clerk, Virginia State Corporation Commission  
1300 East Main Street, 9<sup>th</sup> Floor  
Richmond, Virginia 23219  
(804) 371-9733

**WASHINGTON**

Director, Department of Financial Institutions  
Securities Division – 3<sup>rd</sup> Floor  
150 Israel Road Southwest  
Tumwater, Washington 98501  
(360) 902-8760

**WISCONSIN**

Administrator, Division of Securities  
Department of Financial Institutions  
4822 Madison Yards Way, North Tower  
Madison, Wisconsin 53705  
(608) 266-0448

**EXHIBIT C TO FDD**  
**FRANCHISE AGREEMENT**

**P3 RECOVERY USA LLC  
FRANCHISE AGREEMENT**

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**FRANCHISE OWNER**

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**DATE OF AGREEMENT**

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**CENTER ADDRESS**

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EXHIBIT E	ELECTRONIC TRANSFER AUTHORIZATION FORM
EXHIBIT F	GUARANTY AND ASSUMPTION OF OBLIGATIONS

**P3 RECOVERY USA LLC**  
**FRANCHISE AGREEMENT**

**THIS FRANCHISE AGREEMENT** (the “*Agreement*”) is made and entered into by and between P3 RECOVERY USA LLC a corporation organized under the laws of Delaware located at 9000 W. Colonial Drive, Suite 401, Ocoee, Florida 34761 (“*we,*” “*us,*” or “*our*”), and \_\_\_\_\_, whose principal business address is \_\_\_\_\_ (“*you*” or “*your*”) as of the date signed by us and set forth opposite our signature on this Agreement (the “*Effective Date*”).

**1. PREAMBLES, ACKNOWLEDGMENTS, AND GRANT OF FRANCHISE.**

**A. PREAMBLES.**

(1) We and our affiliates have, over a considerable time period and with considerable effort, developed (and continue to develop and modify) a system and franchise opportunity for the operation of businesses offering health, wellbeing and fitness recovery services, including (i) core services (e.g. e.g. cold immersion, Contrast Water Therapy, Compression Therapy, infrared and traditional sauna, Red Light Therapy, and breathwork workshops) (the “*Core Services*”), (ii) certain specialized care services (e.g. Hyperbaric Oxygen Therapy and IV therapy) (the “*Specialty Services*”), (iii) branded nutritional products, apparel and equipment (the “*Proprietary Products*”) and other products, services and equipment (collectively, the “*Authorized Products and Services*”) which now comprise, or in the future may comprise, part of the System (defined below) or our trade secrets which are developed by and are proprietary to us or our affiliates. These businesses operate under the “P3 RECOVERY” name and other Marks (as defined below) (“*P3 Recovery Centers*”) and have distinctive business formats, methods, procedures, signage designs, layouts, standards, and specifications, and the Marks, all of which we may improve, further develop, or otherwise modify at any time and from time to time (collectively, the “*System*”).

(2) We and our affiliates use, promote, and license certain trademarks, service marks, and other commercial symbols in operating P3 Recovery Centers, which have gained and will continue to gain public acceptance and goodwill, and may create, use, and license other trademarks, service marks, and commercial symbols for P3 Recovery Centers (collectively, the “*Marks*”).

(3) We grant to persons who meet our qualifications, and are willing to undertake the investment and effort, a franchise to own and operate a P3 Recovery Center using the System and offering the products and services we authorize.

(4) As a franchise owner of a P3 Recovery Center, you will comply with this Agreement and all System Standards (defined in Subsection 4.E) in order to maintain the high and consistent quality that is critical to attracting and maintaining clients and members for P3 Recovery Centers.

(5) You have applied for a franchise to own and operate a P3 Recovery Center.

B. **ACKNOWLEDGMENTS.**

You acknowledge:

(1) That you have independently investigated the P3 Recovery Center franchise opportunity and recognize that, like any other business, the nature of the business a P3 Recovery Center conducts may, and probably will, evolve and change over time.

(2) That an investment in a P3 Recovery Center involves business risks that could result in the loss of a significant portion or all of your investment.

(3) That your business abilities and efforts are vital to your success.

(4) That attracting clients and members for your Center (as defined in Subsection 1.D below) will require you to make consistent marketing efforts in your community through various methods, including media advertising, social media advertising, community events and activations, strategic partnerships, search engine marketing, search engine optimization, direct mail advertising, and display and use of in-Center promotional materials in compliance with applicable laws.

(5) That retaining clients and members for the P3 Recovery Center will require you to have a high level of client service and adhere strictly to the System and our System Standards and that you are committed to maintaining System Standards.

(6) That you have not received from us, and are not relying upon, any representations or guarantees, express or implied, as to the potential volume, sales, income, or profits of a P3 Recovery Center.

(7) That in all of their dealings with you, our officers, directors, employees, and agents act only in a representative, and not in an individual, capacity and that business dealings between you and them as a result of this Agreement are deemed to be only between you and us.

(8) That you have represented to us, to induce our entry into this Agreement, that all statements you have made and all materials you have given us are accurate and complete and that you have made no misrepresentations or material omissions in obtaining the franchise.

(9) That you and your guarantors have received as one document at one time a copy of the form of this Agreement, the exhibits hereto, and the applicable complete Franchise Disclosure Document not less than fourteen (14) days prior to the earlier of: (i) the date on which this Agreement or any other agreement relating thereto was executed, and (ii) the payment of any consideration by or on behalf of you relating to this Agreement, and the franchise associated therewith (except, where applicable, any deposit permitted under applicable law).

(10) That you have read this Agreement and our Franchise Disclosure Document and understand and accept that this Agreement's terms and covenants are reasonably necessary for us to maintain our high standards of quality and service, as well as the uniformity of those standards with respect to every P3 Recovery Center, and to protect and preserve the goodwill of the Marks.

(11) That we have the right to restrict your sources of certain Authorized Products and Services and other goods and services, as provided in various sections of this Agreement, including Section 8 below.

(12) That we have not made any representation, warranty, or other claim regarding this P3 Recovery Center franchise opportunity, other than those made in this Agreement and our Franchise Disclosure Document, and that you have independently evaluated this opportunity, including by using your business professionals and advisors, and have relied solely upon those evaluations in deciding to enter into this Agreement.

(13) That you have been afforded an opportunity to ask any questions you have and to review any materials of interest to you concerning the P3 Recovery Center franchise opportunity.

(14) That you have been afforded an opportunity, and have been encouraged by us, to have this Agreement and all other agreements and materials we have given or made available to you reviewed by an attorney and have either done so or waived your right to do so.

(15) That you have retained your own independent legal counsel to advise you regarding the Authorized Care Provider Regulations (as defined in Subsection 8.C below) and requirements regarding Authorized Care Providers (as defined in Subsection 8.C below), the Authorized Products and Services, and the Specialty Services.

C. **CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP.**

If you are at any time a corporation, limited liability company, general or limited partnership, or other form of business entity (each, an “*Entity*”), then you agree and represent that:

(1) You will have the authority to execute, deliver, and perform your obligations under this Agreement and all related agreements and are duly organized or formed and validly existing in good standing under the laws of the state of your incorporation or formation;

(2) Your organizational documents, operating agreement, or partnership agreement, as applicable, will recite that this Agreement restricts the issuance and transfer of any ownership interests in you, and all certificates and other documents representing ownership interests in you will bear a legend referring to this Agreement’s restrictions;

(3) **Exhibit A** to this Agreement completely and accurately describes all of your owners and their interests in you as of the Effective Date;

(4) Each of your owners during the Term (as defined in Subsection 1.E below) and any Renewal Term (as defined in Subsection 1.E below) will execute a guaranty in the form attached to this Agreement as **Exhibit F** in their individual capacities undertaking personally to be bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between you and us. Depending on the creditworthiness of the owners and the community property laws of the states in which they reside, we may require that the spouse of each owner sign a guaranty (regardless of whether you are an Entity). Subject to our rights and your obligations

under Section 12, you and your owners agree to promptly sign and deliver to us revisions to Exhibit A to reflect any permitted changes in the information that Exhibit A now contains;

(5) You will appoint a shareholder, member, or partner, as applicable, to be your “**Managing Owner**,” who must own at least a ten percent (10%) interest in you and who will be responsible for overseeing and supervising the operation of the Center. The Managing Owner as of the Effective Date is identified in Exhibit A. You may not change the Managing Owner without our prior written consent; and

(6) The Center operated hereunder and other P3 Recovery Centers, if applicable, will be the only businesses you operate (although your owners may have other, non-competitive business interests).

#### D. GRANT OF FRANCHISE.

You have applied for a franchise to own and operate a P3 Recovery Center at a location we accept, which will be identified on Exhibit B (the “**Premises**”). Subject to this Agreement’s terms, we grant you a franchise (the “**Franchise**”) to operate a P3 Recovery Center (the “**Center**”) at the Premises, and to use the System in its operation, for the Term. You may use the Premises only for the Center. You agree at all times faithfully, honestly, and diligently to perform your obligations under this Agreement and to use your best efforts to promote the Center.

#### E. TERM AND RENEWAL.

(1) Term. The term of this Agreement (the “**Term**”) will begin on the Effective Date and will expire on the fifth (5th) anniversary of the Effective Date unless this Agreement is sooner terminated as provided herein.

(2) Renewal Term. You will have the right, but not the obligation, to enter into Successor Franchise Agreements (as defined in Subsection 13.A below) for up to two (2) additional consecutive franchise terms following the Term (each, a “**Renewal Term**”). The duration of each Renewal Term will be five (5) years or as long as you have the right to maintain possession of the Premises, whichever is less, provided that you have complied with the conditions and procedures for renewal in Section 13 of this Agreement in connection with the first Renewal Term, and that you comply in the future with the conditions and procedures for renewal in the Successor Franchise Agreement (as applicable) with respect to the possible second Renewal Term.

#### F. YOUR TERRITORIAL RIGHTS.

If this Agreement is for a P3 Recovery Center to be located at a traditional location, then before this Agreement is executed, we will describe in Exhibit B a particular geographic area surrounding the Premises (the “**Territory**”). The exact size and boundaries of the Territory shall be determined in our sole judgment. Provided that you are in full compliance with this Agreement and meet the Minimum Performance Standards (as defined in Subsection 8.P below), and except as provided in Subsection G below, we and our affiliates will not operate or grant a franchise for the operation of another P3 Recovery Center at a location within the Territory during the Term. Notwithstanding the foregoing, if the Territory you are granted is based on population, we may, at

any time and from time to time during the Term, at our sole option and upon providing notice to you, reduce or otherwise modify the size and/or boundaries of the Territory as long as the reduced or modified area of the Territory encompasses a geographic area immediately surrounding the Premises with a population of seventy thousand (70,000) people. If at any time during the Term the population in the Territory decreases to less than the threshold described above, we have no obligation to expand or modify the size and/or boundaries of the Territory to include a greater population. (For purposes of this Subsection 2.F, the term “population” shall include all potential persons within the Territory, whether arising from personal, residential, weekday or daytime business, and/or general commercial business, or any combination thereof.) You and we agree that, upon any modification to the size and/or boundaries of the Territory pursuant to this Subsection 2.F, we are authorized to amend **Exhibit B** of this Agreement to reflect such modification. You and we hereby agree that, upon the amendment of **Exhibit B** of this Agreement by us in accordance with this Subsection 2.F, the particular geographic area identified in that amended **Exhibit B** thereafter will be the Territory under this Agreement.

G. **RIGHTS WE RESERVE.**

Except as expressly limited by Subsection 1.F above, we and our affiliates retain all rights with respect to P3 Recovery Centers, the Marks, the sale of identical, similar or dissimilar products and services, and any other activities we deem appropriate whenever and wherever we desire. Specifically, but without limitation, we reserve the following rights:

(1) the right to operate, and to grant others the right to operate P3 Recovery Centers located anywhere outside the Territory under any terms and conditions we deem appropriate and regardless of proximity to the Center;

(2) the right to establish and operate, and to grant to others the right to establish and operate businesses offering similar or dissimilar products and services through similar or alternative channels of distribution, at any locations inside or outside the Territory under trademarks or service marks other than the Marks and on any terms and conditions we deem appropriate;

(3) the right to market and sell memberships to clients located anywhere (including the Territory) to use at all P3 Recovery Centers then-operating (including the Center);

(4) the right to provide, offer and sell and to grant others the right to provide, offer and sell products and services that are identical or similar to and/or competitive with those products and services provided at P3 Recovery Centers, whether identified by the Marks or other trademarks or service marks, through alternative distribution channels (including, without limitation, the internet or similar electronic media and any other form of electronic commerce) both inside and outside the Territory and on any terms and conditions we deem appropriate;

(5) the right to establish and operate, and to grant to others the right to establish and operate, businesses offering dissimilar products and services, both inside and outside the Territory under the Marks and on any terms and conditions we deem appropriate;

(6) the right to market and sell products and services to national, regional and institutional accounts, whether located inside or outside the Territory. “National, regional and institutional accounts” are organizational or institutional clients whose presence is not confined to your Territory, including (by way of example only): business entities with offices, facilities or branches situated both inside and outside of your Territory; government agencies, branches or facilities; healthcare networks; the military; and any other client whose presence is not confined to your Territory;

(7) the right to operate, and to grant others the right to operate P3 Recovery Centers at Non-Traditional Sites within and outside the Territory on any terms and conditions we deem appropriate. “*Non-Traditional Sites*” are sites that generate customer traffic flow which is independent from the general customer traffic flow of the surrounding area, including, without limitation, military bases, shopping malls, major industrial or office complexes, hotels and resorts, schools, campuses, casinos, hospitals, educational facilities, and sports or entertainment venues;

(8) the right to acquire the assets or ownership interests of one or more businesses providing products and services the same as or similar to those provided at P3 Recovery Centers, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchise owners or licensees of these businesses) are located or operating (including in the Territory); and

(9) the right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services the same as or similar to those provided at P3 Recovery Centers, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Territory.

#### H. **MODIFICATION OF SYSTEM.**

Because complete and detailed uniformity under many varying conditions might not be possible or practical, you acknowledge that we specifically reserve the right and privilege, as we deem best, to vary System Standards (defined below) for any franchise owner based upon the peculiarities of any condition that we consider important to that franchise owner’s successful operation. You have no right to require us to grant you a similar variation or accommodation.

#### I. **NATIONAL, REGIONAL AND INSTITUTIONAL ACCOUNTS.**

Only we will have the right to enter into contracts with national, regional and/or institutional accounts (which may include facilities or projects within your Territory). If we receive contracts for any Authorized Products and Services calling for performance in your Territory as a result of our engaging in commerce with national, regional and institutional accounts, then we will have the right, but not the obligation, either to require you to fulfill such contracts at the price we agree on with the client or to give you the opportunity to fulfill such contracts at the price we agree on with the client. If we give you the opportunity to fulfill such contracts and if, for any reason, you do not desire to or cannot serve the client, or if the client desires for any or no reason to deal exclusively with us, our affiliate or another franchise owner and not with you, then we, our affiliate or any other P3 Recovery Center may serve the client

within your Territory, and you will not be entitled to any compensation. The procedures governing our national, regional and institutional accounts program are set forth in our Operations Manual.

2. **SITE SELECTION, LEASE OF PREMISES, AND DEVELOPMENT AND OPENING OF THE CENTER.**

A. **SITE SELECTION.**

If we have accepted a location for the Center before the execution of this Agreement, the Premises will be set forth on **Exhibit B**. If we and you have not agreed upon a location for the Center before signing this Agreement, then you are responsible for selecting the site for the Center within the geographic area described in **Exhibit B** (the “*Designated Area*”). The Designated Area is delineated for the sole purpose of site selection and does not confer any territorial exclusivity or protection. You agree to submit any documents we request and obtain our written acceptance of the Center’s proposed site within the Designated Area before signing any lease, sublease, or other document for the site. We will use reasonable efforts to help analyze your market area, to help determine site feasibility, and to assist in designating the location, although we will not conduct site selection activities for you. We will not unreasonably withhold our acceptance of a site that meets our criteria for demographic characteristics; traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; other commercial characteristics; and the proposed site’s size, appearance, and other physical characteristics.

You agree to send us a description of the proposed site within the Designated Area, including a summary of the items listed above, along with a letter of intent or other evidence confirming your favorable prospects for obtaining the proposed site. We will use reasonable efforts to accept or not accept the proposed site within the Designated Area within forty-five (45) days after receiving your written proposal. Notwithstanding our time to review and accept or not accept any site you propose, you must have submitted and received our acceptance of a site within the Designated Area no later than one hundred twenty (120) days after the Effective Date, or we may terminate this Agreement (at our option) pursuant to Section 14 below. Upon our acceptance of a site within the Designated Area, and after you secure the site, we will insert its address into **Exhibit B**, and it will be the Premises. You may operate the Center only at the Premises.

You acknowledge and agree that, if we suggest, accept, or give you information regarding a site for the Premises, our action is not a representation or warranty of any kind, express or implied, of the site’s suitability for a P3 Recovery Center or any other purpose. Our action indicates only that we believe that the site meets our then acceptable criteria. Applying criteria that has appeared effective with other sites and premises might not accurately reflect the potential for all sites and premises, and demographic and/or other factors included in or excluded from our criteria could change, altering the potential of a site and premises. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if a site and premises we suggest or accept for the location of a P3 Recovery Center fails to meet your expectations. Accordingly, you acknowledge and agree that your acceptance of the Franchise pursuant to this Agreement is based on your own independent investigation of the site’s suitability for the Premises.

**B. LEASE OF PREMISES.**

You must submit a proposed lease, sublease or other rental agreement for the Premises (each a “*Lease*”) for our acceptance before you sign it within sixty (60) days after we accept the site for the Premises, or we may terminate this Agreement (at our option) pursuant to Subsection 14.B below. Any and all Leases that you propose or enter into must: (i) be in a form and contain substance we accept, and (ii) include our form of addendum to lease agreement attached hereto as Exhibit C (the “*Lease Addendum*”) containing certain required terms and provisions applicable to the Lease. You must deliver to us fully-signed copies of the Lease and Lease Addendum, as accepted by us, within seven (7) days after their execution. You also agree to sign, and have the landlord sign, any other document(s) we deem necessary to record our interest in the Premises in public real estate indices and elsewhere to protect our interests.

You acknowledge that our acceptance of the Lease (including the Lease Addendum, for purposes of the remainder of this Subsection 2.B) does not constitute a guarantee, warranty, or representation of any kind, whether express or implied, as to the Lease’s fairness or suitability, your ability to comply with its terms, or the success or profitability of a P3 Recovery Center operated at the Premises. Our acceptance of the Lease indicates only that we believe that the Premises and the Lease terms meet our then acceptable criteria. We do not, by virtue of accepting the Lease, assume any liability or responsibility to you or to any third party. You may not modify the Lease if any proposed modification would impact our rights as a third-party beneficiary of provisions of the Lease.

If the Lease expires or is terminated without your fault, or if the site for the Premises is destroyed, condemned, or otherwise rendered unusable, we will allow you to relocate the Center to a new site acceptable to us. You must locate a substitute site, and begin operating the Center from that substitute site, within one hundred eighty (180) days after you lose the right to occupy the Premises.

We reserve the right (but we have no obligation) to enter into a master lease for the Premises (or a substitute site you propose), whether directly or through an affiliate, and sublease the Premises (or any substitute site you propose) to you upon mutually agreeable terms regarding fees, rent and deposits. You acknowledge that any master lease that we or our affiliate may enter into for the Premises (or a substitute site you propose) shall neither give rise to any liability on our part (or that of our affiliates), nor shall such master lease be construed as an express or implied warranty to you regarding the viability, profitability or merit of the Premises (or a substitute site you propose) for the Center. You further acknowledge that you shall not be a third-party beneficiary of the master lease and that we do not make any representations or guarantees regarding the commercial terms of the master lease, including, but not limited to, the rent. If we or our affiliate sublease the Premises (or a substitute site you propose) to you, you agree to execute our then-current form of sublease, as may be modified or amended by us.

**C. CENTER DEVELOPMENT.**

You are responsible for developing the Center. We will give you mandatory and suggested specifications and layouts for a model P3 Recovery Center, including requirements for dimensions, design, image, interior layout, décor, fixtures, equipment, signs, furnishings, and color scheme.

These plans might not reflect the requirements of any federal, state, or local law, code, or regulation, including those arising under the Americans with Disabilities Act (the “*ADA*”) or similar rules governing public accommodations for persons with disabilities. It is your responsibility to prepare a site survey and all required construction plans and specifications and floor plans to suit the Premises and to make sure that these plans and specifications comply with the ADA and similar rules governing public accommodations for persons with disabilities, other applicable ordinances, building codes, permit requirements, and Lease requirements and restrictions.

You are required to send us for our review and written approval construction plans and specifications and floor plans before you begin constructing the Center and all revised or “as built” plans and specifications during construction. We may require you to use an approved or designated architect and/or general contractor (which may include or be limited to us and/or our affiliates) to design and construct the Center, and we reserve the right to require you to submit to us all contractor bids you receive related to the Center for the purpose of recording and benchmarking total construction costs for the future benefit of other franchise owners and all P3 Recovery Centers. Any general contractor or other builders you use must maintain builder’s and/or contractor’s insurance (as applicable), lien insurance, and performance and completion bonds in forms and amounts acceptable to us, pursuant to Subsection 8.L below. Because our review is limited to ensuring your compliance with our design requirements, it might not assess compliance with federal, state, or local laws and regulations, including the ADA. Accordingly, you recognize and acknowledge that compliance with these laws is your responsibility. We may inspect the Premises while you are developing the Center.

You agree to do the following, at your own expense, to develop the Center at the Premises:

- (1) secure all financing required to develop and operate the Center;
- (2) obtain all required building, utility, sign, health, sanitation, business, and other permits and licenses;
- (3) construct all required improvements to the Premises and decorate the Center according to approved plans and specifications;
- (4) obtain all customary contractors’ sworn statements and partial and final waivers of lien for construction, remodeling, decorating, and installation services;
- (5) purchase or lease, and install, if applicable, according to our specifications, all required fixtures, furniture, equipment (including a required or recommended computer, point-of-sale, and other electronic information systems and all equipment components and software necessary for you to accept and process our gift and loyalty cards, memberships, and participate in our gift card, client or member loyalty, affinity, membership and similar programs), furnishings, and signs (collectively, “*Operating Assets*”) for the Center; and
- (6) purchase an opening inventory of authorized and approved Proprietary Products, and other products, materials, and supplies to operate the Center.

D. **OPERATING ASSETS.**

You agree to use in operating the Center only those Operating Assets that we approve for P3 Recovery Centers as meeting our specifications and standards for quality, design, appearance, function, and performance. You agree to place or display at the Premises (interior and exterior) only the signs, emblems, lettering, logos, and display materials that we approve at any time and from time to time. You agree to purchase or lease approved brands, types, or models of Operating Assets only from suppliers we designate or approve (which may include or be limited to us and/or our affiliates).

E. **COMPUTER SYSTEM.**

You agree to obtain and use the computer hardware and/or operating software (including point-of-sale equipment and software) we specify at any time and from time to time (the “*Computer System*”). We may modify specifications for and components of the Computer System. You also agree to maintain a functioning e-mail address. Our modification of specifications for the Computer System, and/or other technological developments or events, might require you to purchase, lease, and/or license new or modified computer hardware and/or software and to obtain service and support for the Computer System. Although we cannot estimate the future costs of the Computer System or required service or support, and although these costs might not be fully amortizable over this Agreement’s remaining Term, you agree to incur the costs of obtaining the computer hardware and software comprising the Computer System (or additions and modifications) and required service or support. We have no obligation to reimburse you for any Computer System costs. Within sixty (60) days after you receive notice from us, you agree to obtain the Computer System components that we designate and to ensure that your Computer System, as modified, is functioning properly.

You agree that we or our affiliates may condition any license of proprietary software to you, or your use of technology that we or our affiliates develop or maintain, on your signing a software license agreement or similar document that we or our affiliates prescribe to regulate your use of, and our and your respective rights and responsibilities with respect to, the software or technology. We, our affiliates, or designated suppliers may charge you a monthly or other fee for any proprietary software or technology that we or they license to you and for other maintenance and support services that we or they may require you to receive during the Term.

Despite the fact that you agree to buy, use, and maintain the Computer System according to our standards and specifications, you will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer System; (2) the manner in which your Computer System interfaces with our and any third party’s computer system; (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded; and (4) ensuring that the installation and operation complies with all applicable laws, including state data privacy protections.

The Computer System shall interface with our information technology systems and be electronically linked to us or our designee to enable us (or our designee) to poll such Computer System on a daily or other basis at such times and in such manner as established by us or our designee, with or without notice, and to retrieve such transaction information, including without

limitation sales, sales mix, inventory, membership data, and other operations data as we and/or our designee deem appropriate at any time. If for any reason polling is not practicable or prohibited by applicable law, we may require you to download such information into machine readable information compatible with the system operated by us, our affiliates, or our agents and to deliver such information to us by such method and at such temporal frequency as we may reasonably require.

You hereby consent to us obtaining, using and disclosing to third parties (including, without limitation, prospective franchise owners, financial institutions, legal and financial advisors), for any purpose or as may be required by law, any financial or other information contained in or resulting from information, data, materials, statements and reports received by us or disclosed to us, whether by means of the Computer System or otherwise, in accordance with this Agreement. You will obtain such consents from third parties, including your clients and members, as are necessary in order to give effect to the foregoing.

F. **PRE-OPENING MEMBERSHIPS**

You will, as part of the Grand Opening Advertising described in Subsection 9.A below, perform all required and recommended pre-opening membership sales activities during the five (5) month period preceding the Center's projected opening date (or such other period as may be prescribed by us). All such membership sales activities must comply with the System Standards (as defined in Subsection 4.E below), the terms set forth herein, and as otherwise approved in writing by us. Before you may begin membership sales activities, the following must occur: (i) we have activated your social media accounts, designated online account (which allows you to manage and track memberships and sales for the Center), and we have authorized you in writing to sell memberships to the public; (ii) if we require it, you (or your Managing Owner) and the General Manager have completed to our satisfaction the presales training program described in Subsection 4.B; and (iii) you have secured all financing and permits necessary to develop, build and fully equip the Center as described in this Section 2. You must also comply with and certify to us in writing that you have obtained all necessary bonds and otherwise have complied, and will comply, with all applicable laws relating to the presale of memberships. If you fail to do so, in addition to our other rights and remedies, you will not be authorized to begin offering or selling memberships for the Center.

G. **CENTER OPENING.**

You must notify us in writing of the Center's opening date at least thirty (30) days prior to the opening of the Center. We reserve the right to inspect (or designate a third party to inspect) the Center at any time prior to opening. You agree not to open the Center until:

(1) we notify you in writing that the Center meets our standards and specifications (although our acceptance of the Center is not a representation or warranty, express or implied, that the Center complies with any engineering, licensing, environmental, labor, health, building, fire, sanitation, occupational, landlord's, insurance, safety, tax, governmental, or other statutes, rules, regulations, requirements, or recommendations nor a waiver of our right to require continuing compliance with our requirements, standards, or policies);

- (2) you (or your Managing Owner) and your other employees satisfactorily complete training;
- (3) you comply with all pre-opening requirements including, but not limited to, having a minimum number of pre-sold memberships;
- (4) you pay any amounts then due to us;
- (5) you give us certificates for all required insurance policies, or such other evidence of insurance coverage and payment of premiums as we may request; and
- (6) you sign an APA (as defined in Section 8.E below) with an Authorized Care Provider (as defined in Section 8.C below) for the Center.

Subject to your compliance with these conditions, you agree to open the Center for business within three hundred sixty-five (365) days after the Effective Date of this Agreement, and you acknowledge that your failure to open timely shall be grounds for termination as set forth in Section 14 below.

### 3. **FEES.**

#### A. **INITIAL FRANCHISE FEE.**

(1) In consideration of our granting you the Franchise, you agree to pay us a nonrecurring and, except as specifically provided in this Agreement, nonrefundable initial franchise fee (the “*Initial Franchise Fee*”) in the amount of Sixty-Five Thousand Dollars (\$65,000). This fee is due, and fully earned by us, when you sign this Agreement.

(2) You may be eligible to receive a refund of up to fifty percent (50%) (less any costs or expenses incurred by us for administration or training of you or your employees or managers) of amounts you have paid to us for the Initial Franchise Fee if we terminate this Agreement (at our option) and you sign and submit to us a release of claims in a form we prescribe, in any one of the following circumstances:

(i) if your required attendees to our Initial Training Program cannot complete initial training to our satisfaction, then we may terminate this Agreement (at our option), and receive from you a signed release of claims in a form we prescribe;

(ii) if we and you cannot agree upon a location for the Premises within sixty (60) days after the Effective Date, then we may terminate this Agreement (at our option), and receive from you a signed release of claims in a form we prescribe; or

(iii) you are unable to obtain all governmental approvals, licenses, permits or other required authorizations necessary to open and operate the Center

lawfully by the scheduled opening date, then we may terminate this Agreement (at our option), and receive from you a signed release of claims in a form we prescribe.

**B. CONTINUING SERVICE AND ROYALTY FEE.**

You agree to pay us, on Monday of each week and in the manner provided below (or as the Operations Manual otherwise prescribes), a weekly Continuing Service and Royalty Fee (the “**Royalty**”) equal to eight percent (8%) of the Center’s Gross Revenues per week for the first twelve (12) months after opening the Center, and ten percent (10%) of the Center’s Gross Revenues per week thereafter for the remainder of the Term. On or before the Monday of each week, you agree to send us on a form we approve (or as we otherwise direct) a signed statement of the Center’s Gross Revenues for the preceding week. Each weekly statement of Gross Revenues must be accompanied by the Royalty due for the preceding week, if not already otherwise paid for that week pursuant to this Agreement.

Notwithstanding the foregoing, the Royalty will be subject to a minimum monthly royalty of Five Thousand Dollars (\$5,000) beginning in the first month of your second year operating the Center (i.e., the 13<sup>th</sup> month after the opening date) (the “**Minimum Monthly Royalty**”). Within seven (7) days after the end of the 13th month after the opening date of the Center, and each subsequent month during the Term, you must pay us the greater of (i) the Minimum Monthly Royalty for that month and (ii) the Royalty you owe us for that month.

If any applicable law prohibits or invalidates your payment of Royalty based on Gross Revenues, then we may either: (a) increase the royalty rate, as applied to the permissible portion of Gross Revenues that is not otherwise restricted or prohibited, to a rate/amount determined by us so that the net amount of the Royalty paid to us is not less than the Royalty we would have received had the federal, state, and/or local government agency, entity, law, rule and/or regulation not prohibited your payment of Royalty based on Gross Revenues related to a restricted activity; or (b) charge you a fixed fee royalty that we specify.

**C. TECHNOLOGY FEE.**

You agree to pay us in the manner provided below (or as the Operations Manual otherwise prescribes), our then-current weekly technology fee (the “**Technology Fee**”) we prescribe at any time and from time to time, not to exceed one percent (1%) of the Center's Gross Revenues per week. We reserve the right to increase or decrease the amount of the Technology Fee at any time upon written notice to you. The Technology Fee is nonrefundable.

**D. DEFINITION OF “GROSS REVENUES”.**

As used in this Agreement, the term “**Gross Revenues**” means all revenue that you derive from operating the Center, including, but not limited to, all amounts that you receive at or away from the Premises, and all revenues earned by the Center under or pursuant to any APAs (as defined in Subsection 8.E below) or other arrangements in place with any Authorized Care Provider (as defined in Subsection 8.C below), whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit transactions and all other income of every kind and nature related to the Center (including, without limitation, revenues and income you receive from

the proceeds of any business interruption insurance policies), but (1) excluding all federal, state, or municipal sales, use, or service taxes collected from clients and members and paid to the appropriate taxing authority, (2) excluding any client or member tips to Center employees and (3) reduced by the amount of any documented refunds, credits, allowances, and charge-backs the Center in good faith gives to clients and/or members. For the avoidance of doubt, Gross Revenues does not include the professional fees you have billed and collected in relation to the Specialty Services on behalf of the Authorized Care Provider (as defined in Subsection 8.C below) as their agent of payee.

E. **LATE FEES AND INTEREST.**

All amounts which you owe us or our affiliate for any reason, will bear interest accruing as of their original due date at the maximum interest rate permitted by law. If there is no applicable legal maximum rate, interest will be calculated at the rate of four percent (4%) above the prime rate of interest on the first day of each month for the past due amount, as published in The Wall Street Journal. We may debit your bank account automatically for late fees and interest. You acknowledge that this Subsection 3.E is not our agreement to accept any payments after they are due or our commitment to extend credit to, or otherwise finance your operation of, the Center.

F. **APPLICATION OF PAYMENTS.**

Despite any designation you make, we may apply any of your payments to any of your past due indebtedness to us. We may set off any amounts you or your owners owe us or our affiliates against any amounts we or our affiliates owe you or your owners. You may not withhold payment of any amounts you owe us due to our alleged nonperformance of any of our obligations under this Agreement.

G. **METHOD OF PAYMENT.**

Before the Center opens, you agree to sign and deliver to us the documents we require (the current form of which is set forth in Exhibit E) to authorize us to debit your business checking account automatically for the Royalty, Fund contributions, and other amounts due under this Agreement and for your purchases from us and/or our affiliates (the “*EDTA*”). We will debit the EDTA for these amounts on their due dates. You agree to ensure that funds are available in the EDTA to cover our withdrawals. If there are insufficient funds in the EDTA to cover any such amount owed (or, if you are paying by check and a check is returned for insufficient funds), you must pay us, on demand, a processing fee of One Hundred Dollars (\$100), plus reimbursement of our additional administrative expenses and charges (together with the late fee noted in Subsection 3.E above).

If we are unable to ascertain the Center’s Gross Revenues during any reporting period, we may debit your EDTA for one hundred twenty percent (120%) of the last Royalty and Fund contribution that we debited (together with the late fee noted in Subsection 3.E above). If we discover, once we have determined the Center’s true and correct Gross Revenues, that the amounts we debited from your EDTA are less than the amounts you actually owe us, then we will debit your EDTA for the remaining balance on the day we specify. Conversely, if we discover that the amounts we debited from your EDTA are greater than the amounts you actually owe us, then we

will credit an amount equal to: (i) the excess against the amounts we otherwise would debit from your EDTA during the following week, (ii) less a two percent (2%) administrative fee on that excess amount that we will retain for having to conduct this process due to your failure to report.

We may require you to pay any amounts due under this Agreement or otherwise by means other than automatic debit (*e.g.*, by check) whenever we deem appropriate, and you agree to comply with our payment instructions.

#### **4. TRAINING AND ASSISTANCE.**

##### **A. LEAD NURSE AND GENERAL MANAGER**

If this is your first P3 Recovery Center, then before the Center is scheduled to open for business, you must designate a registered nurse that meets the System Standards (as defined in Section 4.E below) and any other requirements applicable to the Center under Authorized Care Provider Regulations (as defined in Section 8.C below) who is responsible for administering certain Authorized Products and Services to clients of the Center (the “*Lead Nurse*”) under the required employment and/or supervision of an Authorized Care Provider, depending on the applicable state, and a manager-level employee you appoint (the “*General Manager*”).

##### **B. INITIAL TRAINING.**

(1) We will train you (or, if you are an Entity, your Managing Owner), the Lead Nurse, and the General Manager on the material aspects of operating a P3 Recovery Center (the “*Initial Training Program*”). These persons must begin the Initial Training Program (excluding the on-site support phase described below in this Subsection 4.B) no more than eighteen (18) weeks before the Center’s scheduled opening date, and must complete the Initial Training Program to our satisfaction at least two (2) weeks before the Center opens. If we require it, you (or, if you are an Entity, your Managing Owner) and the General Manager must also successfully complete the presales training program component of the Initial Training Program to our reasonable satisfaction before engaging in any membership presale activities. If we require it, presale training will be included in the Initial Training Program.

(2) We will provide the Initial Training Program at a designated training facility of our choice or virtually online, except for the on-site support phase around opening that we will provide at the Premises (as discussed below in this Subsection 4.B), the Center, and/or at an operating P3 Recovery Center.

(3) We will provide the Initial Training Program for no additional fee for your three (3) attendees specified above in this Subsection 4.B. Additional people beyond three (3) attendees may attend the Initial Training Program (subject to our capacity and ability to accommodate additional persons in the training session) if you pay our then-current training charge for each additional person, not to exceed Five Hundred Dollars (\$500) per person per day. You also agree to pay for all travel and living expenses that you (or your Managing Owner) and any of your personnel incur, the costs of obtaining any required certifications, all accrued wages, and related workers’ compensation insurance while these persons train at a designated training facility of our choice, the Center, and/or at an operating P3 Recovery Center.

(4) You (or your Managing Owner), the Lead Nurse and the General Manager must satisfactorily complete the Initial Training Program. If we determine that you (or your Managing Owner), the Lead Nurse, or the General Manager cannot complete the Initial Training Program to our satisfaction, you (or your Managing Owner), the Lead Nurse, and/or the General Manager must retake the next Initial Training Program we offer and complete the Initial Training Program to our satisfaction or we may terminate this Agreement. In that case, you will be eligible to receive up to a fifty percent (50%) refund of any Initial Franchise Fee specified under Subsection 3.A above that you have already paid if you sign our required form of release of claims.

(5) You (or your Managing Owner) may request additional training at the end of the Initial Training Program, to be provided at our then-current per diem charges, if you (or your Managing Owner) feel that you or any of your attendees are not sufficiently trained to operate a P3 Recovery Center. We and you (or your Managing Owner) will jointly determine the time and duration of this additional training. However, if you (or your Managing Owner) and the other attendees satisfactorily complete our Initial Training Program and you do not expressly inform us at the end of the program that you (or your Managing Owner) or other attendees do not feel sufficiently trained in the operation of a P3 Recovery Center, then you (or your Managing Owner) and all other attendees to the Initial Training Program will be deemed to have been trained sufficiently to operate a P3 Recovery Center.

(6) When the Center is preparing to open for business, we will, at our own cost, send at least one (1) of our representatives to the Center for no more than three (3) total days, during the hours we determine in our sole judgment, to provide on-site support in connection with pre-opening and opening activities. We reserve the right to provide more representatives, or more days of on-site support, at the Premises during this period as we deem necessary. For avoidance of doubt, we solely determine the timing, scheduling and staffing of on-site support we provide according to this subparagraph, including the calendar dates, times of our support, and whether we provide these days consecutively or intermittently. You must successfully complete all activities of this on-site support period to our satisfaction. If you request, and we agree to provide, additional or special guidance, assistance, or training during this on-site support period, then you agree to pay our then applicable charges, including our personnel's then-current per diem charges and actual travel and living expenses.

### C. **ONGOING TRAINING.**

As described in Subsection 4.B above, we will provide on-site training and assistance, as we determine in our sole judgment, for no more than three (3) days before, during and/or after the Center opens for business. We need not provide such on-site training on consecutive days.

We may require you (or your Managing Owner), the Lead Nurse and/or other previously trained and experienced employees to attend and complete satisfactorily various training courses that we periodically choose to provide either online or in-person at the times and locations that we designate. We may charge reasonable registration or similar fees for these courses. We will not require in-person attendance for more than a total of fifteen (15) days during a calendar year. Besides attending these courses, you agree to attend an annual meeting of all P3 Recovery Center franchise owners at a location we designate, if we organize and plan (at our option) such a meeting. Attendance will not be required for more than three (3) days during any calendar year. You agree

to pay all costs to attend these online or in-person training courses and meetings. You are responsible for costs of obtaining any required certifications, all travel and living expenses that you and your personnel incur, and for your personnel's wages and workers' compensation insurance while they attend these training courses and/or meetings. Additionally, if we provide any of these training courses and/or meetings at a location that requires our trainers to travel, you must pay our personnel's then-current per diem charges and actual travel and living expenses.

We may require that any Lead Nurse or General Manager you hire or appoint after the Center opens for business satisfactorily complete our initial and ongoing training programs within eight (8) weeks of the date on which you hire or appoint such manager. You must pay our then-current additional training fee (currently Five Thousand Dollars (\$5,000) per person) for every Lead Nurse or General Manager hired or appointed after the Center opens. You agree to pay all travel and living expenses which you and your employees incur during all training courses and programs. Additionally, if we provide any of these training courses and/or programs at a location that requires our trainers to travel, you agree to pay our personnel's then-current per diem charges and actual travel and living expenses.

If, in our sole judgment, you fail to maintain the System Standards set forth in the Operations Manual or the clinical standards established by the Authorized Care Provider (as defined in Subsection 8.C below), we may require you (or, if you are an Entity, your Managing Owner), the Lead Nurse, and/or the General Manager to repeat all or a portion of the Initial Training Program or to attend additional training programs at a location that we designate. You must pay our then-current fee for any remedial training provided, as well as our personnel's then-current per diem charges and actual travel and living expenses incurred while providing the remedial training.

You understand and agree that any specific ongoing training or advice we provide does not create an obligation (whether by course of dealing or otherwise) to continue to provide such specific training or advice, all of which we may discontinue and modify at any time and from time to time.

#### **D. GENERAL GUIDANCE AND CONSULTATION SERVICES.**

We will advise you at any time and from time to time regarding the Center's operation based on your reports or our inspections and will guide you with respect to: (1) standards, specifications, and operating procedures and methods that P3 Recovery Centers use; (2) purchasing required and authorized Operating Assets, Proprietary Products, and other items and arranging for their distribution to you; (3) advertising and marketing materials and programs; (4) employee training; and (5) administrative, bookkeeping, accounting, and inventory control procedures.

We will guide you in our operations manual (the "*Operations Manual*"); in bulletins or other written materials; by electronic media; by telephone consultation; and/or at our office or the Center. If you request, and we agree to provide (subject to our availability), additional or special guidance, assistance, or training, you agree to pay our then applicable charges, including our personnel's then-current per diem charges and actual travel and living expenses.

If you request, and we agree to provide (subject to our availability) either (i) additional guidance, assistance, or training, or (ii) specialized Consultation Services, then you agree to pay our then applicable charges, including our personnel's then-current per diem charges and actual travel and living expenses (currently Five Hundred Dollars (\$500) per person per day, plus out-of-pocket expenses). For purposes of this Agreement, "**Consultation Services**" may include any advice related to the operation of the Center, on-site reviews of your operations and additional training as needed, on-site training for you (or your Managing Owner), Lead Nurse, General Managers, or any of your other personnel, and other specialized assistance.

E. **OPERATIONS MANUAL.**

We will provide you access during the Term to our Operations Manual, which could include audiotapes, videotapes, compact disks, computer software, other electronic media, and/or written materials. The Operations Manual contains mandatory and suggested specifications, standards (including clinical standards and protocols established by the Authorized Care Provider, as defined in Subsection 8.C below), operating procedures, and rules ("**System Standards**") that we periodically prescribe for operating a P3 Recovery Center and information on your other obligations under this Agreement. We may modify the Operations Manual periodically, in our sole judgment, to reflect changes in System Standards. For purposes of this Agreement, all written instructions or communications we or our affiliates provide to all, or a substantial number of, P3 Recovery Center franchise owners concerning aspects or modifications to the System shall be deemed part of the Operations Manual.

You agree to keep the Operations Manual current and in a secure location at the Center. If there is a dispute over its contents, our master copy of the Operations Manual controls. You agree that the Operations Manual's contents are confidential and that you will not disclose the Operations Manual to any person other than Center employees who need to know its contents. You may not at any time copy, duplicate, record, or otherwise reproduce any part of the Operations Manual.

At our option, we may post some or all of the Operations Manual on a restricted Website or extranet to which you will have access. (For purposes of this Agreement, "**Website**" means an interactive electronic document contained in a network of computers linked by communications software, including, without limitation, the internet and World Wide Web home pages). If we do so, you agree to monitor and access the Website or extranet for any updates to the Operations Manual or System Standards. Any passwords or other digital identifications necessary to access the Operations Manual on a Website or extranet will be deemed to be part of Confidential Information (defined in Section 6 below).

F. **DELEGATION OF PERFORMANCE.**

You agree that we have the right to delegate the performance of any portion or all of our obligations under this Agreement to third-party designees, whether these designees are our agents or independent contractors with whom we have contracted to perform these obligations. If we do so, such third-party designees will be obligated to perform the delegated functions for you in compliance with this Agreement.

## 5. MARKS.

### A. OWNERSHIP AND GOODWILL OF MARKS.

Our affiliate, Live Better Group Pty Ltd., owns and has licensed the Marks to us to use, and to sublicense others to use, in connection with the franchising, development, and operation of P3 Recovery Centers. Therefore, you agree and acknowledge that the Marks are our exclusive property, and that we are granting you a license (or sublicense, as applicable) to use the Marks in connection with the Center's development and operation. Your right to use the Marks is derived only from this Agreement and is limited to your operating the Center according to this Agreement and all System Standards we prescribe during the Term. Your unauthorized use of the Marks is a breach of this Agreement and infringes our and/or our affiliate's rights in the Marks. You acknowledge and agree that your use of the Marks and any goodwill established by that use are exclusively for our and/or our affiliate's benefit and that this Agreement does not confer any goodwill or other interests in the Marks upon you (other than the right to operate the Center under this Agreement). All provisions of this Agreement relating to the Marks apply to any additional proprietary trade and service marks we authorize you to use. You may not at any time during or after the Term and any Renewal Term contest, or assist any other person in contesting, the validity, or our and/or our affiliate's ownership, of the Marks.

### B. LIMITATIONS ON YOUR USE OF MARKS.

You agree to use the Marks as the Center's sole identification, except that you agree to identify yourself as its independent owner in the manner we prescribe. You may not use any Mark (1) as part of any corporate or legal business name, (2) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos we have licensed to you), (3) in selling any unauthorized services or products, (4) as part of any domain name, homepage, social media site page, group or post, electronic address, or otherwise in connection with a Website (other than our Website), or (5) in any other manner that we have not expressly authorized in writing.

You may not use any Mark in advertising the transfer, sale, or other disposition of the Center or an ownership interest in you without our prior written consent, which we will not unreasonably withhold. You agree to display the Marks prominently as we prescribe at the Center and on forms, advertising, supplies, and other materials we designate. You agree to use the notices of trade and service mark registrations that we specify and to obtain any fictitious or assumed name registrations required under applicable law.

### C. NOTIFICATION OF INFRINGEMENTS AND CLAIMS.

You agree to notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any person's claim of any rights in any Mark, and not to communicate with any person other than us, our attorneys, and your attorneys, regarding any infringement, challenge, or claim. We may take the action we deem appropriate (including no action) and control exclusively any litigation, U.S. Patent and Trademark Office ("*USPTO*") proceeding, or other administrative proceeding arising from any infringement, challenge, or claim or otherwise concerning any Mark. You agree to sign any documents and take any other reasonable action that, in the opinion of our

attorneys, are necessary or advisable to protect and maintain our interests in any litigation or USPTO or other proceeding or otherwise to protect and maintain our interests in the Marks.

**D. DISCONTINUANCE OF USE OF MARKS.**

If, in our sole judgment, it becomes advisable at any time for us and/or you to modify or discontinue using any Mark and/or to use one or more additional or substitute trade or service marks, you agree to comply with our directions within a reasonable time after receiving notice. We need not reimburse you for your direct expenses of changing the Center's signage, for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

Our rights in this Subsection 5.D apply to any and all of the Marks (and any portion of any Mark) that we authorize you to use in this Agreement. We may exercise these rights at any time and for any reason, business or otherwise, that we think best. You acknowledge both our right to take this action and your obligation to comply with our directions.

**E. INDEMNIFICATION FOR USE OF MARKS.**

We agree to reimburse you for all damages and reasonable expenses that you incur in any trademark infringement proceeding disputing your authorized use of any Mark under this Agreement if you have timely notified us of, and comply with our directions in responding to, the proceeding. At our option, we may defend and control the defense of any proceeding arising from your use of any Mark under this Agreement.

**6. CONFIDENTIAL INFORMATION.**

We possess (and will continue to develop and acquire) certain confidential information, some of which constitutes trade secrets under applicable law (the "***Confidential Information***"), relating to developing and operating P3 Recovery Centers, including (without limitation):

- (1) site selection criteria and layouts, designs and other plans and specifications for P3 Recovery Centers;
- (2) training and operations materials, notices and manuals;
- (3) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating P3 Recovery Centers;
- (4) marketing, promotional and advertising research and programs for P3 Recovery Centers;
- (5) knowledge of specifications for and suppliers of Operating Assets, Proprietary Products, and other products and supplies, including supplier pricing and related terms;
- (6) any computer software or similar technology which is proprietary to us or the System, including, without limitation, digital passwords and identifications and any source

code of, and data, reports, and other printed materials generated by, the software or similar technology;

(7) knowledge of the operating results and financial performance of P3 Recovery Centers other than the Center;

(8) graphic designs and related intellectual property;

(9) Client and member solicitation, communication and retention programs, along with data and information used or generated in connection with those programs;

(10) all data and other information generated by, or used in, the operation of the Center, including client and member names, addresses, phone numbers, pricing and other information supplied by any client or member (such as credit card information or personal information), and any other information contained at any time and from time to time in the Computer System or that visitors to the Center (including you and your personnel) provide to the Website for the network of P3 Recovery Centers;

(11) future business plans relating to P3 Recovery Centers and the P3 Recovery franchise opportunity, including expansion and development plans;

(12) know-how, sales, organizational, operational and other information concerning the System;

(13) the contents of any plans, Center designs, records or other documents;

(14) all of our records and all information we or our affiliates derive, receive from you or are entitled to about your Center, including without limitation all information in your records or ours concerning the members, member data and member lists of your (and all) P3 Recovery Centers in the System, whether prepared by you or otherwise coming into your possession, and all revenues we derive from such information; and

(15) any other information that we reasonably designate as confidential or proprietary.

You acknowledge and agree that you will not acquire any interest in Confidential Information, other than the right to use it as we specify in operating the Center during the Term and any Renewal Term, and that Confidential Information is proprietary, includes our trade secrets, and is disclosed to you only on the condition that you agree, and you in fact do agree, that you:

(a) will not use Confidential Information in any other business or capacity;

(b) will keep each item deemed to be part of Confidential Information absolutely confidential, both during the Term and any Renewal Term and then thereafter for as long as the item is not generally known in the health, wellbeing and fitness recovery industry;

(c) will not sell, trade or otherwise profit in any way from the Confidential Information (including by selling or assigning any client or member names, addresses, phone numbers, e-mail contact information, or related data), except using methods that we may have authorized or approved in our sole judgment;

(d) will not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form;

(e) will adopt and implement reasonable procedures to prevent unauthorized use or disclosure of Confidential Information, including, without limitation, restricting its disclosure to Center personnel and others and using non-disclosure and non-competition agreements with those having access to Confidential Information. We have the right to regulate the form of agreements that you use and to be a third-party beneficiary of those agreements with independent enforcement rights. The current form of Nondisclosure and Non-Competition Agreement is attached as **Exhibit D**;

(f) will notify us within twenty-four (24) hours of any unauthorized use or disclosure of Confidential Information (whether by you or any Center employees or personnel); and

(g) will not enter, input, upload, submit, or otherwise disclose any Confidential Information, including without limitation the Operations Manual to any publicly accessible or third-party artificial intelligence system, large language model, machine learning platform, chatbot, or similar service, including, without limitation, ChatGPT, Microsoft Copilot, Google Gemini, Claude, Perplexity, and any similar or successor technologies (collectively, “**Public AI Tools**”), whether accessed via website, application, plugin, or other means, and will ensure that your owners, managers, employees, agents, contractors, and anyone acting on your behalf or with your permission likewise do not enter, input, upload, submit, or otherwise disclose any Confidential Information to Public AI Tools. You acknowledge that any such disclosure constitutes an unauthorized use or disclosure of Confidential Information and a material breach of this Agreement. You will implement reasonable measures to enforce this prohibition, including training personnel with access to Confidential Information about this restriction and incorporating this obligation into all applicable nondisclosure and non-competition agreements described in Subparagraph (e) above. This prohibition survives the expiration or termination of this Agreement for so long as the information qualifies as Confidential Information under this Section 6.

Confidential Information does not include information, knowledge, or know-how which you can demonstrate lawfully came to your attention before we provided it to you directly or indirectly; which, at the time we disclosed it to you, already had lawfully become generally known in the health, wellbeing and fitness recovery industry through publication or communication by others (without violating an obligation to us); or which, after we disclose it to you, lawfully becomes generally known in the health, wellbeing and fitness recovery industry through publication or communication by others (without violating an obligation to us). However, if we include any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that one of the exclusions provided in this paragraph is fulfilled.

All ideas, concepts, techniques, or materials relating to a P3 Recovery Center, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the System, and works made-for-hire for us. To the extent that any item does not qualify as a “work made-for-hire” for us, by this paragraph you hereby assign ownership of that item, and all related rights to that item, to us, hereby waive all moral rights in that item, and hereby agree to take whatever action (including signing assignment or other documents) we request to evidence our ownership or to help us obtain intellectual property rights in the item (including signing assignment or other documents, and causing your owners, employees and contractors to do the same). You may not use any such idea, concept, technique or material in connection with the Center without our prior approval.

**7. EXCLUSIVE RELATIONSHIP.**

You acknowledge that we have granted you the Franchise in consideration of and reliance upon your agreement to deal exclusively with us. You therefore agree that, during the Term and any Renewal Term, neither you, any of your owners, nor any of your or your owners’ immediate family members (*i.e.* a spouse, legally-recognized domestic partner, parents, children, or sibling(s)) will:

(a) have any direct or indirect controlling or non-controlling interest as an owner – whether of record, beneficially, or otherwise – in a Competitive Business, wherever located or operating (except that equity ownership of less than two percent (2%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subparagraph);

(b) perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business, wherever located or operating;

(c) divert or attempt to divert any actual or potential business, client or member of the Center to a Competitive Business;

(d) directly or indirectly loan any money or other thing of value to, or guarantee any other person’s loan to, any Competitive Business or any owner, director, officer, manager, employee, agent or vendor of any Competitive Business, wherever located or operating; or

(e) engage in any other activity which, in our sole opinion, might injure the goodwill of the Marks and System.

The term “***Competitive Business***” means (i) any business which derives more than five percent (5%) of its revenue from selling health, wellbeing and fitness recovery services or equipment or (ii) any business granting franchises or licenses to others to operate the type of business specified in the preceding subparagraph (i) (other than a P3 Recovery Center operated under a franchise agreement with us).

You agree to have all of the following persons sign, and you will submit to us executed copies of, our then-current form of Nondisclosure and Non-Competition Agreement from all of the following persons: (i) the General Manager, Lead Nurse, and any supervisory or other employees who have received or will receive training from us, prior to their employment; (ii) if you are an Entity, all your officers, directors, shareholders, partners, members, managers and equity holders, and those of any Entity directly or indirectly controlling you, concurrent with the execution of this Agreement, or at such time as they assume such status; and (iii) all of the persons enumerated in this Section 7 and Subsection 15.D below. You agree to provide us copies of all executed Nondisclosure and Non-Competition Agreements no later than fifteen (15) days following their execution.

## **8. SYSTEM STANDARDS.**

### **A. CONDITION AND APPEARANCE OF THE CENTER.**

You agree that:

(1) you will maintain the condition and appearance of the Center, its Operating Assets and the Premises in accordance with System Standards and consistent with the image of a P3 Recovery Center and in observing the highest standards of cleanliness, sanitation, efficient, courteous service and pleasant ambiance, and in that connection will take, without limitation, the following actions during the Term: (1) thorough cleaning, repainting and redecorating of the interior and exterior of the Premises at intervals we prescribe; (2) interior and exterior repair of the Premises; (3) maintenance and alteration of the interior and exterior of the Premises to satisfy health and safety requirements; and (4) repair, maintenance or replacement of damaged, non-functioning, worn out or obsolete Operating Assets or other equipment;

(2) you will place or display at the Premises (interior and exterior) only those signs (including neon), emblems, designs, artwork, lettering, logos, and display and advertising materials that we at any time and from time to time approve, unless otherwise required by applicable law;

(3) if at any time we determine, in our reasonable judgment, the general state of repair, appearance or cleanliness of the Premises of the Center or its fixtures, furnishings, equipment or signs does not meet our System Standards, we have the right to notify you, specifying the action you must take to correct the deficiency. If (i) within twenty-four (24) hours after you received our notice in the case of a deficiency of a health, safety, or sanitary law, ordinance or regulation or (ii) within ten (10) days after you received our notice in the case of any other deficiencies, you do not initiate action to correct the deficiency and then continue in good faith and with due diligence, a bona fide program to complete the correction of the deficiency within fourteen (14) days after you received our notice, we have the right, in addition to all other remedies, to enter the Premises or the Center and do any required maintenance or refurbishing on your behalf. You must reimburse us on demand for all costs and expenses we incur in connection with such maintenance and refurbishment; and

(4) On notice from us, you agree to remodel, expand, redecorate, reequip and/or refurbish the Premises and the Center (a “**Remodel**”) at your expense to reflect changes in the

operations of P3 Recovery Center which we prescribe and require of new franchise owners. You agree to diligently complete such renovation within a reasonable time after commencing the work. We will not require you to Remodel the Center more than one (1) time ever five (5) years.

**B. CENTER SPECIFICATIONS, STANDARDS AND PROCEDURES.**

You agree that: (1) the Center will offer for sale all products and services that we specify at any time and from time to time; (2) the Center will offer and sell approved products and services only in the manner we have prescribed, and, with respect to Specialty Services, as directed by an Authorized Care Provider; (3) you will not offer for sale or sell at the Center, the Premises or any other location any products or services we have not approved in advance; (4) all products or services will be offered and sold only at retail and from the Premises (subject to off-site marketing or sales activities we must specifically approve) and you will not offer or sell any products or services at wholesale; (5) you will discontinue selling and offering for sale any products or services that we at any time decide (in our sole judgment) to disapprove in writing; (6) you will advertise to, and solicit clients and members for, the Center only within the Territory; and (7) you will provide a designated area in the Center to be provided or leased to the Authorized Care Provider (as defined in Subsection 8.C. below) where medical services will be rendered.

**C. AUTHORIZED PRODUCTS AND SERVICES.**

You agree that the Center will provide, or facilitate access to, the Authorized Products and Services prescribed by us from time to time. All Specialty Services (i) must be offered, administered or provided only by or through the supervision of a licensed medical professional, including a physician or advance practice registered nurse, or a licensed or permitted entity (an “*Authorized Care Provider*”) and (ii) are subject to compliance with applicable law (including any applicable Authorized Care Provider Regulations). “*Authorized Care Provider Regulations*” means certain federal, state, and local rules, regulations, attorney general opinions, medical board pronouncements and determinations related to the practice of medicine, remote consultations, and other related requirements.

**D. APPROVED DISTRIBUTORS AND SUPPLIERS.**

We have developed or may develop standards and specifications with respect to certain products and services, including Core Services, and with respect to certain types, models and brands of required Operating Assets, Proprietary Products, and related products, materials and supplies. We reserve the right at any time and from time to time to approve specifications or suppliers and distributors of the above or other products and services that meet our reasonable standards and requirements. If we do so, you agree to purchase only such products and services meeting those specifications, and if we require it, only from distributors and other suppliers we have approved, including or limited to ourselves or our affiliates. Notwithstanding the above, the standards and specifications shall not conflict with the clinical protocols and independent medical judgement of the Authorized Care Provider.

We may limit the number of approved distributors or suppliers (collectively “*supplier(s)*”) with whom you may deal, designate sources that you must use, and/or refuse any of your requests

for any reason, including that we have already designated an exclusive source (which might be us or our affiliate) for a particular item or service.

We and our affiliates may mark up and profit on the sale of goods or services to you and/or receive payments, rebates, or other material consideration from suppliers on account of such suppliers' dealings with us, you and other franchise owners, and may keep or use any amounts so received without restriction and for any purpose we and our affiliates deem appropriate. We may concentrate purchases with one or more suppliers or distributors to obtain lower prices or the best advertising support or services. Approval of a supplier or a distributor may be conditioned on requirements relating to product quality, prices, consistency, reliability, financial capability, labor relations, client and member relations, frequency of delivery, concentration of purchases, standards of service, including prompt attention to complaints, a supplier's willingness to pay us, one of our affiliates, and/or our system for the right to do business with our system, approval by the Authorized Care Provider, or other criteria and may be temporary, pending our continued evaluation of the supplier or distributor at any time and from time to time.

If you would like to purchase any items from any unapproved supplier or distributor, you must submit to us and the Authorized Care Provider a written request for approval of the proposed supplier or distributor. We and the Authorized Care Provider have the right to inspect the proposed supplier's or distributor's facilities, and to require product samples from the proposed supplier or distributor to be delivered at our, or the Authorized Care Provider's option, either directly to us, the Authorized Care Provider, or to any independent, certified laboratory which we designate for testing. Either you or the proposed supplier or distributor must pay us and/or the Authorized Care Provider a fee (not to exceed the reasonable cost of the inspection and the actual cost of the test) to make the evaluation. We, in consultation with the Authorized Care Provider or its clinical advisors as necessary, have the right to approve or disapprove any supplier at our sole discretion, and we may also approve a supplier conditionally. We and the Authorized Care Provider reserve the right to periodically re-inspect the facilities and products of any approved supplier or distributor and to revoke our approval if the supplier or distributor does not continue to meet any of our criteria.

We and our affiliates have developed or may develop specially formulated and prepared Proprietary Products for use in the operation of P3 Recovery Centers. Subject to the conditions and limitations herein, you must use only the techniques and Proprietary Products and other products which meet our current requirements and specifications. You must purchase Proprietary Products from us or a designated third-party supplier for use in the operation of P3 Recovery Centers. We reserve the right to require you to purchase Proprietary Products from us, our affiliates or a designated third-party supplier.

#### **E. SPECIALTY SERVICES.**

We require you to ensure and hold out to the public that the Specialty Services are performed or supervised only by or through an Authorized Care Provider; regardless of whether it is required under your state's corporate practice of medicine ("**CPOM**") or nursing ("**CPON**") rules or Authorized Care Provider Regulations. At all times, you shall provide administrative services only to an Authorized Care Provider that performs or supervises the Specialty Services rendered at the Center. In these circumstances, you must sign both this Agreement with us and an

Affiliated Provider Agreement (“*APA*”) with an Authorized Care Provider before you begin operating the Center. We currently designate the Authorized Care Provider that you must use to facilitate access to Specialty Services at the Center unless we agree in writing to allow you to contract with a different third-party Authorized Care Provider. Although we provide the form of the *APA* that you must enter into with the Authorized Care Provider designated by us, you remain solely responsible for independently engaging your own legal counsel to evaluate, review, and ensure that your *APA* and its terms comply with applicable law, including any CPOM or CPON rules in the applicable state and other Authorized Care Provider Regulations. Under the *APA*, the Authorized Care Provider must authorize you as their agent of payee to bill and collect the professional fees from the client or member, which amounts must be billed separately or clearly itemized and disclosed to the client or member in the invoice.

We may (but are not obligated to) permit you to directly employ a licensed medical professional to order, administer, and/or provide certain Specialty Services in jurisdictions where direct employment is permitted under applicable law. If we agree in writing to allow you, to directly employ a licensed medical professional to order, administer, or provide certain Specialty Services, the compensation formula under this Agreement may be adjusted to reflect the costs incurred for any licensed individuals employed directly by you.

We (or the Authorized Care Provider) may require you to add to, eliminate, modify, or discontinue access to any of the Authorized Products and Services from time to time, including the Specialty Services, at our sole discretion or as required under any applicable Authorized Care Provider Regulations.

#### F. **AFFILIATED PROVIDER AGREEMENTS**

You will operate the Center at all times in two separate and concurrent capacities depending on whether the Authorized Products and Services being provided at a given time constitute Specialty Services, as follows:

(1) In one capacity, you will directly provide to clients any Authorized Products and Services that are not Specialty Services.

(2) In a separate capacity, when Specialty Services are being requested and provided by an Authorized Care Provider, you will provide non-clinical, administrative services to support the Authorized Care Provider that is responsible for providing or supervising the Specialty Services and making all medical determinations and judgements in respect thereof. You cannot and are not authorized by us to make decisions regarding which Specialty Services are appropriate for any individual regardless of whether the state in which the Center is located has CPOM and/or CPON rules or Authorized Care Provider Regulations or whether you are a licensed medical professional or not. In order to offer the Specialty Services, you must enter into an *APA* with the Authorized Care Provider in a form we designate, or, if we agree in writing to allow you to contract with an alternative, third-party Authorized Care Provider, enter into an *APA* with the Authorized Care Provider in a form we approve in writing; provided, however, that you acknowledge and agree that (i) we make no representation or warranty regarding the effectiveness of the *APA*, the *APA*'s compliance with Authorized Care Provider Regulations, or other merits or risks of any such form *APA* or other arrangements you may enter into with an Authorized Care Provider, and (ii)

you remain solely responsible for independently engaging your own legal counsel to evaluate, review, and ensure that your APA and its terms comply with applicable law, including Authorized Care Provider Regulations. Your failure to comply with applicable state CPOM and CPON laws or other Authorized Care Provider Regulations may lead to the unauthorized practice of medicine or other violations by you, the Center or the Authorized Care Provider, and will give us the right to terminate this Agreement and any other agreements between us and you.

Neither you nor any of your personnel shall attempt to direct or control the performance of Specialty Services or the professional's independent medical judgement regardless of whether the state in which the Center is located has applicable CPOM and/or CPON rules or Authorized Care Provider Regulations.

You acknowledge and agree that we have made no determination of which Authorized Products and Services constitute Specialty Services and the sole responsibility for making such determination rests with you in consultation with your legal counsel based on the applicable laws.

#### **G. COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES.**

You must secure and maintain in force all required licenses, permits and certificates relating to the operation of the Center and must operate the Center in full compliance with all applicable federal, state, and local laws, ordinances and regulations, including, without limitation, government regulations relating to occupational hazards, Authorized Care Provider Regulations, health, worker's compensation and unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales and service taxes. All advertising and promotion by you must be completely factual and must conform to the highest standards of ethical advertising and applicable laws. The Center must in all dealings with its clients, members, suppliers, us and the public adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You agree to refrain from any business or advertising practice which may be injurious to our business and the goodwill associated with the Marks and other P3 Recovery Centers. You must notify us in writing within five (5) days of the commencement of any action, suit or proceeding, and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect your operation or financial condition or that of the Center and of any notice of violation of any law, ordinance, or regulation relating to the Center.

#### **H. PRIVACY LAWS**

You will abide by all applicable federal and state privacy laws, rules and regulations, including, but not limited to, applicable law related to the collection, storage, use, and data security of personal or individually identifiable health information of clients. Additionally, you must comply with our policies pertaining to such privacy laws. You shall promptly provide written notice to us if you becomes aware of, or reasonably suspect, any violation of any applicable law related to privacy and/or security of Client Data, have a reasonable basis to believe that you will receive a notice of such violation, have reason to believe that the security or integrity of any records containing Client Data has been breached (or potentially breached), or have notice of any other event that exposes or threatens to expose Client Data to unauthorized third parties. If available to you, such notice shall include (i) a detailed description of the Client Data at issue and (ii) the

factual circumstances surrounding such breach, potential breach, security incident, or notice. In responding to any such breach or potential breach, you shall comply with all applicable laws, rules and regulations and cooperate with, and follow, any instructions provided by us for complying with applicable laws with respect to notifying any individuals, regulators, law enforcement agencies, consumer reporting agencies or others.

We shall promptly notify you in the event of a privacy and/or security incident with respect to our systems or the systems of third parties hired by us that we reasonably believe may impact the security of Client Data maintained by you. You shall promptly take, at your sole expense, all additional security measures requested by us as a result of our privacy and/or security incident, in addition to such security measures that you deem appropriate.

#### **I. CLIENT DATA**

You will fully comply with all applicable laws, rules and regulations with respect to Client Data and client health information. All information, mailing lists and data bases of Client Data of clients of the Center, from whatever source derived, with the exception of the Membership Lists, will be and will, at all times, remain your property subject to applicable laws, rules and regulations. In addition, you may, through Authorized Care Providers or in connection with Specialty Services, have access to certain health information of clients of the Center that may be protected under privacy laws. You will not use such Client Data or health information, except in connection with the operation of the Center, in accordance with this Agreement and in accordance with applicable laws, rules and regulations. You will not use, process, copy, display, publish, store or transfer the Client Data or any client health information without our written approval and the approval or consents of the respective individuals, as may be required under applicable laws. Upon the expiration or termination of this Agreement, the Client Data will cease to be your property and will thereafter be our property without further action from either party.

As used in this Agreement, “*Client Data*” means any information relating to clients of the Center that identifies, or can be used to identify, contact, locate or be traced back to the specific person or entity to whom such information pertains, or from which identification or contact information of a person or entity can be derived. Client Data includes any personally identifiable information, such as a person or entity’s name, address, phone number, fax number, email address, passport number, financial profile, credit card information or any other information by which one is reasonably able to personally identify one or more persons or entities but expressly excludes any medical records or health information of a client, including any such records or information protected by applicable law and regulations applicable to the records, data and information pertaining to an individual’s identifiable healthcare information in the jurisdiction where the Center is located.

#### **J. COMPLIANCE WITH AUTHORIZED CARE PROVIDER REGULATIONS.**

NOTWITHSTANDING ANYTHING CONTAINED IN THIS AGREEMENT TO THE CONTRARY, YOU AND WE ACKNOWLEDGE AND AGREE THAT:

(1) YOU HAVE BEEN ADVISED BEFORE SIGNING THIS AGREEMENT THAT YOU MUST INDEPENDENTLY EVALUATE AND INTERPRET, WITH YOUR OWN INDEPENDENT LEGAL COUNSEL, APPLICABLE AUTHORIZED CARE PROVIDER REGULATIONS IN THE APPLICABLE JURISDICTION OF YOUR CENTER AS THEY RELATE TO YOUR OWNERSHIP AND OPERATION OF A P3 RECOVERY CENTER AND THE OFFERING, PROVISION AND PERFORMANCE OF THE AUTHORIZED PRODUCTS AND SERVICES AND SPECIALTY SERVICES.

(2) NOTHING IN THIS AGREEMENT, THE OPERATIONS MANUAL, OR OTHERWISE SHALL BE INTERPRETED AS AUTHORIZING US OR YOU TO EXERT CONTROL OVER THE DELIVERY OF HEALTH CARE SERVICES INCLUDING THE SPECIALTY SERVICES, TO THE EXTENT THAT ANY SUCH SERVICES REQUIRE THE JUDGMENT, TREATMENT AND/OR ACTION OF AN AUTHORIZED CARE PROVIDER IN THE APPLICABLE JURISDICTION OF YOUR CENTER. SUCH JUDGMENT, TREATMENT AND/OR ACTION SHALL BE EXCLUSIVELY DETERMINED AND EXERCISED BY THE AUTHORIZED CARE PROVIDER, AND THIS AGREEMENT AND THE OPERATIONS MANUAL SHALL BE INTERPRETED CONSISTENTLY THEREWITH.

(3) ANY TRAINING AND ASSISTANCE PROVIDED BY US OR ON OUR BEHALF IS EXPRESSLY LIMITED TO ACTIVITIES NOT REGULATED BY AUTHORIZED CARE PROVIDER REGULATIONS; UNDER NO CIRCUMSTANCES SHALL TRAINING AND/OR ASSISTANCE BE DEEMED THE PRACTICE OF MEDICINE OR NURSING OR THE PERFORMANCE OF MEDICAL SERVICES THAT REQUIRE THE PERFORMANCE, ADMINISTRATION AND/OR MANAGEMENT BY AN AUTHORIZED CARE PROVIDER. UNDER NO CIRCUMSTANCES WILL OUR MANAGEMENT AND OPERATING SYSTEMS INCLUDE STANDARDS, PROCEDURES AND/OR REQUIREMENTS RELATED TO THE DELIVERY OF MEDICAL SERVICES, INCLUDING THE DIAGNOSIS, TREATMENT OR CARE OF ANY PATIENTS.

(4) TO THE EXTENT THAT CONFIDENTIAL AND PRIVILEGED DATA UNDER APPLICABLE AUTHORIZED CARE PROVIDER REGULATIONS CANNOT BE TRANSMITTED OR SHARED WITH US, THIS AGREEMENT SHALL BE INTERPRETED SO AS TO COMPLY WITH SUCH LIMITATIONS.

(5) YOU ARE SOLELY AND EXCLUSIVELY RESPONSIBLE FOR ENSURING THAT YOUR CENTER IS OPERATED, AND ALL AUTHORIZED PRODUCTS AND SERVICES AND SPECIALTY SERVICES ARE RENDERED, IN ACCORDANCE WITH ALL APPLICABLE LAWS, INCLUDING ALL AUTHORIZED CARE PROVIDER REGULATIONS.

(6) NEITHER WE NOR YOU SHALL PROVIDE ANY MEDICAL OR HEALTH CARE SERVICE OR ADVICE IN THE PERFORMANCE OF ANY DUTIES AND OBLIGATIONS UNDER THIS AGREEMENT OR THE APA. THE AUTHORIZED PRODUCTS AND SERVICES TO BE PROVIDED, OR FACILITATED, BY YOU ARE NOT INTENDED TO AND DO NOT IMPLY THAT WE OR YOU WILL OR DO ASSIST IN THE DIAGNOSIS OR TREATMENT OF ANY DISEASE OR CONDITION. RATHER, WE ONLY DESIGNATE AND/OR APPROVE THE AUTHORIZED CARE PROVIDER FOR WHOM

YOU ASSIST WITH THE PROVISION OF SPECIALTY SERVICES. EXCEPT WITH REGARD TO REPRESENTATIONS MADE HEREIN BY US, YOU ACKNOWLEDGE THAT YOU ARE FULLY RESPONSIBLE FOR COMPLIANCE WITH APPLICABLE LAWS AND AUTHORIZED CARE PROVIDER REGULATIONS IN RELATION TO THE PERFORMANCE AND PROVISION OF THE AUTHORIZED PRODUCTS AND SERVICES, AND UNLESS EXPRESSLY SET FORTH HEREIN, WE MAKE NO REPRESENTATIONS OR WARRANTIES AND ARE NOT RESPONSIBLE OR LIABLE FOR ANY PRODUCTS OR SERVICES PROVIDED BY THE AUTHORIZED CARE PROVIDERS. FOR THE AVOIDANCE OF DOUBT, NEITHER WE NOR YOU SHALL ASSIST WITH ANY DETERMINATIONS REGARDING WHETHER A CLIENT OR ANY INDIVIDUAL SHOULD TAKE, OR REFRAIN FROM TAKING, ANY ACTION RELATED TO THEIR MEDICAL DIAGNOSIS OR CONDITION OR OTHERWISE.

**K. MANAGEMENT OF THE CENTER/CONFLICTING INTERESTS.**

The Center must at all times be under the full-time direct, on-premises supervision of you (or your Managing Owner) or the General Manager, and the Lead Nurse, all of whom must have successfully completed the Initial Training Program that we describe above in this Agreement. You shall take such steps as are necessary to ensure that any and all of the Center's employees preserve good client and member relations; render competent, prompt, courteous, and knowledgeable service; and meet such minimum standards as we may establish from time to time in the Operations Manual or otherwise in writing. You and your employees shall handle all client and member complaints, refunds, returns, and other adjustments in a manner that will not detract from the name and goodwill of the Marks, the System or us.

We reserve the right to approve or disapprove of any Lead Nurse or General Manager you appoint. If we disapprove of any Lead Nurse or General Manager you propose, you must promptly appoint a replacement Lead Nurse or General Manager satisfactory to us. If your relationship with a Lead Nurse or General Manager terminates for any reason, then you must promptly appoint a replacement Lead Nurse or General Manager that meets our approval. Even if you appoint a Lead Nurse and General Manager for day-to-day operations, you (or your Managing Owner) must remain active in overseeing the Center's ongoing business activities. If you (or your Managing Owner) own more than one P3 Recovery Center, then each such P3 Recovery Center must be under the full-time, direct on-premises supervision of a Lead Nurse and General Manager we have approved.

Besides you (or your Managing Owner) or the General Manager and the Lead Nurse, the Center must at all times have a sufficient number of personnel on staff to operate the Center in accordance with our then-current System Standards.

You (or your Managing Owner) must keep us informed at all times of the identities of the Lead Nurse and General Manager, and ensure that such personnel are competent and proficient in their duties, and meet the qualifications for their positions. You (or your Managing Owner) are solely responsible for all employment decisions for the Center, including hiring, firing, remuneration, personnel policies, training, benefits, and maintaining supervision and discipline, regardless of whether you received advice from us on any of these subjects; provided, however,

that the Authorized Care Provider has full control of its employment decisions for licensed medical professionals not engaged directly by you that are on or off-premises of the Center.

L. **INSURANCE.**

During the Term you must maintain the following categories of insurance coverage in force at your sole expense, all containing the minimum liability coverage we prescribe at any time and from time to time in the Operations Manual (unless otherwise indicated below):

(1) Broad form comprehensive public liability, general liability, product liability, and contractual liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in connection with the Center's operation;

(2) All risk or special form coverage on your Premises, including boiler and machinery coverage extending to all improvements and alterations, trade fixture, and business personal property having adequate limits to replace all that is damaged as caused by, or occurring in connection with, the Center's operation;

(3) Business interruption insurance to cover the rent of the Premises, previous profit margins, maintenance of competent personnel and other fixed expenses for the duration of the interruption to the Center's operation;

(4) Worker's compensation (including occupational disease) in accordance with the law and including other state endorsement where legally required and commercially appropriate;

(5) Employer's liability insurance (in amounts authorized by statute);

(6) Unemployment insurance and state disability insurance (as required by governing law) for your employees;

(7) Employment practices liability insurance;

(8) Cyber security insurance;

(9) Crime insurance;

(10) Healthcare professionals civil liability insurance;

(11) In connection with any construction, refurbishment, and/or remodeling of the Center, builder's and/or contractors' insurance (as applicable), lien insurance, and performance and completion bonds in forms and amounts acceptable to us;

(12) Umbrella or excess liability insurance providing coverage excess of the underlying general liability, motor vehicle liability and employer's liability insurance above;

(13) Insurance coverage of such type, nature and scope sufficient to satisfy your indemnification obligations under Subsection 16.D below; and

(14) Any additional insurance required by your lessor or master lessor.

You understand that the types and coverage amounts we prescribe are only minimums, and that we have not assessed whether, and do not guarantee that, the types and coverage amounts are sufficient for the Center.

We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage (including reasonable excess liability insurance and employment practices liability insurance) at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. Required coverage must contain the following: (i) a severability of interest clause for all named insureds, with no cross-liability for exclusion; (ii) insurers' waiver of subrogation against us and all named insureds; and (iii) a waiver of rights of recovery against us.

These insurance policies must be obtained from responsible insurance carriers acceptable to us and which are authorized to do business in the state(s) in which the Center is located. These insurance policies must name us, any affiliates we designate, and the Indemnified Parties (as defined in Subsection 16.D below) as additional named insureds for claims arising from the Center's operation and provide for twenty-one (21) days' prior written notice to us of a policy's material modification, cancellation or expiration. These insurance policies must be primary to and without right of contribution from any other insurance policy purchased by us or any other Indemnified Party; must not limit or reduce coverage for you if there is a claim by us or any one or more of the other Indemnified Parties; must not contain a self-insured retention; must not contain a deductible in excess of \$25,000; must make satisfaction of any/all deductibles your sole responsibility; and must extend to and provide indemnity for all of your indemnification obligations to us and the other Indemnified Parties under this Agreement. You agree not to reduce the policy limits, restrict coverage, cancel or otherwise alter or amend your insurance policies without our prior written consent. If there is a claim by us or any one or more of the other Indemnified Parties against you, you must, upon our request, assign to us all rights which you then have or thereafter may have with respect to the claim against the insurer(s) providing the coverages described above.

You must provide us with copies of your certificates of insurance or other evidence we require evidencing the required coverages no later than fourteen (14) days before you commence operations of the Center. You must furnish us, on an annual basis, copies of your certificates of insurance or other evidence we require of your maintaining this insurance coverage and paying premiums. You must furnish us the original policies evidencing all such insurance coverages within five (5) days of our written request. You agree to renew all policies and documents, and to furnish us copies of renewal certificates of insurance or other evidence we require of your maintaining this insurance coverage and paying premiums prior to the expiration date of the policy.

If you fail or refuse to obtain and maintain the insurance we specify, in addition to our other remedies, we may (but need not) obtain such insurance for you and the Center on your behalf, in which event you shall cooperate with us and reimburse us for all premiums, costs and expenses we incur in obtaining and maintaining the insurance, plus a reasonable fee for our time incurred in obtaining such insurance. If we obtain such insurance for you and the Center on your behalf, you

must furnish all information necessary to obtain and maintain such insurance within fifteen (15) days of our request.

M. **PRICING.**

We reserve the right, to the fullest extent allowed by applicable law, to establish maximum, minimum, or other pricing requirements with respect to the prices you may charge for certain products and services. These rights may include (without limitation) prescribing the maximum and/or minimum retail prices which you may charge clients and members for the products and/or services offered by the Center; recommending retail prices; advertising specific retail prices for some or all products or services sold at the Center; requiring you to participate in marketing, promotional and related campaigns which may directly or indirectly impact your retail prices; and, otherwise mandating, directly or indirectly, the maximum and/or minimum retail prices which the Center may charge the public for certain products and services it offers. We may engage in any such activity either periodically or throughout the Term. Further, we may engage in such activity only in certain geographic areas (cities, states, regions) and not others, or with regard to certain subsets of franchise owners and not others. You acknowledge that the prices we prescribe or suggest may or may not optimize the revenues or profitability of the Center and you irrevocably waive any and all claims arising from the establishment or suggestion of the Center's retail prices. Notwithstanding the above, the Authorized Care Provider has the final decision on how much to charge the public for the Specialty Services and related products and services.

N. **DISCOUNTS, GIVEAWAYS AND OTHER PROMOTIONS.**

You acknowledge and agree that periodic discounts, giveaways and other promotions are an integral part of the System. Therefore, you agree to offer and participate in any required discounts, giveaways and other promotions at your sole cost and expense, in accordance with our specifications. You further agree to honor the discounts, giveaways and other promotions offered by other P3 Recovery Center franchise owners under any such program we establish, as long as such compliance does not contravene any applicable law, rule or regulation.

O. **MEMBERSHIPS.**

We will specify in the Operations Manual or otherwise in writing the types of memberships and passes that you may offer to clients and members, and the benefits that you must provide to members who purchase certain memberships or passes. You may sell memberships in the Center to clients and visitors, provided that you may not sell memberships to any client or visitor that we determine, in our sole judgment (i) could harm or damage the Marks and associated goodwill, (ii) could interfere with other members' reasonable enjoyment of the Center, or (iii) are included in a list of restricted persons as provided to you in the Operations Manual or otherwise in writing. All members shall have unrestricted access to all common areas and amenities of the Center. You must follow any rules and policies that we include in the Operations Manual with respect to membership agreements. You must promptly respond to any complaints made by your members or clients and take such other steps as may be reasonably necessary to ensure satisfactory customary relations with your members. We may resolve a client or member complaint on your behalf, in which case you must reimburse us for our out-of-pocket costs in resolving the complaint.

We will provide you with templates for membership agreements and you will be responsible for modifying the membership agreements and waivers to comply with all applicable laws, rules and regulations; however, you must obtain our written consent before you modify any terms required by us to be included in the template membership agreements. We may include a list of the mandatory terms for the membership agreements in the Operations Manual or otherwise in writing, which list may be modified by us from time to time in our sole discretion. Such mandatory terms may not be modified in any membership agreement negotiated by you, except in accordance with the Operations Manual or as otherwise approved in advance in writing by us. Our acceptance of a form of an agreement is not a warranty or representation of any kind as to the compliance of such agreement with applicable law.

By the first of each month after opening the Center and on or before December 31 of each year, you shall provide us in whatever electronic format we require which may be via a designated site on the internet, all member lists for the Center, including both active and inactive members, which shall include, but not be limited to, names, addresses, and telephone numbers of such members (hereinafter collectively referred to as “**Membership Lists**”). You acknowledge that we are the sole owner of the Membership Lists (subject to applicable privacy laws) and that you shall not distribute, in any form or manner, the Membership Lists to any third party. You shall comply with all applicable privacy laws and ensure that all of the persons on the Membership Lists have consented to the collection, disclosure and use of the Membership Lists as contemplated herein.

Certain members may have and will continue to enter into membership agreements that include global roaming access privileges, which provide those members access to P3 Recovery Centers in multiple jurisdictions, including the Center (such privileges, “**Global Roaming Privileges**”). You must abide by our policies for members with Global Roaming Privileges as we may specify in the Operations Manual or otherwise in writing from time to time, which we may modify during the Term as we deem appropriate in our sole discretion. You must allow Global Roaming Members access to the Center and treat global roaming members in the same manner as your members.

P. **MINIMUM PERFORMANCE STANDARDS.**

You shall achieve and maintain certain minimum performance standards for your Center (the “**Minimum Performance Standards**”). During the first twelve (12) months following the opening date of the Center, you must achieve and maintain the Minimum Performance Standards in **Exhibit B**. For each subsequent year following the first year of operations, you must submit to us, at least two (2) months before each anniversary of the opening date of the Center, a business plan in the form we require (the “**Annual Business Plan**”). The Annual Business Plan must include your proposed goals for the Minimum Performance Standards listed in **Exhibit B** for the immediately following twelve (12) month period. If we accept in writing your proposed goals for the Minimum Performance Standards and your Annual Business Plan, then those Minimum Performance Standards will become binding and apply to the immediately following twelve (12) month period for which the Annual Business Plan relates. If we do not accept your proposed goals for the Minimum Performance Standards or your Annual Business Plan, or you do not submit an Annual Business Plan at least two (2) months before the anniversary of the opening date of the Center, then we unilaterally may impose the Minimum Performance Standards as we deem

appropriate for the upcoming twelve (12) month period, provided that the annual increase will not be more than twenty percent (20%) greater than the Minimum Performance Standards applicable to the immediately preceding year.

If you fail to meet the applicable Minimum Performance Standards in any given year of operations, in addition to our rights under Subsection 14.B below, we may, at our option, require you to (i) attend a meeting with us at a location we designate, at your expense, to discuss and review the performance of your Center, (ii) complete additional training, at your expense, and/or (iii) implement a remedy plan we agree to in writing. Your failure to meet the Minimum Performance Standards, or to comply with the remedy plan or any other requirements of this Subsection 8.P, will be a material breach of this Agreement.

**Q. COMPLIANCE WITH SYSTEM STANDARDS.**

You acknowledge and agree that operating and maintaining the Center according to System Standards are essential to preserve the goodwill of the Marks and all P3 Recovery Center. Therefore, you agree at all times to operate and maintain the Center according to all of our System Standards, as we periodically modify and supplement them, even if you believe that a System Standard, as originally issued or subsequently modified, is not in the System's or the Center's best interests. Although we retain the right to establish and periodically modify System Standards that you have agreed to maintain, you retain the right to and responsibility for the day-to-day management and operation of the Center and implementing and maintaining System Standards at the Center.

As examples, and without limitation, System Standards may regulate any one or more of the following, in addition to the items described in Subsections 8.A through 8.P above:

- (1) Authorized Products and Services available to clients and members;
- (2) purchase, storage, preparation, handling, and packaging procedures and techniques for Proprietary Products; and inventory requirements for Proprietary Products and other products, services and supplies so that the Center may operate at full capacity;
- (3) terms and conditions of the sale and delivery of, and terms and methods of payment for products, and services that you obtain from us and affiliated and unaffiliated suppliers; and our and our affiliates' right not to sell you any products or to provide you with services, or to do so only on a "cash-on-delivery" or other basis, if you are in default under any agreement with us;
- (4) sales, marketing, advertising, promotional, loyalty and membership programs and materials and media, including social media Websites, used in these programs ("social media" includes personal blogs, common social networks like Facebook, Instagram, TikTok or Pinterest, professional networks like LinkedIn, live-blogging tools like X, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools);
- (5) use and display of the Marks at the Center, and other supplies;

- (6) issuing and honoring gift certificates;
- (7) staffing levels for the Center; identifying the Center's personnel; and employee qualifications, training, dress, and appearance (although you have sole responsibility and authority concerning employee selection and promotion, hours worked, rates of pay and other benefits, work assigned, and working conditions);
- (8) days and hours of operation;
- (9) participation in market research and testing and product and service development programs and preparation of reports and other relevant information we may request regarding the market research, as well as participation in, and dues assessed for, advisory councils;
- (10) accepting credit and debit cards, other payment systems, and check verification services;
- (11) bookkeeping, accounting, data processing, and recordkeeping systems and forms; formats, content, and frequency of reports to us of sales, revenue, financial performance, and condition; and giving us copies of tax returns and other operating and financial information concerning the Center;
- (12) use of social media in connection with the Center's operation or otherwise referencing the System; and
- (13) any other aspects of operating and maintaining the Center that we determine to be useful to preserve or enhance the efficient operation, image, or goodwill of the Marks and P3 Recovery Center.

You agree that you are obligated to comply with all System Standards we prescribe in the Operations Manual, or otherwise communicate to you in writing or another tangible form during the Term (for example, via System extranet or Website), as we periodically modify them.

**R. MODIFICATION OF SYSTEM STANDARDS.**

We periodically may modify System Standards, which may accommodate regional or local variations, and these modifications may obligate you to invest additional capital in the Center and/or incur higher operating costs. You agree to implement any changes in System Standards within the time period we request, whether they involve Remodeling the Premises or any other aspect of the Center, buying new Operating Assets, adding new services, or otherwise modifying the nature of your operations, as if they were part of this Agreement as of the Effective Date.

**9. MARKETING.**

**A. GRAND OPENING ADVERTISING.**

You agree to spend a minimum of Twenty Thousand Dollars (\$20,000) (or such other sum as may be required by your lessor or the master lessor) (the "***Grand Opening Advertising Expenditure***") to advertise and promote the Center during a grand opening period beginning five

(5) months before the scheduled opening of the Center and ending two (2) weeks after the Center opens for business (the “**Grand Opening Period**”). You agree to comply with our guidelines for this grand opening advertising program. Within thirty (30) days after the end of the Grand Opening Period, you agree to send us, in the manner we prescribe, an accounting of your grand opening advertising expenditure during the Grand Opening Period, which may include costs of performing pre-opening membership sales activities as set forth in Subsection 2.F above.

We have the right to require you to use one or more required suppliers for your grand opening advertising program and to require you to spend all or a portion of your Grand Opening Advertising Expenditure with required suppliers.

**B. BY YOU.**

You agree to list and advertise the Center in at least one (1) online directory listing (e.g., Google or Yelp) as we designate or approve from time to time.

In addition to your grand opening obligation in Subsection 9.A above, you agree to spend, during the second month of the Term and in all subsequent months, a minimum of Two Thousand Dollars (\$2,000) per month to advertise and promote the Center (your “**Local Advertising Expenditure**”). Within thirty (30) days after the end of each month, you agree to send us, in the manner we prescribe, an accounting of your Local Advertising Expenditure during the preceding month.

Your local advertising and promotion must follow our guidelines and comply with applicable laws. All advertising and promotional materials that you develop for the Center must contain notices of our Website’s domain name in the manner we designate. You may not develop, maintain, or authorize any Website that mentions or describes you or the Center or the Authorized Care Provider or displays any of the Marks without our prior written approval or that of the Authorized Care Provider as applicable. You agree that your advertising, promotion, and marketing will be completely clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that we prescribe at any time and from time to time.

Before you use them, you agree to send us or our designated agency for approval samples of all advertising, promotional, and marketing materials which we have not prepared or previously disapproved including, but not limited to, press releases and interviews for publication in any media. If you do not receive written approval within ten (10) days after we or our designated agency receives the materials, they are deemed to be disapproved. You may not use any advertising, promotional, or marketing materials that we have not approved or that we have (or were deemed) disapproved.

We have the right to require you to use one or more required suppliers for your local advertising and to require you to spend all or a portion of your Local Advertising Expenditure with required suppliers.

C. **COOPERATIVE ADVERTISING PROGRAMS.**

We may designate an advertising coverage area (“*ACA*”) — local or regional — in which two (2) or more P3 Recovery Centers are located in order to establish a cooperative advertising program (“*Cooperative Program*”) for that *ACA*. An *ACA* is the area covered by the particular advertising medium recognized in the industry. All franchise owners in the *ACA* will be required to participate. Each P3 Recovery Center operating in the *ACA* will have one vote, including P3 Recovery Centers operated by us or our affiliates.

Each Cooperative Program will be organized and governed in a form and manner, and begin operating on a date, that we determine in advance. Each Cooperative Program’s purpose is, with our approval, to administer advertising programs and develop promotional materials for the area the Cooperative Program covers. If we establish a Cooperative Program for the geographic area in which the Center is located, you must sign the documents we require to become a member of the Cooperative Program and participate in the Cooperative Program as those documents require.

If a Cooperative Program is established for your *ACA*, you will be required to contribute up to two percent (2%) of the Center’s Gross Revenues to the Cooperative Program weekly, monthly, or as otherwise specified by fifty percent (50%) or more of the P3 Recovery Center operating in the *ACA*. You will not be required to contribute more than two percent (2%) of the Center’s Gross Revenues to the Cooperative Program unless sixty-seven (67%) or more of the P3 Recovery Centers operating in the *ACA*, including any P3 Recovery Center operated by us or our affiliates, vote to increase the contributions of all P3 Recovery Centers operating in the *ACA* in excess of the two percent (2%). Any amounts you contribute to a Cooperative Program will count toward the amount you are required to spend under Subsection 9.B to promote the Center.

You agree to send us and the Cooperative Program any reports that we require. The Cooperative Program and its members may not use any advertising or promotional plans or materials without our prior written consent.

10. **RECORDS, REPORTS, AND FINANCIAL STATEMENTS.**

You agree to establish and maintain at your own expense a bookkeeping, accounting, and recordkeeping system conforming to the requirements and formats we prescribe at any time and from time to time. We may require you to use a Computer System to maintain certain sales data and other information and to report such information to us via a Website or other means. You agree to give us in the manner and format that we prescribe at any time and from time to time:

(a) on or before the Monday day of each week, a report on the Center’s Gross Revenues during the preceding week;

(b) within thirty (30) days after the end of each calendar quarter, the operating statements, financial statements, statistical reports, purchase records, and other information we request regarding you and the Center covering the previous calendar quarter and the fiscal year to date, and you must certify these statements are true and correct;

(c) within ninety (90) days following the end of each fiscal year during the Term, annual profit and loss and source and use of funds statements and a balance sheet for the Center as of the end of the prior calendar year;

(d) within thirty (30) days following your filing of tax returns for the Center, exact copies of federal and state income tax returns, sales tax returns, and any other forms, records, books, and other information we periodically require relating to the Center and the Franchise.

You agree to verify and sign each report and financial statement in the manner we prescribe. We may disclose data derived from these reports, although we will not without your consent (unless required by law) disclose your identity in any materials that we circulate publicly. Moreover, we may, as often as we deem appropriate (including on a daily basis), access the Computer System and retrieve all information relating to the Center's operation.

You agree to preserve and maintain all records (including, but not limited to, sales checks, purchase orders, invoices, payroll records, client lists, check stubs, sales tax records and returns, cash receipts and disbursement journals, and general ledgers) in a secure location at the Center for at least five (5) years, or longer if required by applicable law. We may require you to have audited financial statements prepared annually during the Term.

## **11. INSPECTIONS AND AUDITS.**

### **A. OUR RIGHT TO INSPECT THE CENTER.**

To determine whether you and the Center are complying with this Agreement and all System Standards, we and our designated agents or representatives may at all times and without prior notice to you: (1) inspect the Center; (2) photograph the Center and observe and videotape the Center's operation for consecutive or intermittent periods we deem necessary; (3) remove samples of any products and supplies; (4) interview the Center's personnel and clients; (5) inspect and copy any books, records, and documents relating to the Center's operation; and (6) use "mystery customers" to assess the Center. You must pay us or our designated representative the actual costs associated with any such quality assurance inspections we and/or our designated agents or representatives conduct and any such "mystery customer" programs we institute at the Center. You agree to cooperate with us and/or our designated representatives fully. If we exercise any of these rights, we will not interfere unreasonably with the Center's operation. You acknowledge that any evaluation or inspection that we or our designated agents or representatives conduct is conducted in order to protect our interests in the System and Marks and is not intended to exercise, and does not constitute, in whole or in part, control over the day-to-day operation of the Center and you agree to never contend otherwise. If we or our designee must make two (2) inspections concerning your repeated or continuing failure to comply with this Agreement, with clinical standards established by an Authorized Care Provider, or with Authorized Care Provider Regulations, you must pay the costs of any additional inspections concerning your failure to comply, including travel expenses, room, board and compensation of our field representative(s) or designee(s). You will be given a written report of the inspection, which you (or your Managing Owner) or the General Manager must sign to be returned to us, in which you may agree with or contest the results of the inspection.

**B. OUR RIGHT TO AUDIT.**

We may at any time during your business hours, and without prior notice to you, examine your (if you are an Entity) and the Center's business, bookkeeping, and accounting records, sales and income tax records and returns, and other records. You agree to cooperate fully with our representatives and independent accountants in any audit. If any audit discloses a failure by you to operate the Center in accordance with the System Standards, then we may require you to undertake additional training at the Center. We shall determine the duration of the training and the number of trainers in our sole discretion. You agree to pay us an amount equal to Five Hundred Dollars (\$500) per trainer per day plus all travel and living expenses which our trainers incur during such additional training. If any audit discloses an understatement of the Center's Gross Revenues, you agree to immediately pay us the amount of the understatement, plus our service charges and interest (to be calculated as set forth in Subsection 3.E above) on the understated amounts from the date originally due until the date of payment. Furthermore, if an examination is necessary due to your failure to furnish reports, supporting records, or other information as required, or to furnish these items on a timely basis, or if our audit reveals a Royalty or Fund contribution understatement exceeding three percent (3%) of the amount that you actually reported to us for the period examined, you agree to reimburse us for the costs of the examination, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board, and compensation of our employees. These remedies are in addition to our other remedies and rights under this Agreement and applicable law.

If we conduct an examination which reveals a Royalty or Fund contribution understatement exceeding five percent (5%) of the amount that you actually reported to us for any month within the period examined, or for the entire period of examination, you agree to immediately pay us the additional amount due as shown by the examination plus interest (to be calculated as set forth in Subsection 3.E above). You also agree to immediately reimburse us for the costs of an examination for the entire period of the examination, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board, and compensation of our employees. Such understatement shall be a material breach of this Agreement and, in addition to our other remedies and rights under this Agreement and applicable laws, we shall have the right to terminate this Agreement immediately upon notice to you, without opportunity to cure.

**12. TRANSFER.**

**A. BY US.**

You acknowledge that we maintain a staff to manage and operate the System and that staff members can change as employees come and go. You represent that you have not signed this Agreement in reliance on any particular shareholder, director, officer, member, partner, manager or employee remaining with us in that capacity. We may change our ownership or form and/or assign this Agreement or any interest therein and any other agreement to a third party without restriction or notice to you. After our assignment of this Agreement to a third party who expressly assumes the obligations under this Agreement, we no longer will have any performance or other obligations under this Agreement.

**B. BY YOU.**

You understand and acknowledge that the rights and duties this Agreement creates are personal to you (or, if you are an Entity, to your owners) and that we have granted you the Franchise in reliance upon our perceptions of your (or your owners') individual or collective character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, none of the following may be transferred without our prior written approval: (i) this Agreement (or any interest in this Agreement); (ii) the Center (or any right to receive all or a portion of the Center's profits or losses or capital appreciation related to the Center); (iii) all or substantially all of the assets of the Center; (iv) any ownership interest in you (regardless of its size); or (v) any ownership interest in any of your owners (if such owners are legal entities). A transfer of the Center's ownership, possession, or control, or substantially all of its assets, may be made only with a transfer of this Agreement. Any transfer without our approval is a breach of this Agreement and has no effect.

In this Agreement, the term "transfer" includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition. An assignment, sale, gift, or other disposition includes the following events:

- (a) transfer of ownership of capital stock, a partnership or membership interest, or another form of ownership interest;
- (b) merger or consolidation or issuance of additional securities or other forms of ownership interest;
- (c) any sale of a security convertible to an ownership interest;
- (d) transfer of an interest in you, this Agreement, the Center or all or substantially all of its assets, or your owners in a divorce, insolvency, or entity dissolution proceeding or otherwise by operation of law;
- (e) if you, one of your owners, or an owner of one of your owners dies, a transfer of an interest in you, this Agreement, the Center or all or substantially all of its assets, or your owner by will, declaration of or transfer in trust, or under the laws of intestate succession; or
- (f) pledge of this Agreement (to someone other than us) or of an ownership interest in you or your owners as security, foreclosure upon the Center, or your transfer, surrender, or loss of the Center's possession, control, or management. You may grant a security interest (including a purchase money security interest) in the Center's assets (not including this Agreement) to a lender that finances your acquisition, development, and/or operation of the Center without having to obtain our prior written approval as long as you give us thirty (30) days' prior written notice.

C. **CONDITIONS FOR APPROVAL OF TRANSFER.**

If you (and your owners) are fully complying with this Agreement, then, subject to the other provisions of this Section 12, we will approve a transfer that meets all of the requirements in this Subsection 12.C.

If you are an entity, your owners may transfer a non-controlling ownership interest in you or your owners (determined as of the date on which the proposed transfer will occur) if: (i) the proposed transferee and its direct and indirect owners (if the transferee is an Entity) are of good character and otherwise meet our then applicable standards for P3 Recovery Center franchise owners (including no ownership interest in or performance of services for a Competitive Business); (ii) you give us prior written notice of the transfer at least thirty (30) days before the proposed transfer, and later provide us final documentation of the consummated transfer; and (iii) you pay us a transfer fee of Ten Thousand Dollars (\$10,000) and reimburse us, upon our demand at any time, for any costs we incur in connection with the proposed transfer (regardless of whether the proposed transfer actually transpires).

Except as stated below, the transfer fee is non-refundable and fully earned by us when paid. If, before the completion of the transferee's initial training, we, in our sole discretion, decide that transferee should not operate a P3 Recovery Center, we may cancel this Agreement or the transferee's then-current franchise agreement, upon which cancellation we will refund the transfer fee, less expenses incurred.

For any other proposed transfer (including a transfer of this Agreement, a transfer of a controlling ownership interest in you or one of your owners, or a transfer that is one of a series of transfers (regardless of the time period over which these transfers take place) which in the aggregate transfer this Agreement or a controlling ownership interest in you or one of your owners), all of the following conditions must be met before or concurrently with the effective date of the transfer:

- (1) the transferee has sufficient business experience, aptitude, and financial resources to operate the Center;
- (2) you have paid all Royalties, Fund and Cooperative Program contributions, and other amounts owed to us, our affiliates, and third-party vendors; have submitted all required reports and statements; and have not violated any provision of this Agreement, the Lease, or any other agreement with us during both the sixty (60) day period before you requested our consent to the transfer and the period between your request and the effective date of the transfer;
- (3) neither the transferee nor its owners (if the transferee is an Entity) or affiliates have an ownership interest (direct or indirect) in or perform services for a Competitive Business;
- (4) the transferee (or its managing owner) satisfactorily completes our training program;

(5) your lessor consents in writing to the transfer of the Lease or sublease of the Premises to the transferee (or, if we are subleasing the Premises to you under a sublease, the master lessor consents in writing to the transfer of the sublease to the transferee and the transferee agrees in writing to assume your obligations under the sublease);

(6) any applicable agency or host or authority with jurisdiction over the Premises (such as an airport or an educational institution, if any) approves the transfer of this Agreement to the transferee;

(7) the transferee shall (if the transfer is of this Agreement), or you shall (if the transfer is of a controlling ownership interest in you or one of your owners), sign our then-current form of franchise agreement and related documents (including, without limitation, our then-current form of Nondisclosure and Non-Competition Agreement and our then-current form of Guaranty and Assumption of Obligations, if applicable), any and all of the provisions of which may differ materially from any and all of those contained in this Agreement, including the Royalty and the Fund and Cooperative Program contributions, provided, however, that the execution of the new franchise agreement will terminate this Agreement (except for your guarantees, the post-termination obligations under this Agreement, and all other rights and obligations that survive termination or expiration of this Agreement), and the term of the new franchise agreement signed will expire on the expiration of this Agreement, unless we and the transferee otherwise agree in writing;

(8) you or the transferee pays us a transfer fee equal to Ten Thousand Dollars (\$10,000) plus full reimbursement for any actual costs and expenses, including without limitation, attorneys' fees, and for travel, lodging and meals, incurred by us in connection with the transfer;

(9) you (and your transferring owners) sign a general release, in a form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, members, partners, managers, employees, and agents;

(10) we have determined that the purchase price and payment terms will not adversely affect the transferee's operation of the Center;

(11) if you or your owners finance any part of the purchase price, you and/or your owners agree that all of the transferee's obligations under promissory notes, agreements, or security interests reserved in the Center are subordinate to the transferee's obligation to pay Royalties, Fund contributions, and other amounts due to us, our affiliates, and third-party vendors and otherwise to comply with this Agreement;

(12) (a) you have corrected any existing deficiencies of the Center of which we have notified you on a punch list or in other communications, and/or (b) the transferee agrees (if the transfer is of this Agreement) to upgrade, remodel, expand and/or Remodel the Center and to add or replace services, vehicles, vehicle wrappings, equipment, Proprietary Products, and/or Operating Assets, in accordance with our then-current requirements and specifications for P3 Recovery Centers within the time period we specify following the effective date of the transfer (we will advise the transferee before the effective date of the transfer of the specific actions that it must take and the time period within which such actions must be taken);

(13) you and your transferring owners (and your and your owners' spouses) will not, for two (2) years beginning on the transfer's effective date, engage in any of the activities proscribed in Subsection 15.D below;

(14) you and your transferring owners will not directly or indirectly at any time or in any manner (except with respect to other P3 Recovery Centers you own and operate) identify yourself or themselves or any business as a current or former P3 Recovery Center or as one of our franchise owners; use any Mark, any colorable imitation of a Mark, or other indicia of a P3 Recovery Center in any manner or for any purpose; or utilize for any purpose any trade name, trade or service mark, or other commercial symbol that suggests or indicates a connection or association with us; and

(15) you assign all membership agreements to the transferee in accordance with applicable laws and regulations, and the System Standards.

We may review all information regarding the Center that you give the transferee, correct any information that we believe is inaccurate, and give the transferee copies of any reports that you have given us or we have made regarding the Center. In addition, you agree to reimburse us, upon our demand at any time before or after the intended effective date of the proposed transfer, for any costs we incur in connection with any proposed transfer that is subject to the immediately preceding conditions (1) through (14), regardless of whether the proposed transfer actually transpires.

D. **TRANSFER TO A WHOLLY-OWNED CORPORATION OR LIMITED LIABILITY COMPANY.**

Despite Subsection 12.C above, if you are fully complying with this Agreement, you may transfer this Agreement to a corporation or limited liability company (subject to state law requirements) which conducts no business other than the Center and, if applicable, other P3 Recovery Centers, in which you maintain management control, and of which you own and control one hundred percent (100%) of the equity and voting power of all issued and outstanding ownership interests, provided that all of the Center's assets are owned, and the Center's business is conducted, only by that single corporation or limited liability company. The corporation or limited liability company must expressly assume all of your obligations under this Agreement. Transfers of ownership interests in the corporation or limited liability company are subject to the conditions of Subsection 12.C above that otherwise apply to non-controlling transfers. You agree to remain personally liable under this Agreement as if the transfer to the corporation or limited liability company did not occur.

E. **YOUR DEATH OR DISABILITY.**

(1) **Transfer Upon Death or Disability.** Upon your or your Managing Owner's death or disability, your or the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must transfer your interest in this Agreement, or the Managing Owner's ownership interest in you, to a third party (which may be your or the Managing Owner's heirs, beneficiaries, or devisees). That transfer must be completed within a reasonable time, not to exceed six (6) months from the date of death or disability, and is subject to all of the

terms and conditions in this Section 12. A failure to transfer your interest in this Agreement or the Managing Owner's ownership interest in you within this time period is a breach of this Agreement.

The term "disability" means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent you or the Managing Owner from supervising the Center's management and operation.

(2) **Operation Upon Death or Disability.** Upon your or the Managing Owner's death or disability, your or the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must within a reasonable time, not to exceed fifteen (15) days from the date of death or disability, appoint a manager. The manager must complete our standard training program at your expense. A new Managing Owner acceptable to us also must be appointed for the Center, and that new Managing Owner must complete our standard training program, within sixty (60) days after the date of death or disability.

If, in our judgment, the Center is not being managed properly any time after your or the Managing Owner's death or disability, we may, but need not, assume the Center's management (or appoint a third party to assume its management), so long as our assuming the Center's management is permitted by applicable law. All funds from the Center's operation while it is under our (or the third party's) management will be kept in a separate account, and all expenses will be charged to this account. We may charge you (in addition to the Royalty, Fund contributions, and other amounts due under this Agreement) Five Hundred Dollars (\$500) per day, plus our (or the third party's) direct out-of-pocket costs and expenses, if we (or a third party) assume the Center's management under this subparagraph. We (or a third party) have a duty to utilize only reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations the Center incurs, or to any of your creditors for any products, other assets, or services the Center purchases, while we (or a third party) manage it.

F. **EFFECT OF CONSENT TO TRANSFER.**

Our consent to a transfer of this Agreement and the Center, or any interest in you or your owners, is not a representation of the fairness of the terms of any contract between you and the transferee, a guarantee of the Center's or transferee's prospects of success, or a waiver of any claims we have against you (or your owners) or of our right to demand the transferee's full compliance with this Agreement.

G. **OUR RIGHT OF FIRST REFUSAL.**

If you (or any of your owners) at any time determine to sell or transfer for consideration an interest in this Agreement and the Center, or an ownership interest in you (except to or among your current owners, which is not subject to this Subsection 12.G), in a transaction that otherwise would be allowed under Subsections 12.B and C above, you (or your owners) agree to obtain from a responsible and fully disclosed buyer, and send us, a true and complete copy of a bona fide, executed written offer (which may include a letter of intent) relating exclusively to an interest in you or in this Agreement and the Center. The offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be in a dollar amount, and the

proposed buyer must submit with its offer an earnest money deposit equal to five percent (5%) or more of the offering price.

The right of first refusal process will not be triggered by a proposed transfer that would not be allowed under Subsections 12.B and C above. We may require you (or your owners) to send us copies of any materials or information sent to the proposed buyer or transferee regarding the possible transaction.

We may, by written notice delivered to you or your selling owner(s) within thirty (30) days after we receive both an exact copy of the offer and all other information we request, elect to purchase the interest offered for the price and on the terms and conditions contained in the offer, provided that:

- (1) we may substitute cash for any form of payment proposed in the offer (such as ownership interests in a privately-held entity);
- (2) we may set off against the proposed purchase price any and all amounts you then owe to us or our affiliates, if applicable;
- (3) our credit will be deemed equal to the credit of any proposed buyer (meaning that, if the proposed consideration includes promissory notes, we or our designee may provide promissory notes with the same terms as those offered by the proposed buyer);
- (4) we will have an additional sixty (60) days to prepare for closing after notifying you of our election to purchase; and
- (5) we must receive, and you and your owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in a legal entity, as applicable, including, without limitation, representations and warranties regarding: (a) ownership and condition of and title to ownership interests and/or assets; (b) liens and encumbrances relating to ownership interests and/or assets; and (c) validity of contracts and the liabilities, contingent or otherwise, of the entity whose assets or ownership interests are being purchased.

If we exercise our right of first refusal, you and your selling owner(s) agree that, for two (2) years beginning on the closing date, you and they will be bound by the non-competition and non-disparagement covenants contained in Subsection 15.D below. We have the unrestricted right to assign this right of first refusal to a third party, who then will have the rights described in this Subsection 12.G.

If we do not exercise our right of first refusal, you or your owners may complete the sale to the proposed buyer on the original offer's terms, but only if we otherwise approve the transfer in accordance with, and you (and your owners) and the transferee comply with the conditions in, Subsections 12.B and C above. This means that, even if we do not exercise our right of first refusal (whether or not it is properly triggered as provided above), if the proposed transfer otherwise would not be allowed under Subsections 12.B and C above, you (or your owners) may not move forward with the transfer at all.

If you do not complete the sale to the proposed buyer within ninety (90) days after we notify you that we do not intend to exercise our right of first refusal, or if there is a material change in the terms of the sale (which you agree to tell us promptly), we or our designee will have an additional right of first refusal during the thirty (30) day period following either the expiration of the ninety (90) day period or our receipt of notice of the material change(s) in the sale's terms, either on the terms originally offered or the modified terms, at our or our designee's option.

### **13. EXPIRATION OF THIS AGREEMENT.**

#### **A. YOUR RIGHT TO ACQUIRE A SUCCESSOR FRANCHISE.**

If you meet certain conditions, then you will have the option to acquire two (2) additional consecutive successor Renewal Terms. Each of the Renewal Terms will be five (5) years in duration. The qualifications and conditions for the first Renewal Term are described below. The qualifications and conditions for the second Renewal Term will be described in the form of franchise agreement signed upon the expiration of this Agreement.

When this Agreement expires:

(1) if you (and each of your owners) have substantially complied with this Agreement during the Term; and

(2) if you (and each of your owners) are, both on the date you give us written notice of your election to acquire a successor franchise (as provided in Subsection 13.B below) and on the date on which the Renewal Term of the successor franchise would commence, in full compliance with this Agreement and all System Standards; and

(3) provided that (a) you maintain possession of and agree (regardless of cost) to Remodel and/or expand the Center, add or replace improvements, services, equipment, Operating Assets and/or Proprietary Products, and otherwise modify the Center as we require to comply with System Standards then applicable for new P3 Recovery Centers, or (b) at your option, you secure a substitute premises that we accept and you develop those premises according to System Standards then applicable for P3 Recovery Centers,

then you have the option to acquire a Renewal Term of five (5) years commencing immediately upon the expiration of this Agreement, plus a possible second Renewal Term of an additional five (5) years thereafter if you comply with our terms and conditions of renewal under the Successor Franchise Agreement. For each Renewal Term, you agree to sign the form of franchise agreement we then use to grant franchises for P3 Recovery Centers (modified as necessary to reflect the fact that it is for a successor franchise), which may contain provisions that differ materially from any and all of those contained in this Agreement (each, a "***Successor Franchise Agreement***"). You must pay us a renewal fee of fifty percent (50%) of our then-current Initial Franchise Fee upon signing each Successor Franchise Agreement for each Renewal Term.

If you (and each of your owners) are not, both on the date you give us written notice of your election to acquire a successor franchise and on the date on which the Renewal Term commences, in full compliance with this Agreement and all System Standards, then you

acknowledge that we need not grant you a successor franchise, whether or not we had, or chose to exercise, the right to terminate this Agreement during the Term under Subsection 14.B.

**B. GRANT OF A SUCCESSOR FRANCHISE.**

You agree to give us written notice of your election to acquire a successor franchise no more than two hundred seventy (270) days and no less than two hundred ten (210) days before this Agreement expires. We agree to give you written notice of our decision (“*Our Notice*”):

- (1) to grant you a successor franchise;
- (2) to grant you a successor franchise on the condition that you correct existing deficiencies of the Center or in your operation of the Center; or
- (3) not to grant you a successor franchise based on our determination that you and your owners have not substantially complied with this Agreement during the Term or were not in full compliance with this Agreement and all System Standards on the date you gave us written notice of your election to acquire a successor franchise.

If applicable, Our Notice will:

- (a) describe the Remodeling, expansion, improvements, and/or modifications required to bring the Center into compliance with then applicable System Standards for new P3 Recovery Centers; and
- (b) state the actions you must take to correct operating deficiencies and the time period in which you must correct these deficiencies.

If we elect not to grant you a successor franchise, Our Notice will describe the reasons for our decision. If we elect to grant you a successor franchise, your right to acquire a successor franchise is subject to your full compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to your compliance with the obligations described in Our Notice.

If Our Notice states that you must cure certain deficiencies of the Center or its operation as a condition to our granting you a successor franchise, we will give you written notice of our decision not to grant a successor franchise, based upon your failure to cure those deficiencies. If you fail to notify us of your election to acquire a successor franchise within the prescribed time period, we need not grant you a successor franchise.

**C. AGREEMENTS/RELEASES.**

If you satisfy all of the other conditions for a successor franchise, you and your owners agree to execute a Successor Franchise Agreement and any ancillary agreements we then customarily use in granting franchises for P3 Recovery Centers (modified as necessary to reflect the fact that it is for a successor franchise), which may contain provisions that differ materially from any and all of those contained in this Agreement. You and your owners further agree to sign

our current form of general release of any and all claims against us and our affiliates, shareholders, officers, directors, members, partners, managers, employees, agents, successors, and assigns. We will consider your or your owners' failure to sign these agreements and releases and to deliver them to us for acceptance and execution within thirty (30) days after their delivery to you to be an election by you not to acquire a successor franchise for the first Renewal Term of ten (10) years.

#### **14. TERMINATION OF AGREEMENT.**

##### **A. BY YOU.**

If you and your owners are fully complying with this Agreement and we materially fail to comply with this Agreement and do not correct the failure within thirty (30) days after you deliver to us written notice of the material failure or, if we cannot correct the failure within thirty (30) days, do not give you within thirty (30) days after your notice reasonable evidence of our effort to correct the failure within a reasonable time (which may extend beyond that thirty (30) days), you may terminate this Agreement effective an additional thirty (30) days after you deliver to us written notice of termination. (The time period during which we may cure any alleged material failure to comply with this Agreement after your delivery of notice is called the "***Cure Period.***") However, if we send you written notice during the Cure Period indicating that either (1) we do not agree that we have materially failed to comply with this Agreement or (2) we have fully corrected the failure, then you may not terminate this Agreement. If you disagree with our position and still wish to terminate this Agreement, you must commence an arbitration proceeding seeking a declaration of your right to terminate this Agreement.

This Agreement will remain in full force and effect during the arbitration proceeding (unless we terminate it under Subsection 14.B below). If the arbitrators determine that we are materially failing to comply with this Agreement, or that we did not fully correct a material failure to comply, we will have an additional thirty (30) days following the arbitrators' ruling to correct the failure. If we fail to do so, then you may terminate this Agreement effective an additional thirty (30) days after you deliver to us written notice of termination.

Your termination of this Agreement other than according to this Subsection 14.A will be deemed a termination without cause and a breach of this Agreement.

##### **B. BY US.**

We may terminate this Agreement, effective upon delivery of written notice of termination to you, if:

(1) you (or any of your owners) have made or make any material misrepresentation or omission in acquiring the Franchise or operating the Center;

(2) you do not submit and receive our acceptance of a site within the Designated Area within the time period prescribed in Section 2.A of this Agreement;

(3) you do not submit for our acceptance a Lease or purchase document for, an acceptable site within the Designated Area for the Premises within the time period prescribed in

Subsection 2.B of this Agreement, or deliver a fully-signed copy of any signed Lease that includes our prescribed Lease Addendum within seven (7) days after their execution;

(4) you do not open the Center for business within the time period prescribed in Subsection 2.G of this Agreement;

(5) you (or your Managing Owner), the Lead Nurse, and the General Manager do not satisfactorily complete the Initial Training Program;

(6) you abandon or fail actively to operate the Center for three (3) or more consecutive business days, unless such abandonment or failure is for a purpose we approve or because of casualty or government order;

(7) you (or your owners) make or attempt to make any transfer in violation of Section 12;

(8) you (or any of your owners) are or have been convicted by a trial court of, or plead or have pleaded no contest to, a felony, crime or other offense involving moral turpitude, or any other crime or offense which we reasonably believe adversely affects the System's reputation or the goodwill associated with the Marks;

(9) you fail to maintain the insurance we require and do not correct the failure within ten (10) days after we deliver written notice of that failure to you;

(10) you (or any of your owners) engage in any dishonest or unethical conduct which, in our opinion, adversely affects the Center's reputation or the goodwill associated with the Marks;

(11) you, any of your owners, representatives, or employees make any illicit statements, including in an email to our employees, officers, or directors, or in any social media posts, or any other unlawful, threatening, abusive, libelous, defamatory, obscene, vulgar, pornographic, gambling-related, drug-related, alcohol-related, profane, racist, sexually explicit or indecent comments that in our opinion negatively affects us, our employees, our operations or otherwise affects the Center's reputation or the goodwill associated with the Marks;

(12) you make any representation or warranty on our behalf that has not been specifically authorized in writing by us;

(13) you lose the right to occupy the Premises and fail (a) to begin immediately to look for a substitute site or (b) to locate a substitute site, and to begin operating the Center from that substitute site, within the time period prescribed in Subsection 2.B of this Agreement;

(14) you (or any of your owners) knowingly make any unauthorized use or disclosure of any part of the Operations Manual or any other Confidential Information;

(15) you violate any Authorized Care Provider Regulations, health, safety, or sanitation law, ordinance, or regulation, or operate the Center in an unsafe manner, and do not

begin to cure the violation immediately, and correct the violation within seventy-two (72) hours, after you receive notice from us or any other party;

(16) you interfere with our right to inspect the Center, or observe or videotape its operation, as provided in Section 11;

(17) you fail to pay us (or our affiliates), vendors or suppliers any amounts due and you do not correct the failure within thirty (30) days after we or the vendor or supplier delivers written notice of that failure to you;

(18) you fail to pay when due any federal or state income, service, sales, or other taxes due on the Center's operation, unless you are in good faith contesting your liability for these taxes;

(19) you fail to meet the Minimum Performance Standards two (2) times or more during the Term, or fail to comply with the remedy plan pursuant to Subsection 8.P of this Agreement;

(20) you understate the Center's Gross Revenues (a) three (3) times or more during the Term or (b) by more than five percent (5%) on any one occasion;

(21) you (or any of your owners) (a) fail on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with this Agreement, whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you; or (b) fail on two (2) or more separate occasions within any six (6) consecutive month period to comply with the same obligation under this Agreement, whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you;

(22) you (or any of your owners) fail on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with any quality standards or determinations of a clinical nature established by the Center's Authorized Care Provider;

(23) you receive three (3) or more complaints from clients, members or staff within any rolling period of twelve (12) consecutive months, for conduct that Franchisor reasonably determines, in its sole discretion, to have an adverse effect on the System or the Marks, whether or not such conduct is the same or the violation is remedied after notice is delivered to you or the General Manager;

(24) you make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debts generally as they become due; you consent to the appointment of a receiver, trustee, or liquidator of all or the substantial part of your property; the Center is attached, seized, subjected to a writ or distress warrant, or levied upon, unless the attachment, seizure, writ, warrant, or levy is vacated within thirty (30) days; or any order appointing a receiver, trustee, or liquidator of you or the Center is not vacated within thirty (30) days following the order's entry;

(25) you or any of your owners fail to comply with Section 19 of this Agreement, or your or any of your owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities;

(26) you knowingly maintain false books or records, or submit any false reports to us;

(27) you refuse to permit us to inspect the Center's books, records, or accounts upon request;

(28) you (or any of your owners or affiliates) are in default or breach of the Lease and you do not correct the default or breach within the applicable cure period provided under the Lease, if any;

(29) we (or any of our owners or affiliates) terminate any other agreement between you (or any of your owners and affiliates) and us (or any of our owners or affiliates) due to your (or any of your owners' or affiliates') failure to comply with the terms of such agreement; or

(30) you (or any of your owners) fail to comply with any other provision of this Agreement or any System Standard and do not correct the failure within thirty (30) days after we deliver written notice of the failure to you.

**C. OUR ALTERNATE REMEDIES UPON YOUR DEFAULT.**

In addition to, and without limiting, our other rights and remedies under this Agreement, any other agreement or applicable law, upon the occurrence of any event giving rise to our right to terminate this Agreement under the preceding Subsection 14.B, we may instead elect, at our sole option and upon delivering providing you written notice, to take any or all of the following actions without terminating this Agreement:

(1) temporarily or permanently reduce the size of the Territory, in which case the restrictions on us or our affiliates under Section 1 above will not apply in any geographic area removed from the preceding territorial boundaries;

(2) temporarily remove information concerning the Center from any Website or extranet operated for the network of P3 Recovery Centers, and/or restrict your or the Center's participation in other programs or benefits offered on or through any such Website or extranet;

(3) require you to engage a third-party accounting firm we approve to conform to the bookkeeping, accounting, reporting and recordkeeping system requirements and formats we prescribe;

(4) require you to pay us Five Hundred Dollars (\$500) for each day the condition giving rise to our right to terminate continues to exist to help offset our increased administrative expenses associated with your failure to comply with the terms of this Agreement;

(5) suspend your and the Center's right to participate in any advertising, marketing, promotional, or public relations programs that we or the Fund provide, authorize, or administer; or

(6) assume, or appoint a third party to assume, management of the Center in the manner provided in Subsection 14.F below.

**D. CROSS DEFAULT.**

Any default or breach by you (or any of your owners), or your affiliate (or any of your owner's affiliates) of any other agreement with us or our affiliate will be considered an event of default under this Agreement, and any default or breach by you (or any of your owners) of this Agreement will be considered an event of default or breach by you under any and all agreements between us or our affiliate and you (or any of your owners), or your affiliate (or any of your owner's affiliates). If the nature of the default under any other agreement would have been considered an event of default under this Agreement, then we or our affiliate will have the right to terminate all other agreements between us or our affiliate and you (or any of your owners), or your affiliate (or any of your owner's affiliates) in accordance with the termination provisions of this Agreement.

**E. FAILURE TO CURE MAY BE DEEMED TERMINATION BY YOU.**

Your failure to cure timely any breach by you of this Agreement about which we have provided you notice (and opportunity to cure, if applicable) pursuant to Subsection 14.B above, including but not limited to your failure to pay overdue Royalties, Fund contributions, or any other amounts due and owing to us or our affiliates under this Agreement, may be irrevocably deemed a unilateral rejection and termination by you of this Agreement and all related agreements between you and us or our affiliates, even if we ultimately issue a formal notice of such termination, and you shall never contend or complain otherwise.

**F. ASSUMPTION OF MANAGEMENT.**

Subject to applicable law, we have the right (but not the obligation), under the circumstances described below, to enter the Premises and assume the Center's management (or to appoint a third party to assume its management) for any period of time we deem appropriate. This includes assuming your engagement, and duties and obligations under or pursuant to the APA, with the Authorized Care Provider, which should be assignable under the APA. If we (or a third party) assume the Center's management under subparagraphs (1) and (2) below, you agree to pay us (in addition to the Royalty, Fund contributions, and other amounts due under this Agreement) Five Hundred Dollars (\$500) per day, plus our (or the third party's) direct out-of-pocket costs and expenses, if we (or a third party) assume the Center's management under this Subsection 14.F. Further, we will be entitled to the revenues earned under or pursuant to the APA with the Authorized Care Provider.

If we (or a third party) assume the Center's management, you acknowledge that we (or the third party) will have a duty to utilize only reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations the Center incurs, or to any of your creditors for any

supplies, products, or other assets or services the Center purchases, while we (or the third party) manage it.

We (or a third party) may assume the Center's management under the following circumstances: (1) if you abandon or fail actively to operate the Center; (2) if you fail to comply with any provision of this Agreement or any System Standard and do not cure the failure within the time period we specify in our notice to you; or (3) if this Agreement expires or is terminated and we are deciding whether to exercise our option to purchase the Center under Subsection 15.E below.

Any exercise of our rights under subparagraphs (1) or (2) above in this Subsection 14.F will not affect our right to terminate this Agreement under Subsection 14.B above.

## **15. OUR AND YOUR RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT.**

### **A. PAYMENT OF AMOUNTS OWED TO US.**

(1) Immediately upon termination or expiration of this Agreement, and on any later date that we determine the amounts due to us, you shall pay us all Royalties, Fund contributions, interest, and all other amounts owed to us (and our affiliates) which then are unpaid.

(2) If this Agreement is terminated before its Term expires pursuant to Subsections 14.B, 14.D, or 14.E above, then you acknowledge and confirm that we will suffer and incur substantial damages because this Agreement did not continue for the Term's full length. Accordingly, you agree to pay us for all damages, costs, expenses, attorneys' and experts' fees directly or indirectly related thereto, including, without limitation, lost Royalties, lost Fund contributions, lost profits, loss of goodwill and damage to our Marks and reputation, lost opportunities, travel and personnel costs, expenses that we may incur in developing or finding another franchise owner to develop a new P3 Recovery Center in the Territory, and any other lost payments or benefits we would have received for the balance of the Term after the effective date of termination (collectively, "**Brand Damages**"). You further acknowledge and agree that your obligation to pay Brand Damages resulting from early termination shall be in addition to (not in lieu of) your post-termination obligations to pay other amounts due as of the date of termination (as contemplated under the preceding Subsection (1) above) and to otherwise comply with the entirety of Section 15 hereof, and that the Brand Damages shall not be deemed a penalty for early termination but instead reasonable compensation to us for your failure to perform under this Agreement during the remainder of the Term.

(3) Your foregoing payment obligations arising under Subsections (1) and (2) above will give rise to, and remain until paid in full, a lien in our favor: (i) against any and all assets, property, furnishings, equipment, signs, fixtures and inventory owned by you or the Center at the time of termination or expiration; and (ii) against any payment obligation you may allege we have to you, any of your money we are holding, or any other amounts of yours which are otherwise in our possession on or after the effective date of termination or expiration. Our rights and your obligations under this Subsection 15.A shall survive termination or expiration of this Agreement until they are satisfied or later expire by their terms.

B. **MARKS.**

When this Agreement expires or is terminated:

(1) you may not directly or indirectly at any time or in any manner (except with other P3 Recovery Centers you own and operate) identify yourself or any business as a current or former P3 Recovery Center or as one of our current or former franchise owners; use any Mark, any colorable imitation of a Mark, or other indicia of a P3 Recovery Center in any manner or for any purpose; or use for any purpose any trade name, trade or service mark, or other commercial symbol that indicates or suggests a connection or association with us;

(2) you agree to discontinue the use of any Website and social media used in connection with the Center or otherwise referring to the Marks or P3 Recovery Centers.

(3) you agree, at your expense, to take the action required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark;

(4) you agree, at your expense, to deliver to us within thirty (30) days all signs, sign-faces, sign-cabinets, marketing materials, forms, and other materials containing any Mark or otherwise identifying or relating to a P3 Recovery Center that we request and allow us, without liability to you or third parties for trespass or any other claim, to enter the Premises and remove these items from the Center;

(5) if we do not have or do not exercise an option to purchase the Center under Subsection 15.E below, you agree promptly and at your own expense to make the alterations we specify in our Operations Manual (or otherwise) to distinguish the Center clearly from its former appearance and from other P3 Recovery Centers in order to prevent public confusion;

(6) you agree to notify within five (5) days the telephone company, all telephone directory publishers and all online listings (e.g., Google and Yelp) of the termination or expiration of your right to use any telephone, or other numbers, telephone directory listings, online listings and email addresses associated with any Mark; to authorize the transfer of these numbers and directory listings to us or at our direction; and/or to instruct the telephone company to forward all calls made to your numbers to numbers we specify. If you fail to do so, we may take whatever action and sign whatever documents we deem appropriate on your behalf to effect these events;

(7) you agree to notify all members of the Center that the Center will cease to operate under the Marks (using a notice that we have prepared in consultation with you or have approved in writing) and offer to such members the option to (i) transfer their membership to another P3 Recovery Center or (ii) terminate their membership and receive a pro rata refund of all membership fees, credits, and other charges which were prepaid by such members after the effective date of termination or expiration of this Agreement. Although you are solely responsible for paying such refunds to your members, we may, at our sole option, pay such refunds on your behalf and require you to reimburse us for such amounts; *provided, however*, that you or your affiliates will remain solely responsible for repaying such amounts. We may contact and offer such members continued rights to use one or more 3P Recovery Centers on such terms and conditions we deem appropriate, which in no event will include assumption of any then-existing liability

arising out of or relating to any membership agreement or act or failure to act by you or your Center. You (and your owners) will cooperate with us and take any reasonable measures requested by us to preserve member goodwill; and

(8) you agree to give us, within thirty (30) days after the expiration or termination of this Agreement, evidence satisfactory to us of your compliance with these obligations.

C. **CONFIDENTIAL INFORMATION.**

You agree that, when this Agreement expires or is terminated, you will immediately (1) cease using any of our Confidential Information (including computer software or similar technology and digital passwords and identifications that we have licensed to you or that otherwise are proprietary to us or the System) in any business or otherwise; (2) return to us all copies of the Operations Manual and any other confidential materials that we have provided you for your use during the Term; (3) transfer all ownership interest in Client Data to us, in accordance with applicable laws, rules and regulations; and (4) immediately deliver to us all training or other manuals furnished to you for your use during the Term (including the Operations Manual and any supplements to the Operations Manual), computer software and database material, client lists, Membership Lists, records and files, documents, instructions, display items, advertising and promotional material, any and all materials, signs and related items which bear our Marks or slogans and insignias and designs, advertising contracts, forms and other materials or property of ours, and any copies of them in your possession which relate to the operation of the Center. You may retain no copy or record of any of these items, except for your copy of this Agreement, any correspondence between the parties and any other documents which you reasonably need for compliance with any provision of law. You agree that the foregoing items, materials, client lists, Membership Lists, files, software and other similar items are at all times considered to be our property for all purposes.

D. **COVENANTS NOT TO COMPETE AND NOT TO DISPARAGE.**

(1) Upon (a) our or your termination of this Agreement according to its terms and conditions, (b) your termination of this Agreement without cause, or (c) expiration of this Agreement (if we offer, but you elect not to acquire, a successor franchise, or if we do not offer you a successor franchise due to your failure to satisfy the conditions for a successor franchise set forth in Section 13), you and your owners agree that, for two (2) years beginning on the earlier of the effective date of termination or expiration of this Agreement, neither you nor any of your equity holders or other owners will:

(A) have any direct or indirect interest (e.g., through any one or more of a spouse, legally-recognized domestic partner, parents, children or sibling(s)) as an owner (whether of record, beneficially, or otherwise), investor, partner, director, officer, manager, employee, consultant, representative, or agent in any Competitive Business (as defined in Section 7 above) located or operating:

(i) at the Premises;

- (ii) within the Territory;
- (iii) within a twenty-five (25) mile radius of the Territory; or
- (iv) within twenty-five (25) miles of any other P3 Recovery Center in operation or under construction on the later of the effective date of the termination or expiration of this Agreement or the date on which all persons restricted by this Subsection 15.D begin to comply with this Subsection 15.D.

(B) directly or indirectly contact or solicit any clients or members of your former Center for the purpose of providing services that are competitive with the products and services provided by your former Center or with the products and services then being provided by P3 Recovery Centers; or

(C) divert or attempt to divert any business, client or member of your former Center to a Competitive Business.

(2) During the Term and any Renewal Term, and after the termination or expiration of this Agreement, neither you nor any of your owners shall, directly or indirectly, make any false representation of facts, or defame, disparage, discredit or deprecate us or our officers, directors, managers, employees or agents in any respect or otherwise communicate with any person or entity in a manner intended to damage us, our owners, our officers, directors, managers, employees or agents, the Marks, our business or our reputation.

(3) The restrictions above in this Subsection 15.D also apply after transfers, as provided in Subsection 12.C(13) above. If any person restricted by this Subsection 15.D refuses voluntarily to comply with these obligations, the two (2) year non-compete period for that person will commence with the entry of a court order enforcing this provision. The two (2) year non-compete period will be tolled, if applicable, for the period during which a restricted person is in breach of this Subsection 15.D and will resume when that person begins or resumes compliance. You and your owners expressly acknowledge that you possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, our enforcing the covenants made in this Subsection 15.D will not deprive you of your personal goodwill or ability to earn a living.

**E. OUR RIGHT TO PURCHASE CERTAIN ASSETS OF THE CENTER.**

Upon either party's termination of this Agreement, or upon expiration of this Agreement without renewal, we shall have the right and option, but not the obligation, to purchase the equipment, furnishings, and accessories from the Center at a purchase price equal to its then-current book value determined using the straight-line method of depreciation. If we elect to exercise this option, we will deliver written notice to you of our election within thirty (30) days after the date of termination or expiration of this Agreement. We will have the right to inspect the equipment, furnishings, and accessories at any time during this thirty (30) day period. If we elect to purchase the equipment, furnishings, and accessories, we will be entitled to, and you must provide, all customary warranties and representations relating to the equipment, furnishings, and

accessories to be purchased, including, without limitation, representations and warranties as to the maintenance, function and condition of the equipment, furnishings, and accessories and your good title to those items (including that you own each item free and clear of any liens and encumbrances), the validity of contracts and agreements, and the liabilities affecting the equipment, furnishings, and accessories, contingent or otherwise. You and your owners further agree to execute general releases, in a form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, partners, members, managers, employees, agents, successors and assigns. You shall deliver the equipment to us within fifteen (15) days of receipt of our written notice to you of our election to purchase.

Regardless of whether or not we exercise our right to purchase the equipment, furnishings, and accessories under this Subsection 15.E, we shall have the option, exercisable upon written notice to you within thirty (30) days after the date of termination or expiration of this Agreement, to repurchase some or all (at our option) of the Proprietary Products and other products then owned by you. We have the unrestricted right to assign this option to purchase. The purchase price of all products will be as agreed upon by the parties, provided that the purchase price shall not exceed the prices paid by you for such Proprietary Products and other products (less any freight and insurance charges). All purchase prices are freight-on-board our premises. We may pay the purchase price in twelve (12) equal monthly installments of principal and interest calculated at the rate of prime plus two percent (2%) per annum, with the first installment due at the closing. We may set off against the purchase price any and all amounts you then owe to us, if applicable.

F. **CONTINUING OBLIGATIONS.**

All of our and your (and your owners') obligations which expressly or by their nature survive this Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

16. **RELATIONSHIP OF THE PARTIES/INDEMNIFICATION.**

A. **INDEPENDENT CONTRACTORS.**

You and we understand and agree that this Agreement does not create a fiduciary relationship between you and us, that you and we are and will be independent contractors, and that nothing in this Agreement is intended to make either you or us a general or special agent, joint venturer, partner, or employee of the other for any purpose. You agree to identify yourself conspicuously in all dealings with clients, members, suppliers, public officials, Center personnel, and others as the Center's owner under a franchise we have granted and to place notices of independent ownership on the forms, business cards, stationery, advertising, and other materials we require at any time and from time to time.

None of your employees or other personnel will be considered to be our employees or personnel. Neither you nor any of your employees or personnel whose compensation you pay may in any way, directly or indirectly, expressly or by implication, be construed to be our employee or personnel for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any

city, state, provincial, or federal governmental agency. We will not have the power to hire or fire your employees or personnel. You expressly agree, and will never contend otherwise, that our authority under this Agreement to certify certain of your employees or personnel for qualification to perform certain functions for the Center does not directly or indirectly vest in us the power to hire, fire or control any such employee. You acknowledge and agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities and elements of the Center and that under no circumstance shall we do so or be deemed to do so. You further acknowledge and agree, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the System which we are required to comply with under this Agreement, whether set forth in the Operations Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of the Center, which you alone control, but only constitute standards you must adhere to when exercising your control of the day-to-day operations of the Center.

**B. NO LIABILITY FOR ACTS OF OTHER PARTY.**

We and you may not make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other or represent that our respective relationship is other than franchisor and franchise owner. We will not be obligated for any damages to any person or property directly or indirectly arising out of the Center's operation or the business you conduct under this Agreement.

**C. TAXES.**

We will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property, or other taxes, whether levied upon you or the Center, due to the business you conduct (except for our income taxes). You are responsible for paying these taxes and must reimburse us for any taxes that we must pay to any state taxing authority on account of either your operation or payments that you make to us.

**D. INDEMNIFICATION.**

You agree to indemnify, defend, and hold harmless us, our affiliates, and our and their respective affiliates, shareholders, members, managers, directors, partners, officers, employees, agents, successors, and assignees (the "*Indemnified Parties*") against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of (i) your failure to perform or breach of any covenant, agreement, term or provision of this Agreement, (ii) your breach of any representation or warranty contained in this Agreement, (iii) the business you conduct under this Agreement, including, without limitation, the marketing, promotion, advertisement or sale of any of the products and services (including the Authorized Products and Services) offered by you or your Center pursuant to this Agreement, including unfair or fraudulent advertising, commercial speech or medical claims, (iv) your development, ownership, operation and/or closing of your Center (including any claims for unauthorized practice of medicine or medical malpractice), (v) any allegedly unauthorized service or act rendered or performed in connection with this Agreement, and (vi) employment matters in connection with the Center, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by our gross negligence or willful misconduct in a final, unappealable ruling

issued by a court or arbitrator(s) with competent jurisdiction. You agree to give us and the Indemnified Parties written notice of any action, suit, proceeding, claim, demand, inquiry or investigation that could be the basis for a claim for indemnification by any of the Indemnified Parties within three (3) days of your actual or constructive knowledge of it. The Indemnified Parties shall have the right, in their sole discretion to: (i) retain counsel of their own choosing to represent them with respect to any claim; and (ii) control the response thereto and the defense thereof, including the right to enter into settlements or take any other remedial, corrective, or other actions. You agree to give your full cooperation to the Indemnified Parties in assisting the Indemnified Parties with the defense of any such claim, and to reimburse the Indemnified Parties for all of their costs and expenses in defending any such claim, including court costs and reasonable attorneys' fees, within ten (10) days of the date of each invoice delivered by the Indemnified Parties to you enumerating such costs, expenses and attorneys' fees.

For purposes of this indemnification, "*claims*" include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced.

This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its or their losses and expenses, in order to maintain and recover from third parties fully a claim against you under this subparagraph. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this subparagraph. Our or any of the other Indemnified Parties' undertaking of defense and/or settlement will in no way diminish your obligation to indemnify us and the other Indemnified Parties and to hold us and any of the Indemnified Parties harmless.

## **17. ENFORCEMENT.**

### **A. SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS.**

Except as expressly provided to the contrary in this Agreement, each section, paragraph, term, and provision of this Agreement is severable, and if, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency, or tribunal with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties.

If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, you and we agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity.

If any applicable and binding law or rule of any jurisdiction requires more notice than this Agreement requires of this Agreement's termination or of our refusal to enter into a Successor Franchise Agreement, or some other action that this Agreement does not require, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any System Standard is invalid, unenforceable, or unlawful, the notice and/or other action required by the law or rule will be substituted for the comparable provisions of this Agreement, and we may modify the invalid or unenforceable provision or System Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. You agree to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

#### **B. WAIVER OF OBLIGATIONS.**

We and you may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice to the other or another effective date stated in the notice of waiver. Any waiver granted will be without prejudice to any other rights we or you have, will be subject to continuing review, and may be revoked at any time and for any reason effective upon delivery of ten (10) days' prior written notice.

We and you will not waive or impair any right, power, or option this Agreement reserves (including, without limitation, our right to demand exact compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before its term expires) because of any custom or practice at variance with this Agreement's terms; our or your failure, refusal, or neglect to exercise any right under this Agreement or to insist upon the other's compliance with this Agreement, including, without limitation, any System Standard; our waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other P3 Recovery Centers; the existence of franchise agreements for other P3 Recovery Centers which contain provisions different from those contained in this Agreement; or our acceptance of any payments due from you after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to us will be a waiver, compromise, settlement, or accord and satisfaction. We are authorized to remove any legend or endorsement, which then will have no effect.

Neither we nor you will be liable for loss or damage or be in breach of this Agreement if our or your failure to perform our or your obligations results from: (1) compliance with the orders, requests, regulations, or recommendations of any federal, state, or municipal government; (2) acts of God; (3) fires, strikes, embargoes, war, acts of terrorism or similar events, or riot; or (4) any other similar event or cause. Any delay resulting from any of these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that these causes will not excuse payments of amounts owed at the time of the occurrence or payment of Royalties or Fund and Cooperative Program contributions due afterward.

C. **COSTS AND ATTORNEYS' FEES.**

If we incur costs and expenses due to your failure to pay when due amounts owed to us, to submit when due any reports, information, or supporting records, or otherwise to comply with this Agreement, you agree, whether or not we initiate a formal legal proceeding, to reimburse us for all of the costs and expenses that we incur, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees.

D. **RIGHTS OF PARTIES ARE CUMULATIVE.**

Our and your rights under this Agreement are cumulative, and our or your exercise or enforcement of any right or remedy under this Agreement will not preclude our or your exercise or enforcement of any other right or remedy which we or you are entitled by law to enforce.

E. **MEDIATION.**

Except as otherwise provided herein, if a dispute arises out of or relates to this Agreement, the breach hereof, the rights and obligations of the parties hereto, or the making, interpretation, or performance of either party under this Agreement, the parties agree first to try in good faith to settle the dispute by mediation administered by non-binding mediation administered by the American Arbitration Association in accordance with its commercial mediation rules before resorting to arbitration or litigation in accordance with the terms of this Agreement. Such mediation shall take place before a sole mediator at a location we designate in the city in which our then current principal business address is located (currently, Orlando, Florida). The parties shall each bear all of their own costs of mediation; provided, however, the fees of the mediator shall be divided equally between you and us. All aspects of the mediation, including statements made and documents produced within the mediation, will be confidential in nature and will not be admissible in any subsequent arbitration or other legal proceeding. If the matter is not settled by mediation within thirty (30) days of the commencement of the mediation, or such further period as the parties shall agree in writing, the matter shall be referred to arbitration as described in Subsection 17.F below. The parties hereto agree that mediation shall not be required with respect to: (a) any claim or dispute involving any payment obligation of us that is more than thirty (30) days past due; (b) any claim or dispute involving actual or threatened disclosure or misuse of our Confidential Information; (c) any claim or dispute involving the ownership, validity, or use of the Marks; (d) any claim or dispute involving the insurance or indemnification provisions of this Agreement; (e) any claim or dispute involving a non-curable default; (f) any claim or dispute involving your failure to comply with our System Standards; or (g) any action by us to enforce the covenants set forth in Section 7 or Subsection 15.D of this Agreement.

The object of any mediation subject to this Subsection 17.E is to assist the parties in reaching a mutually acceptable resolution of the dispute. Such mediation will, in all circumstances, be consistent with the rights and obligations created by this Agreement and will not be premised on the derogation or diminution of those rights or disregard of those rights.

F. **ARBITRATION.**

Subject to the parties' obligation to mediate certain controversies, disputes and claims pursuant to Subsection 17.E above, we and you agree that all controversies, disputes, or claims between us and our affiliates, and our and their respective shareholders, officers, directors, partners, members, managers, agents, and/or employees, and you (and/or your owners, guarantors, affiliates, and/or employees) arising out of or related to:

- (1) this Agreement or any other agreement between you and us or your or our respective affiliates
- (2) our relationship with you;
- (3) the scope and validity of this Agreement or any other agreement between you and us or any provision of such agreements (including the validity and scope of the arbitration obligations under this Subsection 17.F, which the parties acknowledge is to be determined by arbitrators and not a court); or
- (4) any System Standard;

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association (“AAA”). There shall be one (1) arbitrator if the amount of the claim is Five Hundred Thousand Dollars (\$500,000) or less, or three (3) arbitrators if the amount of the claim is more than Five Hundred Thousand Dollars (\$500,000). If there is one (1) arbitrator, the arbitrator shall be appointed by the AAA. If there are three (3) arbitrators, the claimant shall appoint one (1) arbitrator in its notice of arbitration and statement of claim; the respondent shall appoint one (1) arbitrator in its statement of defense, and the third arbitrator, who shall act as the Chairman, shall be appointed by the two (2) arbitrators appointed by the parties within thirty (30) days of the appointment of the second arbitrator. If any arbitrators are not appointed within these time periods, the AAA shall make the appointments. The arbitration proceedings will be conducted, except as this Subsection 17.F otherwise provides, according to the then-current commercial arbitration rules of the American Arbitration Association. All proceedings will be conducted at a suitable location chosen by the arbitrators in the city in which our then current principal business address is located (currently, Orlando, Florida). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). Except as expressly provided otherwise in the remainder of this Section 17, judgment upon the arbitrators' award may be entered in any court of competent jurisdiction.

The arbitrators have the right to award or include in their award any relief which they deem proper, including, without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs, provided that the arbitrators may not declare any Mark generic or otherwise invalid or, except as expressly provided in Subsection 17.I below, award any punitive or exemplary damages against either party (we and you hereby waiving to the fullest extent permitted by law, except as expressly provided in Subsection 17.I below, any right to or claim for any punitive or exemplary damages against the other). All aspects of the arbitration, including statements made and documents produced within

the arbitration, will be confidential in nature and will not be admissible in any subsequent legal proceeding.

Except as expressly limited by Subsection 17.K below, we and you agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier. We and you further agree that, in any arbitration proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any claim which is not submitted or filed as required is forever barred. The arbitrators may not consider any settlement discussions or offers that might have been made by either you or us. We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished our right to seek the recovery of those costs in accordance with Subsection 17.C.

We and you agree that arbitration will be conducted on an individual, not a class-wide, basis and that an arbitration proceeding between us and our affiliates, and our and their respective shareholders, members, partners, officers, directors, managers, agents, and/or employees, and you (and/or your owners, guarantors, affiliates, and/or employees) may not be consolidated with any other arbitration proceeding between us and any other person. Notwithstanding the foregoing or anything to the contrary in this Subsection 17.F or Subsection 17.A, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Subsection 17.F, then the parties agree that this arbitration clause shall not apply to that dispute and that such dispute will be resolved in a judicial proceeding in accordance with this Section 17 (excluding this Subsection 17.F).

Except as expressly provided otherwise in the remainder of this Section 17, despite our and your agreement to arbitrate, we and you each have the right in a proper case to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction; provided, however, that we and you must contemporaneously submit our dispute for arbitration on the merits as provided in this Subsection 17.F.

The provisions of this Subsection 17.F are intended to benefit and bind certain third-party non-signatories and will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

**G. GOVERNING LAW.**

**ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER FEDERAL LAW, THIS AGREEMENT, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF FLORIDA, WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT ANY FLORIDA LAW REGULATING THE SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP**

**OF A FRANCHISOR AND ITS FRANCHISE OWNER WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SUBSECTION 17.G.**

**H. CONSENT TO JURISDICTION.**

**SUBJECT TO SUBSECTIONS 17.E AND F ABOVE AND THE PROVISIONS BELOW, YOU AND YOUR OWNERS AGREE THAT ALL ACTIONS ARISING UNDER THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN YOU AND US MUST BE COMMENCED IN THE STATE OR FEDERAL COURT OF COMPETENT JURISDICTION LOCATED CLOSEST TO OUR THEN CURRENT PRINCIPAL BUSINESS ADDRESS (CURRENTLY, ORLANDO, FLORIDA), AND YOU (AND EACH OWNER) IRREVOCABLY SUBMIT TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION YOU (OR THE OWNER) MIGHT HAVE TO EITHER THE JURISDICTION OF OR VENUE IN THOSE COURTS. NONETHELESS, YOU AND YOUR OWNERS AGREE THAT WE MAY ENFORCE THIS AGREEMENT AND ANY ARBITRATION ORDERS AND AWARDS IN THE COURTS OF THE STATE OR STATES IN WHICH YOU ARE DOMICILED OR THE CENTER IS LOCATED.**

**I. WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.**

**EXCEPT FOR YOUR OBLIGATION TO INDEMNIFY US FOR THIRD PARTY CLAIMS UNDER SUBSECTION 16.D. AND TO PAY US BRAND DAMAGES UNDER SUBSECTION 15.A, YOUR FAILURE TO COMPLY WITH YOUR CONFIDENTIALITY, NON-COMPETITION AND NON-DISPARAGEMENT OBLIGATIONS UNDER SECTIONS 6, 7 AND 15.D, AND EXCEPT FOR PUNITIVE DAMAGES AVAILABLE TO EITHER PARTY UNDER FEDERAL LAW, WE AND YOU (AND YOUR OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, OR CONSEQUENTIAL DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN US AND YOU, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS. WE AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF US.**

**J. BINDING EFFECT.**

This Agreement is binding upon us and you and our and your respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors in interest. Subject to our right to modify the Operations Manual and System Standards, this Agreement may not be modified except by a written agreement signed by both our and your duly-authorized officers.

**K. LIMITATIONS OF CLAIMS.**

**EXCEPT FOR CLAIMS ARISING FROM YOUR NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OUR RELATIONSHIP WITH YOU WILL BE BARRED UNLESS A JUDICIAL OR ARBITRATION PROCEEDING IS COMMENCED WITHIN EIGHTEEN (18) MONTHS FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS.**

**L. LIMITED LIABILITY FOR OUR RELATED PARTIES.**

**YOU AGREE THAT NO PAST, PRESENT OR FUTURE DIRECTOR, OFFICER, MANAGER, EMPLOYEE, INCORPORATOR, MEMBER, PARTNER, SHAREHOLDER, SUBSIDIARY, AFFILIATE, OWNER, ENTITY UNDER COMMON CONTROL, OWNERSHIP OR MANAGEMENT, VENDOR, SERVICE PROVIDER, AGENT, ATTORNEY OR REPRESENTATIVE OF OURS WILL HAVE ANY LIABILITY FOR (I) ANY OF OUR OBLIGATIONS OR LIABILITIES RELATING TO OR ARISING FROM THIS AGREEMENT; (II) ANY CLAIM AGAINST US BASED ON, IN RESPECT OF, OR BY REASON OF, THE RELATIONSHIP BETWEEN YOU AND US, OR (III) ANY CLAIM AGAINST US BASED ON ANY ALLEGED UNLAWFUL ACT OR OMISSION OF OURS.**

**M. COVENANT OF GOOD FAITH.**

**IF APPLICABLE LAW IMPLIES A COVENANT OF GOOD FAITH AND FAIR DEALING IN THIS AGREEMENT, THE PARTIES HERETO AGREE THAT THE COVENANT WILL NOT IMPLY ANY RIGHTS OR OBLIGATIONS THAT ARE INCONSISTENT WITH A FAIR CONSTRUCTION OF THE TERMS OF THIS AGREEMENT. ADDITIONALLY, IF APPLICABLE LAW WILL IMPLY THE COVENANT, YOU AGREE THAT: (I) THIS AGREEMENT (AND THE RELATIONSHIP OF THE PARTIES HERETO THAT IS INHERENT IN THIS AGREEMENT) GRANTS US THE JUDGMENT TO MAKE DECISIONS, TAKE ACTIONS AND/OR REFRAIN FROM TAKING ACTIONS NOT INCONSISTENT WITH OUR EXPLICIT RIGHTS AND OBLIGATIONS UNDER THIS AGREEMENT THAT MAY FAVORABLY OR ADVERSELY AFFECT YOUR INTERESTS; (II) ANY JUDGMENT WE EXERCISE WILL BE BASED ON OUR ASSESSMENT OF OUR OWN INTERESTS AND BALANCING THOSE INTERESTS AGAINST THE INTERESTS OF OUR FRANCHISE OWNERS GENERALLY, AND SPECIFICALLY WITHOUT CONSIDERING YOUR INDIVIDUAL INTERESTS OR THE INDIVIDUAL INTERESTS OF ANY OTHER PARTICULAR FRANCHISE OWNER; (III) WE WILL HAVE NO LIABILITY TO YOU FOR THE EXERCISE OF OUR JUDGMENT IN THIS MANNER, SO LONG AS THE JUDGMENT IS NOT EXERCISED IN BAD FAITH; AND (IV) IN THE ABSENCE OF BAD FAITH, NO TRIER OF FACT IN ANY ARBITRATION OR LITIGATION WILL SUBSTITUTE ITS JUDGMENT FOR OUR JUDGMENT SO EXERCISED.**

N. **CONSTRUCTION.**

The preambles and exhibits are a part of this Agreement which, together with any addenda or riders signed at the same time as this Agreement, constitutes our and your entire agreement, and supersedes all prior and contemporaneous oral or written agreements and understandings between us and you relating to the subject matter of this Agreement. There are no other oral or written understandings or agreements between us and you, or oral or written representations by us, relating to the subject matter of this Agreement, the franchise relationship, or the Center (any understandings or agreements reached, or any representations made, before this Agreement are superseded by this Agreement). Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require you to waive reliance on any representation made by us in our most recent franchise disclosure document (including exhibits and amendments) delivered to you or your representative.

Any policies that we adopt and implement at any time and from time to time to guide us in our decision-making are subject to change, are not a part of this Agreement, and are not binding on us.

Except as provided in Subsections 16.D and 17.F, nothing in this Agreement is intended or deemed to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

Except where this Agreement expressly obligates us reasonably to approve or not unreasonably to withhold our approval of any of your actions or requests, we have the absolute right to refuse any request you make or to withhold our approval of any of your proposed, initiated, or completed actions that require our approval. The headings of the sections and paragraphs are for convenience only and do not define, limit, or construe the contents of these sections or paragraphs.

References in this Agreement to “we,” “us,” and “our,” with respect to all of our rights and all of your obligations to us under this Agreement, include any of our affiliates with whom you deal. The term “affiliate” means any person or entity directly or indirectly owned or controlled by, under common control with, or owning or controlling you or us. “Control” means the power to direct or cause the direction of management and policies. The words “include” and “including” are meant to be illustrative and not exhaustive and are deemed to be read in all cases as “including, without limitation” and/or “including but not limited to.”

If two or more persons are at any time the owners of the Franchise and the Center, whether as partners or joint venturers, their obligations and liabilities to us will be joint and several. References to “owner” mean any person holding a direct or indirect ownership interest (whether of record, beneficially, or otherwise) or voting rights in you (or a transferee of this Agreement and the Center or an ownership interest in you), including, without limitation, any person who has a direct or indirect interest in you (or a transferee), this Agreement, the Franchise, or the Center and any person who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets.

References to a “controlling ownership interest” in you (if an Entity) means in a partnership, corporation, limited liability company or other form of business entity, the power, directly or indirectly (including via a nominee arrangement), either to (i) vote fifty percent (50%) or more of the securities having ordinary voting power; (ii) determine the majority of the board of directors, management committee or similar governing body of such person or business entity; or (iii) direct or cause the direction of the management and policies of such person or business entity whether by contract or otherwise. In a trust, a trustee shall be deemed to hold fifty percent (50%) of the voting interests of the trust, and each beneficiary of a trust shall be deemed to hold his proportionate share of the voting interest of the trust or, if that interest is indeterminate, fifty percent (50%) of the voting interests of the trust.

“*Person*” means any natural person, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative, or other legal or functional entity.

Unless otherwise specified, all references to a number of days shall mean calendar days and not business days.

The term “Center” includes all of the assets of the P3 Recovery Center you operate under this Agreement, including its revenue and the Lease.

The term “employee” includes all of the Center’s personnel, including all managers, administrators and other personnel, whether such person is classified as an employee of yours or an independent contractor.

This Agreement may be executed in multiple copies, each of which will be deemed an original.

O. **MULTIPLE FORMS OF AGREEMENT.**

**YOU ACKNOWLEDGE AND AGREE THAT THERE MAY BE MORE THAN ONE FORM OF FRANCHISE AGREEMENT IN EFFECT BETWEEN US AND OUR VARIOUS P3 RECOVERY CENTER FRANCHISE OWNERS; THOSE OTHER AGREEMENTS MAY CONTAIN PROVISIONS THAT MAY BE MATERIALLY DIFFERENT FROM THE PROVISIONS CONTAINED IN THIS AGREEMENT; AND YOU ARE NOT ENTITLED TO RELY ON ANY PROVISION OF ANY OTHER AGREEMENT WITH OTHER P3 RECOVERY CENTER FRANCHISE OWNERS WHETHER TO ESTABLISH COURSE OF DEALING, WAIVER, OR ESTOPPEL, OR FOR ANY OTHER PURPOSE.**

**18. NOTICES AND PAYMENTS.**

All written notices, reports, and payments permitted or required to be delivered by this Agreement or the Operations Manual will be deemed to be delivered:

- (a) at the time delivered by hand;

(b) at the time delivered via computer transmission and, in the case of the Royalty, Fund contributions, and other amounts due, at the time we actually receive payment via the EDTA;

(c) one (1) business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery; or

(d) three (3) business days after placement in the United States mail by registered or certified mail, return receipt requested, postage prepaid.

Any notice to us must be sent to the address specified on the first page of this Agreement, with a copy to the following:

Greenberg Traurig, LLP  
360 North Green Street, Suite 1300  
Chicago, Illinois 60607  
Attn: Alan R. Greenfield, Esq.

We may change these addresses for notice by giving you notice of the new address(es). Any notice that we send to you may be sent only to the one (1) person identified on **Exhibit A**, even if you have multiple owners, at the email or postal address specified on **Exhibit A**. You may change the person and/or address for notice only by giving us thirty (30) days' prior notice by any of the means specified in subparagraphs (a) through (e) above.

Any required payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days before then) will be deemed delinquent.

## **19. COMPLIANCE WITH ANTI-TERRORISM AND OTHER LAWS.**

You and your owners agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with all applicable legislation, laws, regulations, rules, ordinances, administrative orders, decrees and policies of any court, arbiter, government, governmental agency, department, or similar organization that are in effect from time to time pertaining to: (a) the various anti-terrorism, economic sanctions, and anti-money laundering and narco-trafficking laws, regulations, orders, decrees and guidelines of the U.S. Department of the Treasury's Office of Foreign Assets Control, (b) the USA PATRIOT Act (Title III of Pub. L. 107-56, signed into law October 26, 2001), as amended, (c) the provisions of United States Executive Order 13224, (d) the U.S. Prevention of Corruption Act 1988, (e) the U. S. Foreign Corrupt Practices Act, 15 U.S.C. Section 78dd-2, (f) relevant multilateral measures such as the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the UN Convention Against Corruption, (g) bribery and anti-corruption laws, (h) the laws against money laundering, and (i) the laws against facilitating or supporting persons who conspire to commit these and other crimes against any person or government. You immediately shall notify us in writing if a potential violation of any of the foregoing legislation, laws, regulations, rules, ordinances, administrative orders, decrees and/or policies has occurred or is suspected to have occurred. You immediately shall provide us with copies of any communication to or from any such agency, government, or

commission that relates to or affects this Agreement, the Center, or the Marks. Any failure to comply with this Section by you or your owners, or any blocking of your or your owners' assets under any of such laws, legislation, regulations, orders, decrees and/or policies shall constitute good cause for immediate termination of this Agreement, as provided in Subsection 14.B.25 above.

**20. ELECTRONIC MAIL.**

You acknowledge and agree that exchanging information with us by e-mail is efficient and desirable for day-to-day communications and that we and you may utilize e-mail for such communications. You authorize the transmission of e-mail by us and our employees, vendors, and affiliates (“*Official Senders*”) to you during the Term.

You further agree that: (a) Official Senders are authorized to send e-mails to those of your employees as you may occasionally authorize for the purpose of communicating with us; (b) you will cause your managers, officers, directors, employees and agents to give their consent to Official Senders' transmission of e-mails to them; (c) you will require such persons not to opt out or otherwise ask to no longer receive e-mails from Official Senders during the time that such person works for or is affiliated with you; and (d) you will not opt out or otherwise ask to no longer receive e-mails from Official Senders during the Term.

The consent given in this Section 20 shall not apply to the provision of notices by either party under this Agreement pursuant to Section 18 using e-mail unless the parties otherwise agree in a written document manually signed by both parties.

**21. ELECTRONIC SIGNATURES**

The counterparts of this Agreement and all ancillary documents executed or delivered in connection with this Agreement may be executed and signed by electronic signature by any of the parties to this Agreement, and delivered by electronic or digital communications to any other party to this Agreement, and the receiving party may rely on the receipt of such document so executed and delivered by electronic or digital communications signed by electronic signature as if the original has been received. For the purposes of this Agreement, electronic signature means, without limitation, an electronic act or acknowledgement (e.g., clicking an “I Accept” or similar button), sound, symbol (digitized signature block), or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

[Signatures on following page.]

**IN WITNESS WHEREOF**, the parties have executed and delivered this Agreement on the dates noted below, to be effective as of the Effective Date.

**P3 RECOVERY USA LLC**, a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**DATED\*:** \_\_\_\_\_  
(\*Effective Date of this Agreement)

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE FRANCHISE AS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchise Owner Entity]

By: \_\_\_\_\_  
[signature of person signing on behalf of entity]

Title of Signatory: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE FRANCHISE INDIVIDUALLY AND NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[signature of individual franchise owner]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[signature of individual franchise owner]

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

**DATED:** \_\_\_\_\_

**EXHIBIT A**  
**TO THE FRANCHISE AGREEMENT**  
**LISTING OF OWNERSHIP INTERESTS**

**Effective Date: This Exhibit A is current and complete  
as of \_\_\_\_\_, 20**

**You and Your Owners**

1. **Form of Owner.** (Choose (a) or (b))

(a) Individual Proprietorship. List individual(s):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(b) **Corporation, Limited Liability Company, or Partnership.** (CIRCLE ONE) You were incorporated or formed on \_\_\_\_\_, under the laws of the state of \_\_\_\_\_. You have not conducted business under any name other than your corporate, limited liability company, or partnership name and \_\_\_\_\_. The following is a list of your managers, directors, and officers, as applicable, as of the effective date shown above:

**Name of Each Manager/Director/Officer**

**Position(s) Held**

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2. **Owners.** The following list includes the full name of each person who is one of your owners (as defined in the Franchise Agreement), or an owner of one of your owners, and fully describes the nature of each owner's interest (attach additional pages if necessary).

	<u>Owner's Name</u>	<u>Percentage/Description of Interest</u>
(a)	_____	_____
(b)	_____	_____
(c)	_____	_____
(d)	_____	_____

3. **Name and Address of Person to Receive Notice for Franchise Owner.**

- (a) Name: \_\_\_\_\_
- (b) Postal Address: \_\_\_\_\_  
\_\_\_\_\_
- (c) E-mail Address: \_\_\_\_\_

4. **Identification of Managing Owner.** Your Managing Owner as of the Effective Date is \_\_\_\_\_ (must be one of the individuals listed in paragraph 2 above). You may not change the Managing Owner without prior written approval.

[Signatures on following page.]

**P3 RECOVERY USA LLC**, a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**DATED\*:** \_\_\_\_\_  
(\*Effective Date of this Agreement)

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE FRANCHISE AS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchise Owner Entity]

By: \_\_\_\_\_  
[signature of person signing on behalf of entity]

Title of Signatory: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE FRANCHISE INDIVIDUALLY AND NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[signature of individual franchise owner]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[signature of individual franchise owner]

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

**DATED:** \_\_\_\_\_

**EXHIBIT B**  
**TO THE FRANCHISE AGREEMENT**  
**THE DESIGNATED AREA, PREMISES, TERRITORY AND MINIMUM**  
**PERFORMANCE STANDARDS**

1. The Designated Area (if applicable) shall be:

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2. The Premises of the Center will be located at:

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3. The Territory shall be:

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4. The Minimum Performance Standards you must meet in your first year of operation are below. The Minimum Performance Standards for each subsequent year are subject to an annual increase of up to twenty percent (20%), unless otherwise agreed to by the parties as part of the Annual Business Plan pursuant to Subsection 8.P of the Agreement.

Minimum Performance Standard	Deadline
Achieve a minimum of three hundred fifty (350) clients on memberships	Six (6) months after commencement of operations
Achieve a minimum of twenty (20) gym/fitness center partners	Twelve (12) months after commencement of operations
Achieve a minimum of ten (10) corporate partnerships	Twelve (12) months after commencement of operations

**P3 RECOVERY USA LLC**, a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**DATED\*:** \_\_\_\_\_  
(\*Effective Date of this Agreement)

**FRANCHISE OWNER**

**(IF YOU ARE TAKING THE FRANCHISE AS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchise Owner Entity]

By: \_\_\_\_\_  
[signature of person signing on behalf of entity]

Title of Signatory: \_\_\_\_\_

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE FRANCHISE INDIVIDUALLY AND NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[signature of individual franchise owner]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[signature of individual franchise owner]

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

**DATED:** \_\_\_\_\_

**EXHIBIT C**

**TO THE FRANCHISE AGREEMENT**

**FRANCHISE ADDENDUM TO LEASE AGREEMENT**

**THIS FRANCHISE ADDENDUM TO LEASE AGREEMENT** (this “*Addendum*”) is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between \_\_\_\_\_, a(n) \_\_\_\_\_ (“*Landlord*”) and \_\_\_\_\_, a(n) \_\_\_\_\_ (“*Tenant*”) for the benefit of **P3 RECOVERY USA LLC**, a Delaware limited liability company (“*Franchisor*”).

**WHEREAS**, Tenant and Franchisor have executed a P3 Recovery Franchise Agreement (the “*Franchise Agreement*”), pursuant to which Franchisor has granted Tenant the right to establish and operate a “P3 RECOVERY”-branded Center at the following location: \_\_\_\_\_ (the “*Premises*”);

**WHEREAS**, Tenant and Landlord are entering into a lease agreement (the “*Lease*”), pursuant to which Tenant will lease the Premises from Landlord; and

**WHEREAS**, Franchisor has required Tenant to include certain terms in the Lease in order to protect Franchisor’s rights, and Landlord has agreed to such terms.

**NOW, THEREFORE**, for good and valuable consideration, the receipt of which the parties hereby acknowledge, Landlord and Tenant agree as follows:

1. Landlord agrees to: (a) furnish to Franchisor a copy of any default notice served on Tenant and/or another lessee under the Lease simultaneously with the service of the notice to Tenant and/or such other lessee; (b) provide Franchisor with notice of any proposed renewals, extensions, modifications and amendments to the Lease; (c) give Franchisor the opportunity, but Franchisor shall not be required, to cure any default by Tenant or other lessee under the Lease within fifteen (15) days following the expiration of any applicable cure period if Tenant and/or such other lessee fail to cure such default; and (d) to furnish to Franchisor, at Franchisor’s request, a copy of any sales or operating information for the Premises provided by Tenant. All notices to Franchisor shall be sent to the following address: P3 RECOVERY USA LLC, 9000 W. Colonial Drive, Suite 401, Ocoee, Florida 34761, unless Landlord is notified otherwise in writing by Franchisor. No notice to Tenant shall be effective unless and until a copy thereof is served upon Franchisor.

2. Landlord agrees that if Franchisor exercises its right to cure a default by Tenant and/or another lessee under the Lease, then Franchisor may, at its option, succeed to Tenant’s and/or such other lessee’s interests under the Lease and shall be recognized by Landlord as the lessee or sublessee thereunder for the remaining term of the Lease.

3. Landlord agrees that the expiration of the Franchise Agreement (unless Tenant enters into a renewal Franchise Agreement with Franchisor) or a termination of the Franchise Agreement prior to expiration shall constitute a default under the Lease, giving Franchisor the

right, but not the obligation, to cure such default by succeeding to Tenant's and/or any other lessee's interests as the new lessee or sublessee under the Lease.

4. Landlord agrees that upon the termination or expiration of the Lease, Franchisor shall have the first right of refusal to lease the Premises as the new lessee or sublessee.

5. Landlord agrees that Franchisor shall have the right to enter the Premises to make any modifications or alterations necessary in Franchisor's sole judgment to protect its franchise system, trademarks, trade names, trade dress and other intellectual property without being guilty of trespass or any other tort or crime.

6. Landlord agrees that upon the expiration or termination of the Franchise Agreement, Franchisor shall have the right to enter the Premises and remove any trade fixtures, interior or exterior signs or other items bearing its trademarks. Landlord agrees upon the expiration or termination of the Franchise Agreement to relinquish to Franchisor any and all liens or other ownership interests, whether by operation of law or otherwise, in and to any tangible property bearing Franchisor's trademarks, service marks or trade dress.

7. Landlord agrees that, if Franchisor succeeds to Tenant's and/or any other lessee's interests under the Lease for any reason, Franchisor shall have the right to further assign the lease or to sublease the Premises to either an entity owned or controlled by Franchisor, or to another franchise owner of Franchisor upon obtaining Landlord's written consent, which consent may not be unreasonably withheld, conditioned or delayed by Landlord. No assignment permitted under this Section is subject to any assignment or similar fee or will cause any rental acceleration.

8. Upon Franchisor's delivery to Landlord and Tenant of its election to exercise its rights under this Addendum, Franchisor shall be entitled to all of Tenant's rights and interests in the Lease, as if Franchisor were the tenant under the Lease, including, by way of example and not limitation, the right to exercise any and all renewal options thereunder, without the need for any further action or instrument.

9. Landlord and Tenant expressly agree that Franchisor is an intended third-party beneficiary of the terms of this Addendum. Landlord and Tenant further agree that Franchisor has no liability or obligation under the Lease unless and until Franchisor exercises its right to assume the Lease under this Addendum.

10. In the event of any inconsistency between the terms of this Addendum and the terms of the Lease, the terms of this Addendum control. All of the terms of this Addendum, whether so expressed or not, are binding upon, inure to the benefit of, and are enforceable by the parties and their respective personal and legal representatives, heirs, successors and permitted assigns. The provisions of this Addendum may be amended, supplemented, waived or changed only by a written document signed by all the parties to this Addendum that makes specific reference to this Addendum and which must be approved in writing by Franchisor. This Addendum may be executed in one or more counterparts, each of which is an original, but all of which together constitute one and the same instrument.

**LANDLORD:**

**TENANT:**

[ \_\_\_\_\_ ], a [ \_\_\_\_\_ ]

[ \_\_\_\_\_ ], a [ \_\_\_\_\_ ]

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

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

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

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

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

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

**EXHIBIT D**  
**TO THE FRANCHISE AGREEMENT**  
**NONDISCLOSURE AND NON-COMPETITION AGREEMENT**

**THIS NONDISCLOSURE AND NON-COMPETITION AGREEMENT** (this “*Agreement*”) is made as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, is executed by \_\_\_\_\_ (“*Individual*,” “*me*,” or “*I*”) for the benefit of P3 RECOVERY USA LLC, a Delaware limited liability company (“*Company*”), and for \_\_\_\_\_, a/an \_\_\_\_\_ (“*Franchise Owner*”).

Franchise Owner is a franchise owner of Company pursuant to a franchise agreement entered into by those parties concerning a Center operating, or to be operated, under the “P3 RECOVERY” name at \_\_\_\_\_ (the “*Franchise Agreement*”). The franchised business Company authorizes Franchise Owner to operate under the Franchise Agreement is known as the “Center,” which Center is one among all Centers that Company owns, operates, or franchises under the “P3 RECOVERY” name. I agree that, unless otherwise specified, all capitalized terms in this Agreement have those meanings ascribed to them in the Franchise Agreement.

(1) I agree that during the term of my employment by, ownership participation in, association with or service to Franchise Owner, or at any time thereafter, I will not communicate, divulge or use for the benefit of any other person, persons, partnership, proprietorship, association, corporation or entity, Company’s proprietary and confidential information relating to the development and operation of P3 Recovery Centers, including but not limited to the following concerning P3 Recovery Centers: (1) site selection criteria and layouts, designs and other plans and specifications for P3 Recovery Centers (2) training and operations materials, notices and manuals; (3) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating P3 Recovery Centers; (4) marketing, promotional and advertising research and programs for P3 Recovery Centers; (5) knowledge of specifications for and suppliers of Operating Assets and other products and supplies, including supplier pricing and related terms; (6) any computer software or similar technology which is proprietary to Company or the System, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology; (7) knowledge of the operating results and financial performance of P3 Recovery Centers other than the Center; (8) graphic designs and related intellectual property; (9) client and member solicitation, communication and retention programs, along with data and information used or generated in connection with those programs; (10) all data and other information generated by, or used in, the operation of the Center, including client and member names, addresses, phone numbers, pricing and other information supplied by any client or member (such as credit card information or personal information), and any other information contained at any time and from time to time in the Computer System or that visitors to the Center (including you and your personnel) provide to the Website for the network of P3 Recovery Centers; (11) future business plans relating to P3 Recovery Centers and the P3 RECOVERY franchise opportunity, including expansion and

development plans; (12) know-how, sales, organizational, operational and other information concerning the System; (13) the contents of any plans, Center designs, records or other documents; (14) all of Company's records and all information Company or its affiliates derive, receive from Franchise Owner or are entitled to about the Center, including without limitation all information in Franchise Owner's records or Company's concerning the members, member data and member lists of the Center and all P3 Recovery Centers in the System, whether prepared by Franchise Owner or otherwise coming into Franchise Owner's possession, and all revenues Company derives from such information; and (15) any other information that Company or Franchise Owner reasonably designates as confidential or proprietary, or by its nature would reasonably be understood to be confidential or proprietary, regardless of whether such information is specifically designated as confidential or proprietary (collectively, all information referenced above, including examples (1) through (15), is known as the "**Confidential Information**").

Furthermore, any and all information, knowledge, know-how, techniques and information which the entities mentioned above (or their officers, directors or managers) designate as confidential is considered, and hereby acknowledged by me, to be Confidential Information for the purposes of this Agreement, except information which I can demonstrate came to my attention before disclosure or which had become or becomes a part of the public domain through publication or communication by others (unless the publication or communication violates a similar confidentiality agreement), but in no event through any act of mine.

I specifically understand that, without limitation, all the above items, concepts, and/or examples contained in the preceding paragraph constitute Confidential Information of Company, and I will not divert any business to competitors of Franchise Owner and/or Company. I will at no time copy, duplicate, record or otherwise reproduce any of the Confidential Information or material containing it, in whole or in part, store them in a computer retrieval or database, otherwise make them available to any unauthorized person, nor enter, input, upload, submit, or otherwise disclose them to any publicly accessible or third-party artificial intelligence system, large language model, machine learning platform, chatbot, or similar service, including, without limitation, ChatGPT, Microsoft Copilot, Google Gemini, Claude, Perplexity, and any similar or successor technologies, whether accessed via website, application, plugin, or other means.

I further agree that, during the term of my employment/service/association or ownership participation, I will not, directly or indirectly, engage or participate in any Competitive Business (defined below in this paragraph), any of which such prohibited behavior I understand and hereby explicitly acknowledge would or could be injurious to, or (in Company's sole judgment) have an adverse effect upon, Company's protectable interests in the Confidential Information, the "P3 RECOVERY" trademark or related Marks, or the goodwill and/or reputation of P3 Recovery Centers generally. I agree that I am prohibited from engaging in any Competitive Business as a proprietor, partner, investor, shareholder, director, manager, member, officer, employee, principal, agent, advisor, or consultant. For purposes of this Agreement, a "**Competitive Business**" means (i) any business which derives more than five percent (5%) of its revenue from selling The term "Competitive Business" means (i) any business which derives more than five percent (5%) of its revenue from selling health, wellbeing and fitness recovery services or equipment or (ii) any business granting franchises or licenses to others to operate the type of business specified in the preceding subparagraph (i) (other than a P3 Recovery Center operated under a franchise agreement

with us) Despite the foregoing definition of a Competitive Business, nothing under this Agreement or the Franchise Agreement will prevent Individual from owning for investment purposes less than two percent (2%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange, and so long as neither Individual nor Franchise Owner controls the company in question.

Upon the expiration or other termination for any reason of my employment, association, service or ownership participation, I agree:

- (i) to return immediately to Company or Franchise Owner, as the case may be, all Confidential Information, and any material(s) containing a subset thereof, in my possession that was utilized, or to which I had access, during my employment, association, service or ownership participation;
- (ii) to refrain, for a period of two (2) years starting on the earlier of the effective date of termination or expiration of my employment/service/association or ownership participation, from directly or indirectly contacting or soliciting any of the Center's clients or members for the purpose of providing services that are competitive with the products and services provided by the Center;
- (iii) not to divert or attempt to divert, for a period of two (2) years starting on the earlier of the effective date of termination or expiration of my employment, service, association or ownership participation, any business, client or member of the Center to a Competitive Business; and
- (iv) for a period of two (2) years, starting on the earlier of the effective date of termination or expiration of my employment/service/association or ownership participation, to refrain from directly or indirectly (such as through any one or more of my spouse, legally-recognized domestic partner, parents, children or sibling(s) (collectively, "*Immediate Family*")) owning a legal or beneficial interest in, or rendering services or giving advice to: (a) any Competitive Business operating at the Premises or within a twenty-five (25) mile radius of the Premises; (b) any Competitive Business operating within a radius of twenty-five (25) miles of any P3 Recovery Center in operation or under construction on the later of the effective date of termination or expiration of my employment/service/association/ ownership participation; or (c) any entity which grants franchises, licenses or other interests to others to operate any Competitive Business.

I acknowledge and understand that the provisions of this Agreement, including my representations, covenants, and warranties (as applicable) given hereunder, are necessary and integral to this Agreement and to Company's and Franchise Owner's interests under the Franchise Agreement, and are intended to:

- (i) preclude not only direct competition, but also all forms of indirect competition, such as consultation for Competitive Businesses, service as an independent contractor for Competitive Businesses, or any assistance or transmission of information of any kind which would be of any material assistance to a competitor;

- (ii) bind any person or entity having any legal or beneficial interest in me, or traceable to, down or through me, including (without limitation) any of member of my Immediate Family, any direct or indirect beneficiary, any partner (general or limited) or proprietor of mine, and any other such related person or entity, regardless of how many levels or tiers there may be between any such described person or entity and me; and
- (iii) identify for me, toward the goal of preserving through this Agreement, Company's protectable legal interests in the System, clients or members of P3 Recovery Centers, the Confidential Information, and the goodwill associated with the Marks.

I also expressly acknowledge my possession of skills and abilities of a general nature, and the opportunity for exploiting such skills in other ways than the operation or involvement in the activities of a P3 Recovery Center or a Competitive Business, so that enforcement of my covenants made in this Agreement will not deprive me of my personal goodwill or ability to earn a living after the effective date of expiration or termination of my relationship with Franchise Owner, the Center, or P3 Recovery Centers generally. If I fail or refuse to abide by any of my foregoing obligations or promises made under this Agreement, and Company or Franchise Owner obtains enforcement in a judicial or arbitration proceeding, then my obligations and responsibilities specified under the breached covenant will be tolled during the period(s) of time that the covenant is breached and/or Company or Franchise Owner seeks to enforce it, and will continue for two (2) years starting from the effective date of the order enforcing the covenant.

**I acknowledge that violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to Company and Franchise Owner, for which no adequate remedy at law will be available. Accordingly, I hereby consent to the entry of an injunction procured by Company or Franchise Owner (or both), in any appropriate jurisdiction and venue (notwithstanding other references to resolution of actions exclusively in Company's home prohibiting any conduct by me in violation of the terms of those covenants not to compete and/or restrictions on the use of Confidential Information under this Agreement). I expressly agree that it may conclusively be presumed in any legal action that any violation of the terms of these covenants not to compete was accomplished by and through my unlawful utilization of Company's Confidential Information. Further, I expressly agree that any claims I may have against Company will not constitute a defense to Company's enforcement of the covenants not to compete under this Agreement. I further agree to pay all costs and expenses (including reasonable attorneys' and experts' fees) incurred by Company in connection with the enforcement of those covenants not to compete set forth in this Agreement.**

If all, or any portion of, this covenant not to use Confidential Information and not to compete is held unreasonable, void, vague or illegal by any court or agency having valid jurisdiction in an unappealed final decision to which Franchise Owner and/or Company is a party, the court or agency will be empowered to revise and/or construe the covenant to fall within permissible legal limits, and should not invalidate the entire covenant. I expressly agree to be bound by any lesser covenant subsumed within the terms of this Agreement as if the resulting covenant were separately stated in and made a part of this Agreement.

I agree that this Agreement and all relations and disputes between myself on the one hand, and Franchise Owner or Company on the other hand, whether sounding in contract, tort, or otherwise, are to be exclusively construed in accordance with and/or governed by (as applicable) the law of the state of Florida without recourse to Florida (or any other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of the state of Florida, and if the Center is located outside of the state of Florida and the provision would be enforceable under the laws of the state in which the Center is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Agreement is intended to invoke the application of any franchise, business opportunity, antitrust, “implied covenant”, unfair competition, fiduciary or any other doctrine of law of the state of Florida or any other state, which would not otherwise apply.

I further agree that any litigation arising out of or related to this Agreement, any breach of this Agreement, and any and all relations and/or disputes between myself on the one hand, and Franchise Owner or Company on the other hand, whether sounding in contract, tort, or otherwise, will be instituted exclusively in the U.S. District Court sitting nearest to Company’s corporate headquarters (currently, Orlando, Florida). I agree that any dispute as to the aforementioned venue will be submitted to and resolved exclusively by such aforementioned court. Nonetheless, I agree that Franchise Owner or Company may enforce this Agreement and any awards in the courts of the state or states in which I am domiciled or the Center is located.

**I IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY ME, FRANCHISE OWNER OR COMPANY.** I hereby waive and covenant never to assert or claim that said venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens).

[Signatures on Following Page]

**IN WITNESS WHEREOF**, Franchise Owner has hereunto caused this Agreement to be executed by its duly authorized officer, and Individual has executed this Agreement, as of the day and year first written above.

**ATTESTED TO BY FRANCHISE OWNER:**

\_\_\_\_\_,  
a/an \_\_\_\_\_

By: \_\_\_\_\_  
(Name of Franchise Owner's Officer)

Signed: \_\_\_\_\_  
(Signature of Franchise Owner's Officer)

\_\_\_\_\_  
(Date)

**INDIVIDUAL:**

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

**WITNESS TO INDIVIDUAL'S SIGNATURE:**

\_\_\_\_\_  
(Print Witness Name)

\_\_\_\_\_  
(Signature of Witness)

\_\_\_\_\_  
(Date)

**EXHIBIT E**  
**TO THE FRANCHISE AGREEMENT**  
**ELECTRONIC TRANSFER AUTHORIZATION FORM**

**ELECTRONIC PAYMENT AUTHORIZATION AGREEMENT**  
**(ACH CREDITS AND DEBITS)**

I hereby authorize P3 RECOVERY USA LLC (“**FRANCHISOR**”), to initiate debit and credit entries and to initiate, if necessary, adjustments for any debit or credit entries in error to \_\_\_\_\_ (“**FRANCHISE OWNER**”)  Checking (please attach voided check) or  Savings account (select one) indicated below at the depository named below, (“**DEPOSITORY**”), to debit and/or credit the same to such account.

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

Depository Branch: \_\_\_\_\_

Depository Address: \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Routing Number: \_\_\_\_\_

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

Account Number: \_\_\_\_\_

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees that this authorization is to remain in full force and effect until terminated by FRANCHISE OWNER pursuant to a written notice to FRANCHISOR in such time and in such manner as to afford FRANCHISOR and DEPOSITORY a reasonable opportunity to act on it, but in no event less than thirty (30) days in advance thereof. FRANCHISE OWNER consents for the DEPOSITORY to provide FRANCHISOR with a bank account statement and deposit detail, at any time and from time to time, for any and all accounts described above.

[SIGNATURE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, this authorization has been executed on \_\_\_\_\_, 20\_\_ at \_\_\_\_\_.

**FRANCHISE OWNER:**

[NAME]

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

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

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

Phone No.: \_\_\_\_\_

**[ATTACH VOIDED CHECK HERE]**

**EXHIBIT F**

**GUARANTY AND ASSUMPTION OF OBLIGATIONS**

**THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS** is given this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_ (this “*Guaranty*”)

By (list each guarantor):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the “*Agreement*”) on this date by P3 RECOVERY USA LLC (“*us*,” “*we*,” or “*our*”), each of the undersigned personally and unconditionally (a) guarantees to us and our successors and assigns, for the term of the Agreement (including extensions) and afterward as provided in the Agreement, that \_\_\_\_\_ (“*Franchise Owner*”) will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement (including any amendments or modifications of the Agreement) and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (including any amendments or modifications of the Agreement), both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including the non-competition, confidentiality, transfer, and arbitration requirements.

Depending on the creditworthiness of each guarantor and the community property laws of the states in which they reside, we may require that the spouses of one or more guarantors execute this Guaranty as well. Each guarantor represents and warrants that, if no signature appears below for such guarantor’s spouse, such guarantor is either not married or, if married, is a resident of a state that does not require the consent of both spouses to encumber the assets of a marital estate or we have waived in writing any requirement that such spouse execute this Guaranty.

Each of the undersigned consents and agrees that: (1) his or her direct and immediate liability under this Guaranty will be joint and several, both with Franchise Owner and among other guarantors; (2) he or she will render any payment or performance required under the Agreement upon demand if Franchise Owner fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon our pursuit of any remedies against Franchise Owner or any other person; (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which we may at any time and from time to time grant to Franchise Owner or to any other person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including the release of other guarantors), none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement (including extensions), for so long as any performance is or might be owed under the Agreement by Franchise Owner or its owners, and for so long as we have any cause of action against Franchise Owner or its owners; and (5) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement and despite the transfer of any interest in the Agreement or Franchise Owner, and each of the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers.

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchise Owner arising as a result of the undersigned's execution of and performance under this Guaranty; and (ii) acceptance and notice of acceptance by us of his or her undertakings under this Guaranty, notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices to which he or she may be entitled.

If we are required to enforce this Guaranty in a judicial or arbitration proceeding, and prevail in such proceeding, we shall be entitled to reimbursement of our costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators', 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 the undersigned to comply with this Guaranty, the undersigned shall reimburse us for any of the above-listed costs and expenses we incur.

Subject to the arbitration obligations and the provisions below, each of the undersigned agrees that all actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between us and the undersigned, must be commenced in the state or federal court of competent jurisdiction located closest to our then current principal business address (currently, Orlando, Florida), and each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts. Nonetheless, each of the undersigned agrees that we may enforce this Guaranty and any arbitration orders and awards in the courts of the state or states in which he or she is domiciled.

**IN WITNESS WHEREOF**, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

<b>Signatures Of Each Guarantor</b>	<b>Percentage Of Ownership In Franchise Owner</b>
_____	_____ %
_____	Guarantor's Spouse
_____	_____ %
_____	Guarantor's Spouse
_____	_____ %
_____	Guarantor's Spouse
_____	_____ %
_____	Guarantor's Spouse
_____	_____ %
_____	Guarantor's Spouse

**EXHIBIT D TO FDD**

**DEVELOPMENT AGREEMENT RIDER TO FRANCHISE AGREEMENT**

**DEVELOPMENT AGREEMENT RIDER  
TO P3 RECOVERY USA LLC  
FRANCHISE AGREEMENT**

1. **Background.** This Development Agreement Rider (this “**Rider**”) is made between **P3 RECOVERY USA LLC**, a Delaware limited liability company (“**we**,” “**us**,” or “**our**”) and \_\_\_\_\_ (“**you**” or “**your**”). This Rider is attached to, and intended to be a part of, that certain Franchise Agreement that we and you have [signed concurrently with signing this Rider/entered into on \_\_\_\_\_] (the “**Franchise Agreement**”) for the operation of the P3 Recovery Center located at \_\_\_\_\_ (your “**Center**”). We and you are signing this Rider because you want the right to develop additional P3 Recovery Centers (besides your Center covered by the Franchise Agreement) within a certain geographic area over a certain time period, and we are willing to grant you those development rights if you comply with this Rider. Capitalized terms not defined herein shall have the meanings defined in the Franchise Agreement.

2. **Grant of Development Rights.** Subject to your strict compliance with this Rider, we grant you the right to develop \_\_\_\_ ( ) new P3 Recovery Centers (**including** your Center covered by the Franchise Agreement), according to the mandatory development schedule described in Exhibit A to this Rider (the “**Schedule**”), within the following geographic area (the “**Area**”): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

If you (and, to the extent applicable and with our approval, your affiliated entities) are fully complying with all of your obligations under this Rider, and are fully complying with all of your obligations under the Franchise Agreement and all other franchise agreements then in effect between us and you (and, to the extent applicable and with our approval, your affiliated entities) for the development and operation of P3 Recovery Centers, then during this Rider’s term only, we (and our affiliates) may not establish or operate (except to the extent that we already operate P3 Recovery Centers in the Area), or grant to others the right to establish or operate, a P3 Recovery Center the physical premises of which are located within the Area.

Except for the P3 Recovery Center location restriction above, there are no restrictions that this Rider imposes on our (and our affiliates’) activities within the Area during this Rider’s term. You acknowledge and agree that we and our affiliates have the right to engage, and grant to others the right to engage, in any other activities of any nature whatsoever within the Area, including, without limitation, those rights we reserve in the Franchise Agreement. After this Rider expires or is terminated (regardless of the reason for termination), we and our affiliates have the right to establish and operate, and grant to others the right to establish and operate, P3 Recovery Centers the physical premises of which are located within the Area and continue to engage, and grant to others the right to engage, in any activities that we (and they) desire within the Area without any restrictions whatsoever.

YOU ACKNOWLEDGE AND AGREE THAT TIME IS OF THE ESSENCE UNDER THIS RIDER AND THAT YOUR RIGHTS UNDER THIS RIDER ARE SUBJECT TO TERMINATION (WITHOUT ANY CURE OPPORTUNITY) IF YOU DO NOT COMPLY

STRICTLY WITH THE DEVELOPMENT OBLIGATIONS PROVIDED IN THE SCHEDULE. WE MAY ENFORCE THIS RIDER STRICTLY.

3. **Development Obligations.** To maintain your rights under this Rider, you (and/or affiliated entities we approve) must, by the dates specified in the Schedule, sign franchise agreements for and have open and operating the agreed-upon number of P3 Recovery Centers in the Area. You (and/or the approved affiliated entity) will operate each P3 Recovery Center under a separate franchise agreement with us. The franchise agreement (and related documents, including Owner's Guaranty and Assumption of Obligations) that you (and your owners) sign for each additional P3 Recovery Center will be our then current form of franchise agreement (and related documents), any and all of the terms of which may differ materially from any and all of the terms contained in the Franchise Agreement (and related documents). However, despite any contrary provision contained in the newly-signed franchise agreements, your additional P3 Recovery Centers must be open and operating by the dates specified in the Schedule. To retain your rights under this Rider, each of your P3 Recovery Centers must operate continuously throughout this Rider's term in full compliance with its franchise agreement.

4. **Subfranchising Rights.** This Rider does not give you any right to franchise, license, subfranchise, or sublicense others to operate P3 Recovery Centers. Only you (and/or affiliated entities we approve) may develop, open, and operate P3 Recovery Centers pursuant to this Rider. This Rider also does not give you (or your affiliated entities) any independent right to use the "P3 Recovery" trademark or our other trademarks and commercial symbols. The right to use our trademarks and commercial symbols is granted only under a franchise agreement signed directly with us. This Rider only grants you potential development rights if you comply with its terms.

5. **Development Fees.** As consideration for the development rights we grant you in this Rider, you must pay us, at the same time you sign this Rider, a total of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) (the "**Development Fee**"), which equals (a) the Sixty-Five Thousand Dollar (\$65,000) initial franchise fee due under the Franchise Agreement plus (b) a deposit of Thirty-Two Thousand Five Hundred Dollars (\$32,500) for each additional P3 Recovery Center you agree to develop under the Schedule. Our initial franchise fee for the first and each additional P3 Recovery Center you develop pursuant to this Rider is Sixty-Five Thousand Dollar (\$65,000). The Development Fee is consideration for the rights we grant you in this Rider and for reserving the Area for you to the exclusion of others, is fully earned by us when we and you sign this Rider, and is not refundable under any circumstances, even if you do not comply or attempt to comply with the Schedule and we then terminate this Rider for that reason.

While the Development Fee is not refundable under any circumstances, when you (or your approved affiliated entity) sign the franchise agreement for each additional P3 Recovery Center to be developed, we will apply Thirty-Two Thousand Five Hundred Dollars (\$32,500) of the Development Fee toward the initial franchise fee due for that P3 Recovery Center (leaving a balance due of Thirty-Two Thousand Five Hundred Dollars (\$32,500)).

6. **Grant of Franchises.** You must submit to us a separate application for each P3 Recovery Center you wish to develop pursuant to this Rider. You agree to give us all information and materials we request in order to assess each proposed site. We will supply you with our site selection criteria and may put you in contact with a commercial real estate broker in the Area;

however, we will not conduct site selection activities for you. In granting you the development rights under this Rider, we are relying on your knowledge of the real estate market and your ability to locate and access sites. We will not unreasonably withhold acceptance of any proposed site if the site meets our then current site criteria. However, we have the absolute right not to accept any site not meeting these criteria. If we accept a proposed site, you agree, within the time period we specify (but no later than the date specified in the Schedule), to sign a separate franchise agreement (and related documents) for the P3 Recovery Center and to pay us the remaining portion of the initial franchise fee due, if any. If you do not do so, or cannot obtain lawful possession of the proposed site, we may withdraw our acceptance of the proposed site. After you (and your owners) sign the franchise agreement (and related documents, including Owner's Guaranty and Assumption of Obligations), its terms and conditions will control your development and operation of the P3 Recovery Center (except that the required opening date is governed exclusively by this Rider).

In addition to our rights with respect to proposed P3 Recovery Center sites, we may delay your development of additional P3 Recovery Centers pursuant to this Rider for the time period we deem best if we believe, when you submit your application, that you are not yet operationally, managerially, or otherwise prepared, due to the particular amount of time that has elapsed since you developed and opened your most recent P3 Recovery Center, to develop, open and/or operate the additional P3 Recovery Centers in full compliance with our standards and specifications. We may delay additional development for the time period we deem best as long as the delay will not in our reasonable opinion cause you to breach your development obligations under the Schedule (unless we are willing to extend the Schedule proportionately to account for the delay).

7. **Term.** This Rider's term begins on the date we and you sign it and ends on the date when (a) the final P3 Recovery Center to be developed under the Schedule has opened (or, if earlier, must have opened) for business, or (b) this Rider otherwise is terminated.

8. **Termination.** We may terminate this Rider and your right to develop P3 Recovery Centers within the Area at any time, effective upon delivery to you of written notice of termination: (a) if you fail to satisfy either your development obligations under the Schedule or any other obligation under this Rider, which defaults you have no right to cure; or (b) if the Franchise Agreement, or any other franchise agreement between us and you (or your affiliated entity) for a P3 Recovery Center, is terminated by us in compliance with its terms or by you (or your affiliated entity) for any (or no) reason; or (c) if we have delivered a formal written notice of default to you (or your affiliated entity) under the Franchise Agreement, or any other franchise agreement between us and you (or your affiliated entity) for a P3 Recovery Center, whether or not you (or your affiliated entity) cure that default and whether or not we subsequently terminate the Franchise Agreement or the other franchise agreement. No portion of the Development Fee is refundable upon a termination of this Rider or under any other circumstances.

Upon the occurrence of any of the events above in this Section 8 during the term of this Rider, we may, at our option, elect to terminate only the exclusivity of the Area (as provided under Section 2 above) instead of terminating this Rider entirely. This means that during the remainder of the term of this Rider, we and our affiliates will have the right to establish and operate, and grant to others the right to establish and operate, P3 Recovery Centers the physical premises of which are located within the Area and continue to engage, and grant to others the right to engage, in any activities that we (and they) desire within the Area without any restrictions whatsoever. However,

such termination of the exclusivity shall be without prejudice to our right to terminate this Rider at any time thereafter for the same default or any other defaults under this Rider.

A termination of this Rider is not deemed to be the termination of any franchise rights (even though this Rider is attached to the Franchise Agreement) because this Rider grants you no separate franchise rights. Franchise rights arise only under franchise agreements signed directly with us. A termination of this Rider does not affect any franchise rights granted under any then-effective individual franchise agreements.

9. **Assignment.** Your development rights under this Rider are not assignable at all. This means that we will not under any circumstances allow the development rights to be transferred. A transfer of the development rights would be deemed to occur (and would be prohibited) if there is an assignment of the Franchise Agreement, any change in your ownership (whether or not it is a controlling ownership interest), any change in your owners' ownership (if such owners are legal entities and whether or not it is a controlling ownership interest), a transfer of this Rider separate and apart from the Franchise Agreement, or any other event attempting to assign the development rights.

10. **Incorporation of Other Terms.** Sections 16.A, 16.B, 16.D, 17, 18, 19 and 21 of the Franchise Agreement, entitled "Independent Contractors," "No Liability for Acts of Other Party," "Indemnification," "Severability and Substitution of Valid Provisions," "Waiver of Obligations," "Costs and Attorneys' Fees," "Rights of Parties Are Cumulative," "Mediation," "Arbitration," "Governing Law," "Consent to Jurisdiction," "Waiver of Punitive Damages and Jury Trial," "Binding Effect," "Limitation of Claims," "Limited Liability for Our Related Parties," "Covenant of Good Faith," "Construction," "Multiple Forms of Agreement," "Notices and Payments" "Compliance with Anti-Terrorism and Other Laws" and "Electronic Signatures" respectively, are incorporated by reference in this Rider and will govern all aspects of this Rider and our and your relationship as if fully restated within the text of this Rider.

11. **Rider to Control.** Except as provided in this Rider, the Franchise Agreement remains in full force and effect as originally written. If there is any inconsistency between the Franchise Agreement and this Rider, the terms of this Rider will control.

**[Signature Page Follows.]**

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

<b>P3 RECOVERY USA LLC</b>	<b>FRANCHISE OWNER</b>
By: _____	_____ [Name]
Title: _____	By: _____
Date: _____	Title: _____ Date: _____

**EXHIBIT A**  
**TO DEVELOPMENT AGREEMENT RIDER**

You agree to develop and open \_\_\_\_ ( ) new P3 Recovery Centers in the Area, including your Center that is the subject of the Franchise Agreement, according to the following Schedule:

<b>P3 Recovery Center Number</b>	<b>Date by which Franchise Agreement Must be Signed</b>	<b>Date by which Lease Must be Submitted</b>	<b>Date by which P3 Recovery Center Must be Opened</b>	<b>Cumulative Number of P3 Recovery Centers to Be Open and Operating in the Area No Later than the Opening Dates (in previous column)</b>
1	Concurrently with this Rider	60 days from date we approve the site	365 days from date we sign the Franchise Agreement for the first P3 Recovery Center (the “ <b>First Deadline</b> ”)	<b>1</b>
2				<b>2</b>
3				<b>3</b>
4				<b>4</b>
5				<b>5</b>

\*If you open the first P3 Recovery Center before the First Deadline, the deadlines for opening the subsequent P3 Recovery Centers will remain the specified number of months after the First Deadline (rather than the specified number of months from the preceding P3 Recovery Center’s actual opening date).

<p><b>P3 RECOVERY USA LLC</b></p> <p>By: _____</p> <p>Title: _____</p> <p>Date: _____</p>	<p><b>FRANCHISE OWNER</b></p> <p>_____</p> <p>[Name]</p> <p>By: _____</p> <p>Title: _____</p> <p>Date: _____</p>
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**EXHIBIT E TO FDD**

**STATE ADDENDA TO FRANCHISE AGREEMENT**

**ADDENDUM TO FRANCHISE AGREEMENT**  
**FOR USE IN CALIFORNIA**

**This Addendum** (the “**Addendum**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between **P3 Recovery USA LLC**, a Delaware limited liability company whose principal business address is located at 9000 W Colonial Drive, Suite 401, Ocoee, FL 34761 (“**Franchisor**”), and \_\_\_\_\_ (“**Franchisee**”).

1. **Background.** Franchisor and Franchisee are parties to that certain Franchise Agreement that has been signed at the same time as the signing of this Addendum (the “Franchise Agreement”). This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being signed because (a) the offer to sell the franchised business was made from California and either Franchisee is a resident of California or the franchised business will be operated in California, (b) the offer to sell or the offer to buy the franchised business is directed to and received or accepted by Franchisee in California and either Franchisee is a resident of California or the franchised business will be operated in California, or (c) the franchised business will be operated in California.

2. **Termination Upon Bankruptcy.** 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.).

3. **Covenant Not to Compete.** 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.

4. **Liquidated Damages.** The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

5. **Governing Law and Venue.** For franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Franchise Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.

6. **No Waiver of Disclaimer of Reliance in California.** The following provision applies only to franchisees and franchises that are subject to the state franchise disclosure laws in California:

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 any 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 THE FOLLOWING PAGE]**

IN WITNESS WHEREOF, Franchisee on behalf of itself and its owners acknowledges that it has read and understands the contents of this Addendum, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Addendum and be bound thereby. The parties have duly executed and delivered this Addendum to the Agreement on \_\_\_\_\_, 20\_\_.

**P3 Recovery USA LLC**, a Delaware limited liability company

By: \_\_\_\_\_  
[\_\_\_\_\_]

**DATED:** \_\_\_\_\_

**FRANCHISEE**

**(IF YOU ARE TAKING THE FRANCHISE AS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[Signature of person signing on behalf of entity]

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

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE FRANCHISE INDIVIDUALLY AND NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**ADDENDUM TO FRANCHISE AGREEMENT**  
**FOR USE IN MINNESOTA**

**This Addendum** (the “**Addendum**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between **P3 Recovery USA LLC**, a Delaware limited liability company whose principal business address is located at 9000 W Colonial Drive, Suite 401, Ocoee, FL 34761 (“**Franchisor**”), and \_\_\_\_\_ (“**Franchisee**”).

1. **Background.** Franchisor and Franchisee are parties to that certain Franchise Agreement that has been signed at the same time as the signing of this Addendum (the “**Franchise Agreement**”). This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being signed because (a) the offer to sell or purchase the franchised business is made from Minnesota or is directed to and received by Franchisee in Minnesota, (b) the offer to purchase the franchised business is accepted by Franchisee in Minnesota, or (c) the franchised business will be located in Minnesota.

2. **Releases.** The following language is added to the end of Subsection 3.A(2), Subsection 4.B(4), Subsection 12.C.(9), Section 13.C, and Section 15.E of the Franchise Agreement:

; however, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

3. **Insufficient Funds Processing Fee.** The fourth sentence of Section 3.G of the Franchise Agreement is replaced with the following:

If there are insufficient funds in the EDTA to cover any such amount owed (or, if you are paying by check and a check is returned for insufficient funds), you must pay us, on demand, a processing fee of Thirty Dollars (\$30), plus reimbursement of our additional administrative expenses and charges (together with the late fee noted in Subsection 3.E above).

4. **Infringement.** The following language is added to the end of Section 5 of the Franchise Agreement:

To the extent required by Minnesota Stat. Sec. 80C.12, Subd. 1(g), Franchisor will protect your right to use the Marks and indemnify Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Marks.

5. **Termination.** The following is added to the end of Section 14.B of the Franchise Agreement:

However, with respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given ninety (90) days’ notice of termination (with sixty (60) days to cure) and one hundred eighty (180) days’ notice of non-renewal of this Agreement.

6. **Governing Law/Consent to Jurisdiction.** The following is added to the end of Sections 17.G and 17.H of the Franchise Agreement:

However, nothing in this Section shall abrogate or reduce any of your rights under Minnesota Statutes Chapter 80C or your right to any procedure, forum or remedies that the laws of the jurisdiction provide.

However, Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us, except in certain specified cases, from requiring litigation to be conducted outside Minnesota. Nothing in this Section shall abrogate or reduce any of your rights under Minnesota Statutes Chapter 80C or your right to any procedure, forum or remedies that the laws of the jurisdiction provide.

7. **Waiver of Punitive Damages and Jury Trial.** To the extent required by the Minnesota Franchises Law, Section 17.I of the Franchise Agreement is deleted.

8. **Limitations of Claims.** Notwithstanding anything to the contrary set forth in Section 17.K of the Franchise Agreement, Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than three (3) years after the cause of action accrues.

9. **No Waiver of Disclaimer of Reliance.** No statement, questionnaire or acknowledgment signed or agreed to by you 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 us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

**[SIGNATURES ON THE FOLLOWING PAGE]**

IN WITNESS WHEREOF, Franchisee on behalf of itself and its owners acknowledges that it has read and understands the contents of this Addendum, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Addendum and be bound thereby. The parties have duly executed and delivered this Addendum to the Agreement on \_\_\_\_\_, 20\_\_.

**P3 Recovery USA LLC**, a Delaware limited liability company

By: \_\_\_\_\_  
[\_\_\_\_\_]

**DATED:** \_\_\_\_\_

**FRANCHISEE**

**(IF YOU ARE TAKING THE FRANCHISE AS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[Signature of person signing on behalf of entity]

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

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE FRANCHISE INDIVIDUALLY AND NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**ADDENDUM TO FRANCHISE AGREEMENT**  
**FOR USE IN NEW YORK**

**This Addendum** (the “**Addendum**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between **P3 Recovery USA LLC**, a Delaware limited liability company whose principal business address is located at 9000 W Colonial Drive, Suite 401, Ocoee, FL 34761 (“**Franchisor**”), and \_\_\_\_\_ (“**Franchisee**”).

1. **Background.** Franchisor and Franchisee are parties to that certain Franchise Agreement that has been signed concurrently with the signing of this Addendum (the “**Franchise Agreement**”). This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being signed because (a) the offer to sell the franchised business is made from New York or is directed to and received by Franchisee in New York, (b) the offer to buy the franchised business is accepted by Franchisee in New York, or (c) Franchisee is domiciled in New York and the franchised business will be operated in New York.

2. **Termination.** Section 14 of the Franchise Agreement is amended by adding the following statement as a new Section 14.G:

However, 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 related regulations shall remain in force; it being the intent of this proviso to satisfy the non-waiver provisions of GBL, Sections 687.4 and 687.5.

3. **Assignment.** Section 12.A of the Franchise Agreement is amended by adding the following statement immediately after the third sentence of Section 12.A:

However, no assignment shall be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under this Agreement.

4. **Termination by Franchisee.** Nothing in Section 14 of the Franchise Agreement shall prevent Franchisee from asserting its rights under common law to terminate the Franchise Agreement if Franchisor commits a material breach of the Franchise Agreement.

5. **Governing Law.** Section 17.G of the Franchise Agreement is amended by adding the following:

The foregoing choice of law should not be considered a waiver of any right conferred upon you by the GBL of the State of N.Y., Article 33.

6. **No Waiver of Disclaimer of Reliance.** No statement, questionnaire or acknowledgment signed or agreed to by you 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 us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, Franchisee on behalf of itself and its owners acknowledges that it has read and understands the contents of this Addendum, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Addendum and be bound thereby. The parties have duly executed and delivered this Addendum to the Agreement on \_\_\_\_\_, 20\_\_.

**P3 Recovery USA LLC**, a Delaware limited liability company

By: \_\_\_\_\_  
[\_\_\_\_\_]

**DATED:** \_\_\_\_\_

**FRANCHISEE**

**(IF YOU ARE TAKING THE FRANCHISE AS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_  
[Signature of person signing on behalf of entity]

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

**DATED:** \_\_\_\_\_

**(IF YOU ARE TAKING THE FRANCHISE INDIVIDUALLY AND NOT AS A LEGAL ENTITY):**

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

\_\_\_\_\_  
[Signature of individual franchisee]

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

**DATED:** \_\_\_\_\_

**EXHIBIT F TO FDD**  
**FINANCIAL STATEMENTS**



**P3 RECOVERY USA, LLC**  
DECEMBER 31, 2025

FINANCIAL STATEMENT &  
INDEPENDENT AUDITORS' REPORT

Focused  
on YOU



P3 RECOVERY USA, LLC  
FINANCIAL STATEMENT &  
INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2025

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## INDEPENDENT AUDITORS' REPORT

To the Member of  
P3 Recovery USA, LLC  
Rowlett, Texas

### **Opinion**

We have audited the accompanying balance sheet of P3 Recovery USA, LLC as of December 31, 2025, and the related notes to the financial statement.

In our opinion, the balance sheet referred to above presents fairly, in all material respects, the financial position of P3 Recovery USA, LLC as of December 31, 2025, in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of P3 Recovery USA, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statement**

Management is responsible for the preparation and fair presentation of the financial statement 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 P3 Recovery USA, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditors' Responsibilities for the Audit of the Financial Statement**

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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.



To the Member of  
P3 Recovery USA, LLC  
Rowlett, Texas

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, 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 P3 Recovery USA, LLC'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 statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about P3 Recovery USA, LLC's ability to continue as a going concern for a reasonable period of time.

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

*LSL, LLP*

Irvine, California  
February 24, 2026

P3 RECOVERY USA, LLC

**BALANCE SHEET**  
**DECEMBER 31, 2025**

---

**Assets**

Current Assets	
Cash	\$ 161,715
Due from affiliate	<u>239,847</u>
<b>Total Assets</b>	<b><u><u>\$ 401,562</u></u></b>

**Member's Equity**

Member's Equity	<u>\$ 401,562</u>
<b>Total Member's Equity</b>	<b><u><u>\$ 401,562</u></u></b>

**NOTES TO FINANCIAL STATEMENT  
DECEMBER 31, 2025**

---

**Note 1: Nature of Business**

P3 Recovery USA, LLC (the “Company”) is a Delaware limited liability company formed on August 19, 2025. The Company was organized to offer and sell franchises for wellness and recover services that focuses on helping people improve physical performance, recovery and overall well-being, and the facility offers a variety of recovery oriented therapies in the United States.

The Company’s affiliate holds the rights to internally developed technology, and the Company will have access to use that technology.

**Note 2: Summary of Significant Accounting Policies**

This summary of significant accounting policies of the Company is presented to assist in understanding the Company’s financial statement. The financial statement and notes are representations of the Company’s management who is responsible for their integrity and objectivity.

**Basis of Accounting**

The accompanying financial statement has been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The accrual basis of accounting recognizes revenues in the accounting period in which revenues are earned regardless of when cash is received, and recognizes expenses in the accounting period in which expenses are incurred regardless of when cash is disbursed.

**Use of Estimates**

The preparation of the financial statement in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**Date of Management’s Review**

Events occurring after December 31, 2025 have been evaluated for possible adjustment to the financial statement or disclosure at February 24, 2026, which is the date the financial statement was available to be issued.

**Note 3: Concentrations of Credit Risk**

The Company may be subject to credit risk on its cash. As of December 31, 2025, the Company maintains its cash balances at one institution. Accounts at this institution is insured by the FDIC, which covers up to \$250,000 for substantially all depository accounts. At various times throughout the year, the balances in this account may be in excess of federally insured limits. Management believes the Company is not exposed to any significant credit risk on cash.

**Note 4: Related Party Transactions**

P3 Recovery Global USA LLC is a sole member of the Company and acts as a holding company in the United States.

The Company has an affiliated entity that operates franchising activities in Australia. The Company has paid certain technology development expenses on behalf of its Australian affiliate. Such amounts are reflected as due from affiliate in the accompanying balance sheet.

**P3 RECOVERY USA, LLC**

**NOTES TO FINANCIAL STATEMENT  
DECEMBER 31, 2025**

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**Note 5: Subsequent Events**

In February 2026, subsequent to the reporting date, the Company received additional capital of approximately \$1.2 million from a sole member of the Company.

**EXHIBIT G TO FDD**  
**OPERATIONS MANUAL TABLE OF CONTENTS**

**P3 Recovery Operations Manual**

Introduction to P3 Recovery ..... 6 Pages

Brand Identity & Standards ..... 8 Pages

Center Design, Fit-Out & Construction ..... 7 Pages

Operations Management ..... 7 Pages

Customer Experience & Service Delivery ..... 7 Pages

Staffing, HR & Culture ..... 8 Pages

Health, Safety & Compliance ..... 9 Pages

Technology & POS Systems (Hapana Suite)..... 8 Pages

Financial Management..... 9 Pages

Marketing & Community Engagement..... 9 Pages

Center Maintenance & Equipment Management..... 9 Pages

Growth, Expansion & Business Development..... 9 Pages

Franchisee Responsibilities & Compliance ..... 9 Pages

**Total Pages ..... 105 Pages**

**EXHIBIT H TO FDD**

**SAMPLE FORM OF GENERAL RELEASE**

**P3 RECOVERY USA LLC**  
**GRANT OF FRANCHISOR CONSENT AND FRANCHISE OWNER RELEASE**

**P3 RECOVERY USA LLC** (“we,” “us,” “our,” or “Franchisor”) and the undersigned franchise owner, \_\_\_\_\_ (“you,” “your,” or “Franchise Owner”), currently are parties to a certain franchise agreement dated \_\_\_\_\_ (the “Franchise Agreement”). You have asked us to take the following action or to agree to the following request: [insert as appropriate for renewal or transfer situation] \_\_\_\_\_

\_\_\_\_\_. We have the right under the Franchise Agreement to obtain a general release from you (and, if applicable, your owners) as a condition of taking this action or agreeing to this request. Therefore, we are willing to take the action or agree to the request specified above if you (and, if applicable, your owners) give us the release and covenant not to sue provided below in this document. You (and, if applicable, your owners) are willing to give us the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above.

Consistent with the previous introduction, you, on your own behalf and on behalf of your successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, shareholders, members, directors, officers, principals, employees, and affiliated entities (collectively, the “Releasing Parties”), hereby forever release and discharge us and our affiliates, our and their current and former officers, directors, shareholders, principals, employees, agents, representatives, affiliated entities, successors, and assigns (collectively, the “Franchisor Parties”) from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind (collectively, “Claims”) that you and any of the other Releasing Parties now has, ever had, or, but for this document, hereafter would or could have against any of the Franchisor Parties (1) arising out of or related to the Franchisor Parties’ obligations under the Franchise Agreement or (2) otherwise arising from or related to your and the other Releasing Parties’ relationship, from the beginning of time to the date of your signature below, with any of the Franchisor Parties. You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Franchisor Parties on any of the Claims released by this paragraph and represent that you have not assigned any of the Claims released by this paragraph to any individual or entity that is not bound by this paragraph.

We also are entitled to a release and covenant not to sue from your owners. By his, her, or their separate signatures below, your transferring owners likewise grant to us the release and covenant not to sue provided above.

***[Signature Page Follows]***

**P3 RECOVERY USA LLC**  
a Delaware limited liability company

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

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

**FRANCHISE OWNER,**  
a/an \_\_\_\_\_

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

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

**EXHIBIT I TO FDD**

**LISTS OF CURRENT AND FORMER FRANCHISE OWNERS**

**Franchise Owners as of the Prior Fiscal Year End:**

[NONE]

**New Franchise Owners since the Prior Fiscal Year End:**

[NONE]

**Former Franchise Owners that Departed the Franchise Network during the Prior Fiscal Year:**

The name, city and state, and current business telephone number (or if unknown, the last known home telephone number) of each franchise owner who had an outlet terminated, canceled, not renewed, transferred, or otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document, is listed below. The states listed below in which these former franchise owners may be contacted are not necessarily the same states in which the former franchise owners' franchised businesses were located. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

[NONE]

**EXHIBIT J TO FDD**

**FRANCHISE OWNER DISCLOSURE QUESTIONNAIRE**

\*The following language applies only to transactions governed by the California Franchise Investment Law– Do not sign this questionnaire if you are a resident of California or the franchise is to be operated in California.

As you know, P3 Recovery USA LLC (“we” or “us”), and you are preparing to enter into a Franchise Agreement for the operation of a P3 Recovery Center franchised business. The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we have not authorized, or that may be untrue, inaccurate or misleading, in order to be certain that you have been properly represented in this transaction and that you understand the limitations on claims you may make arising from the purchase and operation of your franchise. **You cannot sign or date this Questionnaire the same day as the receipt for the Franchise Disclosure Document; instead, you must sign and date it the same day you sign the Franchise Agreement and pay your franchise fee.** Please review each of the following questions carefully and provide honest responses to each question. If you answer “No” to any of the questions below, then please explain your answer on the back of this sheet.

- Yes\_\_ No\_\_ 1. Have you received and personally reviewed the Franchise Agreement and each attachment or schedule attached to it?
- Yes\_\_ No\_\_ 2. Have you received and personally reviewed the Franchise Disclosure Document we provided?
- Yes\_\_ No\_\_ 3. Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it?
- Yes\_\_ No\_\_ 4. Do you understand all the information contained in the Franchise Disclosure Document and Franchise Agreement?
- Yes\_\_ No\_\_ 5. Have you reviewed the Franchise Disclosure Document and Franchise Agreement with a lawyer, accountant or other professional advisor?
- Yes\_\_ No\_\_ 6. Have you discussed the benefits and risks of developing and operating a P3 Recovery Center franchised business with an existing P3 Recovery Center franchise owner?
- Yes\_\_ No\_\_ 7. Do you understand the risks of developing and operating a P3 Recovery Center franchised business?
- Yes\_\_ No\_\_ 8. Do you understand the success or failure of your franchise will depend in large part upon your skills, abilities and efforts and those of the persons you employ as well as many factors beyond your control such as competition, interest rates, the economy, inflation, labor and supply costs and other relevant factors?

- Yes\_\_ No\_\_ 9. Do you understand all disputes or claims you may have arising out of or relating to the Franchise Agreement must be arbitrated, mediated, or litigated in Orlando, Florida?
- Yes\_\_ No\_\_ 10. Do you understand that you must satisfactorily complete the initial training course before we will allow your franchised business to open, or otherwise before we will consent to a transfer of your franchised business?
- Yes\_\_ No\_\_ 11. Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a P3 Recovery Center franchised business that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
- Yes\_\_ No\_\_ 12. Do you agree that no employee or other person speaking on our behalf made any statement or promise to you, or any agreement with you, other than those matters addressed in your Franchise Agreement, concerning advertising, marketing, media support, marketing penetration, training, support service or assistance that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
- Yes\_\_ No\_\_ 13. Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a P3 Recovery Center franchised business will generate, that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
- Yes\_\_ No\_\_ 14. Do you understand that the Franchise Agreement and attachments to the Franchise Agreement contain the entire agreement between us and you concerning the franchise for the P3 Recovery Center business, meaning any prior oral or written statements not set out in the Franchise Agreement or the attachments to the Franchise Agreement will not be binding? When considering this question, please note that nothing in the Franchise Agreement or the attachments to the Franchise Agreement will disclaim or require you (the franchise owner) to waive reliance on any representation that we made in our most recent franchise disclosure document (including its exhibits and amendments) delivered to you or your representative.

[Signature Page Follows.]

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

\_\_\_\_\_  
Signature of Franchise Applicant

\_\_\_\_\_  
Signature of Franchise Applicant

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Signature of Franchise Applicant

\_\_\_\_\_  
Signature of Franchise Applicant

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Dated

EXPLANATION OF ANY NEGATIVE RESPONSES [REFER TO QUESTION NUMBER]:

**EXHIBIT K TO FDD**

**STATE ADDENDA TO DISCLOSURE DOCUMENT**

**The following are additional disclosures for the Franchise Disclosure Document of P3 Recovery USA LLC required by various state franchise laws. Each provision of these additional disclosures will not apply unless, with respect to that provision, the jurisdictional requirements of the applicable state franchise registration and disclosure law are met independently without reference to these additional disclosures.**

## **CALIFORNIA**

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

2. BEFORE THE FRANCHISOR CAN ASK YOU TO MATERIALLY MODIFY YOUR EXISTING FRANCHISE AGREEMENT, SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES THE FRANCHISOR TO FILE A MATERIAL MODIFICATION APPLICATION WITH THE DEPARTMENT THAT INCLUDES A DISCLOSURE DOCUMENT SHOWING THE EXISTING TERMS AND THE PROPOSED NEW TERMS OF YOUR FRANCHISE AGREEMENT. ONCE THE APPLICATION IS REGISTERED, THE FRANCHISOR MUST PROVIDE YOU WITH THAT DISCLOSURE DOCUMENT WITH AN EXPLANATION THAT THE CHANGES ARE VOLUNTARY.

3. OUR WEBSITE, <https://p3recovery.com.au>, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT [www.dfpi.ca.gov](http://www.dfpi.ca.gov).

4. Item 3 of the Franchise Disclosure Document is amended to provide that neither the franchisor, nor any person in Item 2 of the Franchise Disclosure Document, is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such person from membership in that association or exchange.

5. The following sentence is added to the “Remarks” column of the line-item titled “Interest on Overdue Amounts” in Item 6 of the Franchise Disclosure Document:

The highest interest rate allowed under California law is 10% annually.

6. The following paragraphs are added at the end of Item 17 of the Franchise Disclosure Document:

California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees and developers concerning termination, transfer, or nonrenewal 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 insolvency. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Secs. 101 et seq.). You must sign a release if you renew or transfer your franchise. The California Corporations Code voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

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

For franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Franchise Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.

The Franchise Agreement requires binding arbitration in Dallas, Texas. You will be required to travel to that location and pay the expenses you incur in any such arbitration proceeding. You are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

You must sign a general release if you renew or transfer your Franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

California's Franchise Investment Law (Corporations Code section 31512.1) states that: "Any provision of a franchise agreement, franchise disclosure document, acknowledgment, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable: (a) Representations made by the franchisor or its personnel or agents to a prospective franchisee. (b) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents. (c) Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto. (d) Violations of any provision of this division.

7. 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.

8. The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

**MINNESOTA**

1. The row entitled “Insufficient Funds Processing Fee” in the table in Item 6 of the disclosure document shall be replaced with the following in order to meet the requirements of Minnesota Statute 604.113:

Insufficient Funds Processing Fee	\$30	As incurred	Due if you have insufficient funds in your EDTA to cover a payment, or, if you pay by check, a check is returned for insufficient funds
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2. Item 13 of the disclosure document is supplemented by the following language:

We will protect your right to use the trademarks, service marks, trade names, logos, or other commercial symbols or will indemnify you from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the marks to the extent required by Minnesota law.

3. Item 17 of the disclosure document is supplemented by the following language:

Under Minnesota law, and except in certain specified cases, we must give you 90 days notice of termination with 60 days to cure. We also must give you at least 180 days’ notice of our intention not to renew a franchise and sufficient opportunity to recover the fair market value of the franchise as a going concern. To the extent that the Franchise Agreement (or Development Agreement Rider) is inconsistent with Minnesota law, Minnesota law will control.

To the extent that any condition, stipulation, or provision contained in the Franchise Agreement (or Development Agreement Rider) (including any choice of law provision) purports to bind any person who, at the time of acquiring a franchise is a resident of Minnesota, or, in the case of a partnership or corporation, organized or incorporated under the laws of Minnesota, or purporting to bind a person acquiring any franchise to be

operated in Minnesota to waive compliance with Minnesota franchise law, such condition, stipulation, or provision may be void and unenforceable under the non-waiver provision of Minnesota franchise law.

4. To the extent you are required to execute a general release in our favor, such release will exclude liabilities arising under the Minnesota Franchises Act or a rule or any order promulgated thereunder.

5. Sec. 80C.17, Sudb. 5 of the Minnesota Franchises Act provides that no action may be commenced thereunder more than 3 years after the cause of action accrues.

6. Sec. 80C.21 of the Minnesota Franchises Act and Minn. Rules 2860.4400(J) prohibit us 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 agreements can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, including your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

7. All sections of the disclosure document referencing our right to obtain injunctive relief are hereby amended to refer to our right to seek to obtain.

8. 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 applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

## **NEW YORK**

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 RESOURCES 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 CANNOT 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 added at the end of Item 3:

Except as provided 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 that is 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 ten years 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 a 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

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thereunder shall remain in force; this proviso intends that the nonwaiver 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 a 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 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.** The following is added to the end of Item 23:

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 Rev. April 2, 2024 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 earliest 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.

**EXHIBIT L TO FDD**  
**FORM AFFILIATED PROVIDER AGREEMENT**

## AFFILIATED PROVIDER AGREEMENT

THIS AFFILIATED PROVIDER AGREEMENT (this “**Agreement**”) is entered into by and between [\_\_\_\_], a [\_\_\_\_] limited liability company (“**Company**”), and [\_\_\_\_], a [\_\_\_\_] (“**Provider**”). Company and Provider are hereinafter referred to individually as a “**Party**” and collectively as the “**Parties**” to this Agreement.

**WHEREAS**, Provider is a practice entity that employs physicians and practitioners licensed and qualified to practice in one or more U.S. States (collectively, “**Professionals**”); and

**WHEREAS**, Company desires to engage Provider to make accessible to its customers certain medical and healthcare services to be ordered and performed by Professionals, and Company will assist Provider with non-clinical and billing services related thereto.

**NOW, THEREFORE**, for good and valuable consideration given by each Party to the other, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

### ARTICLE I DUTIES AND REPRESENTATIONS

#### 1.01 Professional Services and Fees.

(a) Professional Services. Provider will make available Professionals to perform telemedicine consultations (“**Consultation**”) and certain related services provided, supervised, or otherwise facilitated by Professionals (“**Specialty Service**”) to customers at designated locations upon their request pursuant to the terms and conditions set forth herein. During the Consultation, physicians will evaluate each customer individually based on their health conditions, responses to specific inquiries, and other clinical information during the Consultation and, if medically appropriate, order the Specialty Services requested by customer.

(b) Accessibility Fees. In exchange for Provider coordinating the availability of Professionals upon request from customers to schedule a Consultation or Specialty Service, Company will compensate Provider with a monthly fee in the amount of [ \$\_\_\_\_\_ ] (“**Accessibility Fee**”).

(c) Charges; Remittance. Provider hereby appoints Company as its agent for the limited purpose of billing and collection of the amounts set forth in **Schedule 1** attached hereto related to Provider’s charges for the Consultations and Specialty Services (collectively “**Service Fees**”). The Parties hereby acknowledge that Provider will establish the Service Fees that will be charged to any customer for such services. As an agent of payee, Company will remit to Provider the total amount of all Service Fees billed and collected from customers without markup, rebate, or fee-splitting. Company will use commercially reasonable efforts to bill and collect all Service Fees and remit to Provider. Provider agrees that it will not be entitled to a Service Fee for any Consultation or Specialty Service that is canceled prior to the scheduled encounter.

(d) Compliance. The Parties intend that the compensation under this Agreement, including the in-kind contributions of the Parties, is set in advance and is fair market value for commercially reasonable services. The Parties agree this compensation is not based upon and does not take into account the volume or value of referrals or other business generated by or between the Parties.

1.02 Provider Representations and Warranties. Provider represents, warrants, and covenants, on behalf of itself and each Professional who provides Consultations or Specialty Services, that it:

(a) Has and will maintain during the Term, the necessary licenses, registrations, and certifications under applicable state and federal law, without restriction, and will remain in good standing, for each Professional in each respective jurisdiction listed on Schedule 1, and hereby authorizes and consents to Company or its agent confirming the above; and

(b) Will obtain an informed consent and engage in the minimum level of interaction required under the applicable law with each customer respectively; and

(c) Will create and maintain adequate documentation for each Consultation and Specialty Service provided hereunder, as required by applicable law.

## **ARTICLE II**

### **TERM AND TERMINATION**

2.01 Term. This Agreement will begin upon execution by both Parties (the “**Effective Date**”) and continue for a period of [\_\_\_\_\_] (the “**Initial Term**”) and automatically renew thereafter for [\_\_\_\_\_] (the “**Renewal Term**”) (collectively, the “**Term**”) unless and until terminated with or without cause by either Party. Either Party may terminate this Agreement at any time prior to the expiration of the Term without cause and for any reason whatsoever upon thirty (30) days prior written notice of such termination to the other Party.

2.02 Termination for Breach. This Agreement may be terminated by either Party in the event of a material breach by the other Party, upon the giving of fifteen (15) days written notice setting forth such breach; provided however, if such breach is cured within such fifteen (15) day period, then such notice will be deemed to be withdrawn.

2.03 Obligations Upon Termination. Upon termination, neither Party will have any further obligation under this Agreement except for (i) obligations accruing prior to the date of termination and (ii) obligations, promises, and covenants that are expressly made to extend beyond the Term of this Agreement.

## **ARTICLE III**

### **COMPLIANCE WITH LAWS**

3.01 No Medical or Health Care Advice. The Parties hereby acknowledge and agree that Provider will be acting as an independent third party and Company does not provide any medical or health care advice in the performance of any duties or obligations under this Agreement. This Agreement is not intended to, and does not imply that, Company will assist in the diagnosis or treatment of any disease or condition, but rather will arrange for Consultations.

3.02 Compliance with Health Care Laws. The Parties enter into this Agreement with the intent of conducting their relationship in full compliance with all applicable laws and regulations governing their relationship, Consultations with customers, and the compensation for such services. Provider will comply in all material respects with applicable federal, state and local laws pertaining to the Consultations, and disclosure of information relating thereto to customers. Company does not act as a legal advisor or consultant and does not provide any regulatory compliance advice to Provider in the performance of any of Provider’s duties and obligations under this Agreement.

3.03 Changes in Law. If at any time while this Agreement is in effect, a governmental law or regulation is adopted or promulgated that prohibits, limits or in any way materially affects either Party’s rights or obligations hereunder, either Party may give the other Party notice of its intent to amend this Agreement in a fashion that is equitable to each Party considering such restriction, prohibition, limitation

or change, and the Parties will negotiate in good faith to accomplish such amendment. If, after thirty (30) days, agreement on the amendment is not reached, then either Party may immediately terminate this agreement upon written notice to the other Party.

#### **ARTICLE IV** **INSURANCE AND INDEMNIFICATION**

4.01 Insurance. During this Agreement, Provider will procure and maintain, at its sole expense, comprehensive general liability insurance in a form and with a carrier acceptable to the policy holder, with liability limits and deductibles that are commercially reasonable to the industry or practice and in compliance with any state insurance coverage minimum requirement. Provider will provide Company with certificates of insurance or other written evidence of the insurance policy required by this Section upon request.

4.02 Indemnification. Each Party (the “Indemnifying Party”) will defend, indemnify, and hold the other Party and its affiliates and their owners, directors, officers, employees, agents and representatives (collectively, the “Indemnified Party”) harmless from and against, any and all losses, costs, claims, demands, liabilities, damages, fines and penalties, including but not limited to those relating to investigations, actions, suits, proceedings and hearings and reasonable attorneys’ fees and costs (collectively, “Damages”) arising out of, related to, or caused by: (a) any act of negligence or willful misconduct committed by the Indemnifying Party during this Agreement, or (b) any material breach of, or failure of performance under, this Agreement by the Indemnifying Party; provided, however, that the Indemnifying Party will have no obligation to indemnify the Indemnified Party to the extent that any Damages are incurred or result out of any (x) act of negligence or willful misconduct, or (y) the willful breach of, or failure of performance under this Agreement, by an Indemnified Party. If a claim for Damages is brought or asserted by a third party (a “Third Party Claim”), the Indemnifying Party will assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party (or Indemnified Parties, as applicable) and the payment of all expenses related to such Third Party Claim. With respect to any claim other than a Third Party Claim, the Indemnified Party will promptly provide the Indemnifying Party with written notice of such claim and the Parties will attempt to resolve the matter in good faith. Notwithstanding anything in this Agreement to the contrary, the Indemnifying Party will not, without prior written consent of the Indemnified Party (which will not be unreasonably withheld), settle or compromise any Third Party Claim or consent to the entry of any judgment with respect to any Third Party Claim unless: (i) there is no finding or admission of any violation of law, rule or regulation or any violation of the rights of any Indemnified Party; (ii) the settlement, compromise or judgment requires solely money damages paid by the Indemnifying Party; and (iii) the claimant or the plaintiff unconditionally releases the Indemnified Parties from all liability in respect of such Third Party Claim. Unless and until the Indemnifying Party elects to defend the Third Party Claim, the Indemnified Parties will have the right, at their option and at the Indemnifying Party’s expense, to do so in such manner as it deems appropriate; provided, however, that the Indemnified Parties will not settle or compromise any Third Party Claim or consent to the entry of any judgment with respect to any Third Party Claim without the prior written consent of the Indemnifying Party (which will not be unreasonably withheld). The Parties will make mutually available to each other all relevant information in their possession relating to any Third Party Claim (except to the extent that such action would result in a loss of attorney-client privilege) and will cooperate with each other in the defense thereof. The indemnification obligations of the Parties contained in this Section will survive and continue after the termination of this Agreement.

**ARTICLE V**  
**MISCELLANEOUS**

5.01 No Exclusivity. Provider acknowledges and agrees that Company may collaborate or otherwise contract with any other provider or group practice as Company sees fit in its sole discretion. Similarly, Company acknowledges and agrees that Provider is currently, and will continue to be during the Term, involved in performing the same or similar services to its customers as Provider provides to customers under this Agreement. The Parties agree that neither will be prohibited from engaging in their respective businesses by virtue of this Agreement.

5.02 Independent Relationship. In the performance of the work, duties and obligations under this Agreement, it is mutually understood and agreed that Provider will be an independent contractor to Company and nothing in this Agreement is intended nor will be construed to create an employment or joint venture relationship. Except as expressly provided herein, this Agreement does not render either Party the agent or legal representative of the other Party for any purpose whatsoever. Neither Party will have nor exercise any control or direction over the business operations of the other Party nor how the other Party will perform its duties and obligations under this Agreement. Neither Party is granted an express or implied right of authority by the other Party to assume or create an obligation or responsibility on behalf of or in the name of the other Party or to bind the other Party in any manner or thing whatsoever. The name of either Party may not be used by the other Party for any form of publicity or advertising without the written consent of the Party whose name is proposed to be used.

5.03 No Publicity. Each Party agrees that, without the prior written consent of the other Party, it will not disclose or reveal to any person, other than its directors, officers, employees, agents, investors, consultants or advisors, any information concerning this Agreement or the existence thereof; provided that either Party may make such disclosure if required by applicable law, rules or regulations.

5.04 No Conflicts. Each Party represents and warrants to the other Party that, by entering into and performing under this Agreement, it will not breach or violate any provision of any agreement, order, judgment, or decree to which the Party is a party or by which its assets or properties are bound or violate or result in a violation of, or constitute a default (whether after the giving of notice, lapse of time or both) under, any applicable law. No consent or approval of or notice to any governmental authority is required to be obtained or made by the Parties in connection with the execution and delivery of this Agreement and the performance of the services contemplated herein. Neither Party has entered into, and each Party agrees that it will not enter into, any agreement, either written or oral, in conflict with this Agreement.

5.05 No Referrals. Company represents and warrants that it is not in a position to direct, control, induce or influence the ordering of any services by Provider in any manner and will not offer or give any remuneration to Provider to influence or induce Provider to order services. The Parties acknowledge and agree that there is no requirement under this Agreement or any other agreement between the Parties that Provider directs any customer to use items or services provided by Company, or its affiliates. The Parties acknowledge and agree that no payment or other remuneration made or exchanged hereunder is in return for or intended to induce either Party to: (a) refer an individual to anyone for the furnishing of or arranging for the furnishing of items or services for which payment may be made in whole or in part under any federal health care program or commercial health plan; or (b) purchase, lease, order or arrange for or recommend purchasing, leasing or ordering any good, facility, service, or item for which payment may be made in whole or in part under any federal health care program or commercial health plan.

5.06 Confidentiality. All provisions in this Agreement, including all exhibits, schedules, addenda and amendments hereto and thereto, are strictly confidential, and will therefore be treated as Confidential Information. For purposes of this Agreement, "Confidential Information" means any

confidential or proprietary information of a Party that is disclosed in any manner to the other Party in connection with or related to this Agreement, and which at the time of disclosure: (i) is marked as being “Confidential” or “Proprietary,” (ii) is otherwise reasonably identifiable as the confidential or proprietary information of the disclosing Party, or (iii) under the circumstances of disclosure, should reasonably be considered as confidential or proprietary information of the disclosing Party. Confidential Information includes, but is not limited to the terms and conditions of this Agreement; and all types of proprietary technical or business information, including data, know-how, formulas, algorithms, processes, designs, drawings, schematics, plans, strategies, specifications, requirements, standards and documentation, reports, pricing, market, sales, marketing or demographic information, software, trade secrets, research, analyses, inventions, ideas and other types of nonpublic information, including without limitation all processes and know-how related to any of the foregoing. Confidential Information does not include information: (1) that is already and separately available in the public domain (without breach of this Agreement by the applicable Party); (2) approved for disclosure in advance, in writing by the disclosing Party; (3) known to the non-disclosing Party, as evidenced by its written records, prior to disclosure by the disclosing Party; (4) independently developed by a Party without reference to or use of the other Party’s Confidential Information; or (5) acquired by a Party from a third party that was not prohibited by agreement or otherwise from disclosing the information.

(a) Treatment and Protection. Each Party agrees: (i) to hold in strict confidence all Confidential Information which it receives from the other Party prior to and in the course of performing under this Agreement; (ii) to use the Confidential Information solely to perform or to exercise its duties and rights under this Agreement; and (iii) not to transfer, display, or otherwise disclose any part of such Confidential Information to any third party without the disclosing Party’s written consent. Each Party will take all measures necessary to protect the Confidential Information of the other Party as it takes to protect its own Confidential Information (but in no case less than reasonable measures). The Parties agree that all directors, officers, employees, agents, contractors, and other representatives (collectively, “Representatives”) used by each Party in the performance of services under this Agreement will be informed of and agree to be bound to the obligations under this Section. Notwithstanding the foregoing, each Party will be responsible for breach of this Section by any Representative.

(b) Disclosures Required by Law. A Party may disclose the Confidential Information of the disclosing Party in response to a valid court order, law, rule, regulation or other governmental action provided that the disclosing Party is notified in writing prior to disclosure of the information, and the receiving Party assists the disclosing Party, at the disclosing Party’s expense, in any attempt by the disclosing Party to limit or prevent the disclosure of the Confidential Information. In the event no protective order or other remedy is obtained, or that the disclosing Party waives compliance with the terms of this Agreement, the receiving Party will use all reasonable efforts to disclose only that portion of the Confidential Information which the receiving Party is advised by counsel to be legally required, and will exercise commercially reasonable efforts to ensure that all Confidential Information so disclosed will be accorded confidential treatment.

(c) Remedies. Each Party agrees that the disclosing Party will have no adequate remedy at law if there is a breach or threatened breach of this Section, and that the disclosing Party will be entitled to bypass any dispute resolution obligations and seek immediate injunctive or other equitable relief to prevent or remedy such breach, in addition to any legal or equitable remedies available.

(d) Return or Destruction. Upon the termination or expiration of this Agreement or upon the earlier request of the disclosing Party, the receiving Party will: (i) at its own expense, promptly return to the disclosing Party all tangible Confidential Information (and all copies thereof) of the disclosing Party, or upon written request from the disclosing Party, destroy such Confidential Information and provide the disclosing Party with written certification of such destruction; and (ii) immediately cease all further use

of the other Party's Confidential Information, whether in tangible or intangible form.

(e) Survival. Notwithstanding anything to the contrary in this Agreement, except for Confidential Information not constituting "trade secrets" under applicable law (for which there will be no time limit for keeping such information confidential), these confidentiality obligations will survive termination of this Agreement.

5.07 No Warranties. THE COMPANY DOES NOT MAKE ANY WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMIT, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

5.08 Limitation on Liability. Each Party will be responsible for the acts and omissions of itself and its Representatives, and will not be responsible for the acts and omissions of the other Party or its Representatives unless expressly set forth herein. NEITHER PARTY SHALL BE LIABLE TO THE OTHER TO PROVIDE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, OR ANY LOSS OF PROFITS, REVENUE, BUSINESS OPPORTUNITY, BUSINESS INFORMATION OR DATA USE. THE PARTIES AGREE THAT COMPANY SHALL HAVE NO RESPONSIBILITY OR LIABILITY WITH RESPECT TO PROVIDER AND PROVIDER'S COMPLIANCE WITH ANY STATE OR FEDERAL HEALTH CARE LAW, GOVERNMENT OR COMMERCIAL CONTRACTS, BILLING OR REIMBURSEMENT POLICIES OR GUIDANCE, OR ANY OTHER APPLICABLE LAWS, RULES OR REGULATIONS. THE COMPANY DOES NOT ASSUME ANY LIABILITY FOR ANY DAMAGES ARISING FROM ANY USE OF ANY PRODUCT, SERVICE, INSTRUCTION OR INFORMATION PROVIDED BY COMPANY TO PROVIDER OR CUSTOMERS UNDER OR IN RELATION TO THIS AGREEMENT.

5.09 Force Majeure. The obligations of the Parties under this Agreement will be suspended to the extent that a Party is hindered or prevented from complying therewith because of labor disturbances (including strikes or lockouts), war, acts of God, fires, storms, accidents, governmental regulations or any other cause whatsoever reasonably beyond such Party's control. For so long as such circumstances prevail, the Party whose performance is delayed or hindered will continue to use all commercially reasonable efforts to recommence performance without delay.

5.10 Notices. All notices or other communications permitted or required pursuant to this Agreement will be made in writing and will be delivered in person, sent by certified or registered mail, return receipt requested or overnight delivery service, addressed as designated by the other part. Such notices or communications will be deemed to have been given upon receipt if personally delivered, three (3) days after deposit in the United States mail if sent by registered or certified mail, postage prepaid, return receipt, or one (1) day after delivery to an overnight delivery service.

If to Company:            [Company]  
   [ADDRESS]  
   Attention: [NAME/TITLE]

If to Provider:            [Provider]  
   [ADDRESS]  
   Attention: [NAME/TITLE]

5.11 Governing Law. This Agreement will be governed by, construed, and enforced in accordance with the laws of the State of [Delaware], and the Parties agree to submit to the jurisdiction of the courts of the State of [Delaware] to enforce the terms and conditions of this Agreement.

5.12 Disputes. If a dispute arises from or relates to this Agreement or the breach thereof, and if the dispute cannot be settled through direct discussions, the Parties agree to endeavor first to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Procedures before resorting to arbitration. The Parties further agree that any unresolved controversy or claim arising out of or relating to this Agreement, or breach thereof, will be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The arbitration will be governed by the laws of the State of [Delaware]. Each Party will, upon written request of the other Party, promptly provide the other with copies of all relevant documents. There will be no other discovery allowed. Time is of the essence for any arbitration under this Agreement and arbitration hearings will take place within (90) days of filing and awards rendered within one hundred twenty (120) days. Arbitrator(s) will agree to these limits prior to accepting appointment. The arbitrators will have no authority to award punitive or other damages not measured by the prevailing party's actual damages, except as may be required by statute. The arbitrator(s) will not award consequential damages in any arbitration initiated under this section. Any award in an arbitration initiated under this clause will be limited to monetary damages and will include no injunction or direction to any party other than the direction to pay a monetary amount. The prevailing party will be entitled to an award of reasonable attorney fees. Except as may be required by law, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both Parties.

5.13 Severability. If any provision of this Agreement, or the application thereof to any person or circumstance, is held by a court to be illegal, void, or unenforceable the validity of the remaining portions of this Agreement will not be affected, and the rights and obligations of the Parties will be enforced to the fullest extent permitted by applicable law.

5.14 Assignment. This Agreement will be binding upon and inure to the benefit of the Parties hereto and their successors and assign; provided that no Party hereto will assign, transfer, convey or otherwise dispose of this Agreement or its obligations hereunder without the prior written consent of the other Party in each instance except either Party may assign or transfer substantially all of its rights and obligations under this Agreement without consent from the other Party to a subsidiary or affiliate or an acquirer of all of the Party's assets whether by merger, acquisition, sale of assets or otherwise.

5.15 Independent Counsel. Each Party acknowledges that it has not received legal advice of any kind from the other Party and warrants that it has sought or has had the opportunity to seek its own legal advice pertaining to the relationship contemplated by this Agreement.

5.16 Counterparts. This Agreement may be executed in multiple counterparts, each of which so executed will be deemed to be an original, but all such counterparts will together constitute but one and the same instrument.

5.17 Entirety; Amendments. This Agreement and any attachments hereto, executed on the date hereof or in connection herewith, contain the entire agreement between the Parties with respect to the matters addressed herein and supersede all prior representations, inducements, promises or agreements, oral or otherwise, which are not embodied herein or therein. No amendment, alteration or modification of this Agreement will be binding unless made in writing and signed by both Parties.

[Signature Page Following]

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement as of the Effective Date.

**[Company]**

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

Name:

Title:

Date:

**[Provider]**

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

Name:

Title:

Date:

**Signature Page to Affiliated Provider Agreement**

**Schedule 1**

**Service Fees and Licensure**

<b>Provider Name</b>	<b>State Licensure</b>	<b>Consultation Fee</b>	<b>Specialty Service Fee</b>

**P3 RECOVERY USA LLC  
STATE EFFECTIVE DATES**

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, 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:

<b><u>State</u></b>	<b><u>Effective Date</u></b>
California	Pending
Hawaii	Not Effective
Illinois	Not Effective
Indiana	Not Effective
Maryland	Not Effective
Michigan	Not Effective
Minnesota	Pending
New York	Pending
North Dakota	Not Effective
Rhode Island	Not Effective
South Dakota	Not Effective
Virginia	Not Effective
Washington	Not Effective
Wisconsin	Not Effective

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.

**Item 23**  
**RECEIPT**

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

If P3 Recovery USA 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 requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If P3 Recovery USA LLC does not deliver this Disclosure Document on time, or if it contains a false or misleading statement or a material omission, then a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit A.

The franchisor is P3 Recovery USA LLC, located at 9000 W. Colonial Drive, Suite 401, Ocoee, Florida 34761. Its telephone number is (407) 347-9614.

The franchise seller(s) for this offering is or are:

Jonathan McAlees, 9000 W. Colonial Drive, Suite 401, Ocoee, Florida 34761, (407) 347-9614; or

\_\_\_\_\_.

Issuance Date: March 9, 2026.

We authorize the respective state agencies identified on Exhibit A to receive service of process for us in the particular state.

I have received a Disclosure Document dated March 9, 2026, that included the following Exhibits:

Exhibit A	List of State Administrators	Exhibit H	Sample Form of General Release
Exhibit B	List of State Agents for Service of Process	Exhibit I	Lists of Current and Former Franchise Owners
Exhibit C	Franchise Agreement	Exhibit J	Franchise Owner Disclosure Questionnaire
Exhibit D	Development Agreement Rider	Exhibit K	State Addenda to Disclosure Document
Exhibit E	State Addenda to Franchise Agreement	Exhibit L	Form Affiliated Provider Agreement
Exhibit F	Financial Statements		
Exhibit G	Operations Manual Table of Contents		

\_\_\_\_\_  
Date

(Sign, Date and Return to us, the franchisor)

\_\_\_\_\_  
Prospective Franchise Owner

\_\_\_\_\_  
Authorized Signature

**Item 23**  
**RECEIPT**

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Exhibit E	State Addenda to Franchise Agreement	Exhibit L	Form Affiliated Provider Agreement
Exhibit F	Financial Statements		
Exhibit G	Operations Manual Table of Contents		

\_\_\_\_\_  
Date

(Sign, Date and Keep for Your Records)

\_\_\_\_\_  
Prospective Franchise Owner

\_\_\_\_\_  
Authorized Signature