FRANCHISE DISCLOSURE DOCUMENT

Haven Franchising, LLC
Rhode Island limited liability company
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The franchise offered is to operate a business under the "HAVEN™" name that is a "one-stop-shop" for childcare, workspace, and fitness, offering high-quality, fully-licensed childcare for children five years old and younger, shared and private workspaces, and fitness for all adult members of the family in one facility.

The total investment necessary to begin operation of a new HAVEN™ Club franchise with a build to suit arrangement is $747,939 to $1,252,761. This includes $122,080 to $133,350 that must be paid to the franchisor or affiliate. The total investment necessary to begin operation of a new HAVEN™ Club franchise without a build to suit arrangement is $1,194,397 to $3,204,844. This includes $122,080 to $133,350 that must be paid to the franchisor or affiliate. The total investment necessary to begin operation of a HAVEN™ Club franchise with a build to suit arrangement, for a minimum of two clubs under an Area Development Agreement, is $768,564 to $1,273,386. This includes $142,705 to $153,975 that must be paid us. The total investment necessary to begin operation of a HAVEN™ Club franchise without a build to suit arrangement, for a minimum of two clubs under an Area Development Agreement, is $1,215,022 to $3,225,469. This includes $142,705 to $153,975 that must be paid us.

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.**

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 as lawyer or an accountant.

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

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

Issuance date of this Franchise Disclosure Document: March 16, 2026, as amended April 23, 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
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit D.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only HAVEN™ business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a HAVEN™ franchisee?	Item 20 or Exhibit D lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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 and the Area Development Agreement require you to resolve disputes with the franchisor by arbitration and/or litigation only in the franchisor's then- current home state (currently Rhode Island). Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in its then- current home state (currently Rhode Island) than in your own state.
2. **Short Operating History**. The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
3. **Mandatory Minimum Payments**. You must make minimum advertising, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
4.

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

The Franchisor

The franchisor is Haven Franchising, LLC ("we," "us," or "our"). "You" means the entity to which we grant a franchise and, if applicable, development rights. Your owners must sign our "Guaranty and Assumption of Obligations" or "Owner's Undertaking of Non-Monetary Obligations" (depending on the ownership percentage). This means all or some of our Franchise Agreement's provisions (Exhibit A) also will apply to your owners.

We are a Rhode Island limited liability company formed on June 13, 2023. Our principal business address is 82 Valley Road, Middletown, Rhode Island 02842. We conduct business primarily under our limited liability company name and the HAVEN™ trademark and under no other name.

Parents, Predecessors, and Affiliates

Our parent company is The Haven Collection, Inc. ("Haven Collection"), a Delaware Corporation, whose principal business address is the same as ours. We have no predecessors. If we have an agent in your state for service of process, we disclose that agent in Exhibit F. As of the Issue Date, we have the following affiliates that require disclosure in this Item: i) Haven Gladstone, LLC a New Jersey limited liability company wholly owned by our Parent with a principal place of business of 17 Mendham Rd. Gladstone, NJ 07934; ii) The Coggeshall Club, LLC a Rhode Island limited liability company wholly owned by our Parent with a principal place of business of 82 Valley Rd., Middletown RI 02842. As of the Issue Date, the above affiliates (a) have not offered franchises or licenses in any line of business, and (b) do not serve as a designated or approved supplier (an "Approved Supplier") for any item or service that a new System franchisee is required to acquire and use in connection with a Haven Club.

The Franchise Offered

We grant franchises for a business concept operating under the HAVEN™ name that is a "one-stop-shop" for childcare, workspace, and fitness. Our concept offers high-quality, fully-licensed childcare for children five years old and younger, shared and private workspaces, and fitness for all members of the family in one facility. We refer to our branded businesses as "HAVEN Clubs" and to your HAVEN Club as the "Club."

We also grant multi-unit development rights to qualified franchisees, who then may develop a specific number of HAVEN Clubs within a defined territory according to a pre-determined, mandatory development schedule. Those franchisees may open and operate their HAVEN Clubs directly or through "Approved Affiliates," which are entities whose majority ownership is owned and controlled by the franchisee or its owners. Our Area Development Agreement (Exhibit B), which we also reference as "ADA," governs a franchisee's multi-unit development rights and obligations. If you sign an Area Development Agreement, you (or your Approved Affiliate) also will sign a Franchise Agreement for your first HAVEN Club at the same time. Our minimum development commitment is 2 HAVEN Clubs.

Franchisees signing our ADAs must sign our then-current form of Franchise Agreement for each additional HAVEN Club they develop under the ADA. While that form may differ substantially and materially year to year from the first Franchise Agreement they sign for their first HAVEN Club (our current version of Franchise Agreement is disclosed in this disclosure document), we will reduce the initial franchise fee for the 2nd and each subsequent HAVEN Club you commit to develop under the ADA. We also commit (but only if you are in full compliance) to charge during the initial franchise term for each HAVEN Club you develop under the ADA the same Royalty we charge you under the first Franchise Agreement you sign.

We have offered franchises and development rights for HAVEN Clubs since October 2023. We have no other material business activities and have not offered franchises in other lines of business. While we have never operated a HAVEN Club, our affiliated entities Haven Gladstone, LLC and The Coggeshall Club, LLC have owned and operated HAVEN Clubs since August 2019.

Our parent The Haven Collection, which owns the intellectual property associated with the HAVEN brand and allows us to use and sublicense that intellectual property in our franchise program. Haven Collection shares our principal business address. Haven Collection has not offered franchises in any line of business or operated a HAVEN Club.

Nature of Market and Competition

Your Club will offer services and products to the general public throughout the year. The childcare industry is mature and competitive. The target markets for HAVEN Clubs are suburban locations high in dual-income or single-income working families who seek to be a part of a community where their children are provided high-quality childcare and which concurrently provide complementary fitness and co-working services. You will compete with numerous businesses offering childcare services, workspace options, and fitness facilities, whether on a separate or combined basis, including national, regional, and local childcare chains (franchised and non-franchised), local independently-owned and operated child daycare centers, home-based care, and church-based childcare programs.

Laws and Regulations

Each state has laws and/or regulations that are specific to the childcare industry and to education, including licensing requirements; "star" ratings or a point system to designate the facility's quality; specified minimum indoor and outdoor physical facilities and equipment; personnel screening obligations involving background checks and criminal records checks; personnel credentials, age restrictions, and training requirements; obligations to report evidence of child abuse and neglect; foodservice requirements; requirements that structures provide shade; a prohibition on advertising before the operator is licensed or the business opens; and record keeping. Most states require a license to operate a child care facility. Construction of child care facilities are subject to local zoning requirements, which vary from jurisdiction to jurisdiction. You must comply with all applicable laws and regulations, as well as other federal, state, and local laws regulating childcare and education, while constructing, developing, and operating your Club. Each jurisdiction also will determine a Club's license/enrollment capacity.

Item 2
BUSINESS EXPERIENCE

Brittany Riley: Chief Executive Officer (of us and The Haven Collection, Inc.)

Ms. Riley has been our Chief Executive Officer (and Co-Founder) since June 2023 and Chief Executive Officer (and Co-Founder) of The Haven Collection, Inc., all of which are located in Middletown, Rhode Island, since March 2019.

Morgan Everson, MBA: Chief Operating Officer (of us and The Haven Collection, Inc.)

Ms. Everson has been our Chief Operating Officer (and Co-Founder) since June 2023 and Chief Operating Officer (and Co-Founder) of The Haven Collection, Inc., all of which are located in Middletown, Rhode Island, since June 2019.

Jeff Kurtzman: Chief Financial Officer (of us and The Haven Collection, Inc.)

Mr. Kurtzman has been our Chief Financial Officer since January 2025. He operates out of our Middletown, Rhode Island office. Prior to this he was our Financial Controller from June of 2024 to December 2024. Prior to this he co-founded and served as President and CFO of Dogcentric Ventures, LLC, d/b/a Bark Social, from January 2019 to May 2023 in Severna Park, MD.

John Collins, MBA: President

Mr. Collins has been our President & Director of Franchise Sales since January 2025. He operates out of our Middletown, Rhode Island office. Prior to this he was CEO of Johnnie-O from September 2023 to December 2024 in Raleigh, NC. Prior to that, John was CEO of Better Place Forests from October 2021 to June 2023 San Francisco, CA. He was Head of Global Sales for Patagonia from October 2013 to September 2021 in Ventura, CA.

Kim Hodges: Director of Franchisor Development

Ms. Hodges has been our Director of Franchise Development since January 2025. She operates out of our Middletown, Rhode Island office. Prior to this she served as Senior Manager, Franchise Development Marketing for WellBiz Brands from February 2021 to September 2024 in Denver, CO. Prior to that she was Franchise Development Manager for Drybar from February 2017 to February 2021 Irvine, CA.

Dave Keil: Board Member

Mr. Keil has been a Board Member since February 2024. He serves in this capacity in Ann Arbor, Michigan. He has also serves as Franworth LLC's Operating Partner since September 2024. From July 2019 to September 2024 he served as Franworth LLC's President and Chief Operating Officer in Ann Arbor, MI.

Haley DeSousa: Director of Curriculum Development and Training (of us and The Haven Collection, Inc.)

Ms. DeSousa has been our Director of Curriculum Development and Training since June 2023 and the Director of Curriculum Development and Training of The Haven Collection, Inc., located in

Middletown, Rhode Island since May 2021. Prior to this Ms. DeSousa served in various roles including Lead Teacher and Director between August 2019 and May 2020 for The Coggeshall Club, LLC in Middleton, RI.

Melissa Fama: Director of Franchise and Corporate Marketing (of us and The Haven Collection, Inc.)

Ms. Fama have been our Director of Marketing since May 2025 located in Middletown, Rhode Island. Prior to this Ms. Fama was the Marketing Manager for Red Barn Dog Ops/Dogtopia from February 2020 to February 2025.

Item 3
LITIGATION

No litigation is required to be disclosed in this Item.

Item 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

Item 5
INITIAL FEES

Franchise Agreement

You must pay us a $55,000 initial franchise fee for your first HAVEN Club franchise. You must pay the fee in a lump sum when you sign the Franchise Agreement. It is not refundable under any circumstances. If you are an honorably discharged veteran you may receive $10,000 off of your initial franchise fee. First responders are eligible to receive $10,000 off of the initial franchise fee.

If you purchase an existing Club from a franchisee, you will not pay an initial franchise fee. Instead, we receive a transfer fee from you or the selling franchisee (depending on your arrangement). This payment is not refundable.

Site Development Assistance

You must pay us a $30,000 Site Development Assistance Fee in full when you sign the Franchise Agreement. The Site Development Assistance Fee is payable in a lump sum when invoiced and is not refundable. The Site Development Assistance Fee covers the costs we expect to incur for, among other things, researching the demographic, geographic, and other aspects of the market area in which you plan to develop your Club, reviewing and analyzing one or more proposed sites for your Club (including traveling to and from your market to the extent we deem appropriate), reviewing the plans to develop your Club with your architect and other suppliers, and

reviewing your compliance with applicable state and local licensing requirements for childcare facilities (although such compliance is your sole responsibility).

Initial Curriculum Fees

You must pay us Curriculum Fees during the franchise term for the HAVEN curriculum-aligned projects and related materials and supplies (together, "Kits") we require as core elements of each month's curriculum focus. The Kits include the specific materials needed for each of the age-specific classrooms at the Club based on the number of allotted spaces in each classroom. We assess the Curriculum Fee as a monthly amount for each classroom in your Club (it does not include any shipping/handling costs and taxes that you must pay separately). The Curriculum Fee is due and payable quarterly on or before the first day of each quarter during each year of the franchise term (covering the amounts due for each 3-month period). The first quarterly Curriculum Fee, which we expect to range from $1,080 to $1,620 but depends on the number of classrooms in your Club, is due prior to opening your Club. The Curriculum Fee is payable in a lump sum and is not refundable.

Initial Inventory Fee

Before opening your Club, you must purchase an initial inventory of branded merchandise and related supplies from us for display and sale at your Club. The cost is estimated at $1,000 to $3,000. This payment is payable in a lump sum and is not refundable.

Initial Training Fee

We provide initial training for 3 people for $10,000 for each location you open. We have the right to charge our then-current training fee for each additional person you wish to send to initial training (currently ranging up to $3,500) and for any required retraining of the original attendees (currently ranging up to $2,100). This payment is payable in a lump sum and is not refundable.

Market Introduction Program

You must spend the minimum amounts we specify, ranging from $25,000 to $35,000, to conduct a public relations and market introduction program for the Club. We expect this program to begin approximately 60 to 90 days before, and to continue for approximately 30 to 60 days after, the Club opens (although we have the right to specify a different timeframe). We will consult with you about the type of public relations and market introduction program that we believe is most suitable for your Club's market. At our request, you must pay us for the program's anticipated costs, which we then will either spend for you in the Club's market or re-pay you as you send us invoices or receipts confirming your commitment with vendors to move forward with the approved program. This payment is payable in installments as incurred is not refundable.

Area Development Agreement Fee

If you sign our ADA because you commit to develop multiple HAVEN Clubs in a designated territory, we currently charge a development fee that you must pay in full when you sign the ADA. The development fee is the full $55,000 initial franchise fee for the first Club covered by the first Franchise Agreement you sign concurrently with the ADA, plus deposits equaling 50% of the current initial franchise fees due for all subsequent Clubs you commit under

the ADA to construct, develop, and operate. (The initial franchise fee for the second and each subsequent HAVEN Club that you commit to develop is 75% of our then-current standard initial franchise fee for a HAVEN Club franchise; as of this disclosure document's issuance date, that would equal $41,250.) We will identify the number of Clubs you must develop (a minimum of 2), the deadlines for developing them, and the applicable development fee before signing the ADA.

The development fee is not refundable under any circumstances. If you sign the ADA, pay the development fee, and then cannot find sites for HAVEN Clubs or choose for another reason not to perform (in which case we terminate the ADA), we have the right to keep the entire development fee and need not return any money to you. However, each time you (or your "Approved Affiliate") sign a franchise agreement for the next HAVEN Club to be developed within the territory, we will apply the deposit related to that Club toward the initial franchise fee due for that Club (leaving only the balance of the then-current initial franchise fee due at signing of the Franchise Agreement).

You must pay us a $30,000 Site Development Assistance Fee for each HAVEN Club that you commit to develop under the ADA (after the first HAVEN Club) on or before the date specified in the ADA's Development Schedule. We have the right to require you to pay that per- Club Site Development Assistance Fee before you actually sign the Franchise Agreement for that next Club because we expect to perform various site-related services (for which you must compensate us) before you find and secure the next site and sign the Franchise Agreement. The Site Development Assistance Fees paid under the ADA are not refundable.

Item 6
OTHER FEES

Type of Fee[1, 2]	Amount[2]	Due Date	Remarks
Royalty	7% of Club's Gross Sales[3]	Due by the 15th day after the end of each calendar-month period[4]	We reserve the right to change the frequency and timing of this fee
Brand Fund Contributions	2% of Club's Gross Sales	Monthly in the same manner as our Royalty collection	The maximum amount we have the right to charge franchisees is 2% of Club's Gross Sales[3]
Technology Fee	$330 Initial Setup up fee, then currently ranges from $347 to $464 per month[2]	Monthly in the same manner as our royalty collection.[4]	The Technology Fee is for technology products or services we determine to associate or use in connection with the Franchise System and to cover all or certain portions of the corresponding costs. We have the right to use the Technology Fee to cover any technology related expenses including but not limited to Accounting software, CRM, VOIP and virtual meeting software, Email & Shared Drive & Productivity & Collaboration Tools, and learning management software,

Type of Fee[1, 2]	Amount[2]	Due Date	Remarks
			and website development The Technology Fee does not cover hardware or software subscriptions, license fees, or other amounts that you must pay directly to third parties for the Club's Computer System. We use a portion of the amount you pay us to pay third party fees which we do not control. Any increases in third party fees, or increases based on the number of user licenses utilized by you, will be passed on to you directly through this fee. Increases are equal the increase passed through by the third party vendor as applicable. Increases may also include annual increases in accordance with the Consumer Price Index (defined below).
Curriculum (for the Kits described in Item 5)	$45 per classroom per month	Quarterly on or before first day of each quarter during each year of the franchise term (covering the amounts due for each 3-month period)	You also must pay shipping/handling costs and taxes for the Kits. Fee is assessed as a monthly amount for each classroom in your Club; will not exceed $80 per classroom per month
Membership Management Software	$130 for up to 75 members and $230 for 175 members	Monthly, as required by vendor	Required by us, payable to a third party. Varies by number of Memberships.
Member Form Software	$29 to $59 per month depending on number of users	Monthly, as required by vendor	Required by us, payable to a third party. $29 per month for one user and $59 per month for up to three users. This software allows members to respond to online surveys and other questionnaires.
Local Marketing Spend	The greater of 2% of Club's monthly Gross Sales or $2,000 per month	Must be spent monthly[6]	
Cooperative Contributions[4]	Currently not assessed(5)	Monthly	The minimum if established will be 1% of Gross Sales, but the Cooperative's members may vote to increase the required contribution above this 1% but not to exceed 2% of the Club's monthly Gross Sales. We have not yet formed any Cooperatives and do not yet require Cooperative

Type of Fee[1, 2]	Amount[2]	Due Date	Remarks
			contributions. If the Franchisor is a member of the cooperative, they will have the same voting rights as franchisees.
Renewal Franchise	$10,000	When you sign renewal franchise agreement (if you have that right)	
Transfer of Franchise Rights or Controlling Ownership Interest in Franchisee	50% to 100% of our then-current initial franchise fee for 1st-time franchisees	$5,000 is due as a deposit when you initially request our consideration or approval of the transfer and is not refundable, whether or not the transfer actually occurs. The balance is due upon transfer	The transfer fee equals (i) 50% of our then-current initial franchise fee for 1st-time franchisees if the transferee is an existing HAVEN Club franchisee, an entity that is legally affiliated with an existing HAVEN Club franchisee, or an owner of an existing HAVEN Club franchisee, (ii) 75% of our then-current initial franchise fee for 1st- time franchisees if the transferee does not fall into category (i), or (iii) 100% of our then-current initial franchise fee for 1st-time franchisees if a franchise broker that we retained was involved in the transfer process and a broker commission is payable.
Transfer of Non-Controlling Ownership Interest in Franchisee	$1,500	Upon transfer	
Replacement Managing Owner / Operating Principal Training	Not to exceed $3,500	As incurred	We have the right to charge you for providing initial training to your replacement Managing Owner or Operating Principal
Retraining of Managing Owner, Operating Principal, or Child Development Director	$2,100 if at our location; $900 per trainer per day, plus our out-of-pocket expenses (for example, travel, accommodations, and meals), if at your Club)	As incurred	Due if we must re-train these individuals because they fail to complete initial training (or the portions of initial training we require) to our satisfaction or the Club is not operating according to Brand Standards.
Ongoing and Supplemental Training and Assistance	$300 per trainer per day if at our location; $500 per trainer per day, plus our	As incurred	We have the right to charge you for continuing, advanced, ongoing, and supplemental training and assistance (whether you request it or we determine that you need to address issues specific to your Club).

Type of Fee[1, 2]	Amount[2]	Due Date	Remarks
	out-of-pocket expenses (for example, travel, accommodations, and meals), if at your Club)		
Annual Meeting / Convention	$1,000 per person for the deposit and no more than $2,000 per person for the conference fee total); does not include your actual out-of-pocket attendance costs paid to third parties, including your travel and accommodations	As incurred	We have not yet held any annual conventions. Once established, your Managing Owner or another designated representative we approve must at our request attend an annual franchisee meeting and pay an attendance fee. We will charge this fee even if you do not attend.
Testing and Evaluation Costs	$10,000) or the actual testing / evaluation costs)	As incurred	Covers costs of testing new products/services or inspecting new suppliers you propose. If we approve, for use by the entire franchise system, a supplier or distributor you recommend, we will return any amounts we initially charged you to determine whether or not the supplier or distributor met our requirements and specifications.
Loyalty Program Media	Varies under circumstances based on the particular program	As incurred	You must pay us transaction processing fees or merchant services fees equal to our third-party's costs for transactions through our Loyalty Program Media and customer loyalty/affinity programs. These programs are offered to increase customer loyalty through rewards.
Relocation	50% of our then-current initial franchise fee for first-time HAVEN Club franchisees plus the costs we incur	Before the relocation process begins	Due only if you relocate the Club.
Audit	Costs of	As incurred	Due if you fail to submit required reports and

Type of Fee[1, 2]	Amount[2]	Due Date	Remarks
	inspection or audit, including legal fees and independent accountants' fees, plus travel expenses, room and board, and compensation of our employees		records or our examination reveals Gross Sales understatement exceeding 2%. Amount depends on nature and extent of your non-compliance.
Inspection Fee	Actual costs of first follow-up audit (including our personnel's wages and travel, hotel, and living expenses) $1,500, plus our personnel's travel- related expenses, for the second and each follow-up evaluation we make and for each inspection you specifically request	As incurred	Compensates our costs and expenses for each follow-up inspection to confirm your compliance with the Franchise Agreement and Brand Standards.
Interest	Lesser of 1.5% per month or highest commercial contract interest rate law allows	When invoiced	Due on past due amounts.
Administrative Fee	$250	When invoiced	Due for each late or dishonored payment.
Costs and Attorneys' Fees	The actual costs we incur.	As incurred	Due when you do not comply with Franchise Agreement or Area Development Agreement.
Indemnification	The actual costs we incur	As incurred	You must reimburse us for all claims and losses arising out of (i) the Club's construction, design, or operation, (ii) the business you conduct under the Franchise Agreement, (iii) your non- compliance or alleged non- compliance with any law, (iv) a data security incident, or (v) your breach of

Type of Fee[1, 2]	Amount[2]	Due Date	Remarks
			Franchise Agreement. You have the same indemnification obligations under the Area Development Agreement.
Management Fee	10% of Club's Gross Sales (but no less than $800 per day), plus any out-of-pocket expenses (including salaries and travel and living expenses) incurred in connection with Club's management	As incurred	Due if we assume Club's management in certain situations, including your default.
Reimbursement of Costs of Third-Party Service Providers	Out-of-pocket cost reimbursement	As incurred	If we determine for convenience, or because of the service provider's billing requirements, to pay for Club-level quality-assurance, customer-satisfaction, "mystery- shop," consumer-survey, and similar programs (rather than having you pay the service provider directly), you must reimburse our actual costs for those service providers.
Reimbursement for Customer Complaints	Cost reimbursement	As incurred	We have the right to require you to reimburse our costs if we resolve a customer complaint because you fail to do so.
Remedial Expense	Out-of-pocket cost reimbursement	As incurred	You must reimburse our costs of correcting any deficiencies at the Club or in its operation (short of our taking over management) if you fail to do so.
Tax Reimbursement	Out-of-pocket cost reimbursement	As incurred	You must reimburse us for taxes we must pay any state taxing authority on account of either your operation or your payments to us (except for our income taxes).
Insurance Reimbursement	Then-current administrative	As incurred	You must pay us if we obtain insurance coverage for Club because you fail to do so.

Type of Fee[1, 2]	Amount[2]	Due Date	Remarks
	fee, not to exceed 10% of the total policy amount		
De-Identification Fee	Cost reimbursement	As incurred	You must reimburse our costs of de-identifying your Club if you fail to do so.
Liquidated Damages	Product of either 24 or the number of months that would have remained in the franchise term (as of the effective date of termination) had it not been terminated, whichever is shorter, multiplied by the average monthly Royalties and Brand Fund contributions that were due and payable to us during the 12 months before the calendar month of termination (or for such lesser period that the Club has been open, if less than 12 months)	Within timeframe we specify	If we terminate Franchise Agreement for cause, or you terminate Franchise Agreement without cause, before the franchise term's scheduled expiration date.

Notes:

1. Except as noted above and except for certain product and service purchases from unaffiliated suppliers, all fees are imposed and collected by and payable to us or an affiliate. We and our affiliates currently do not impose any fees or payments on, or collect any fees or payments from, you on behalf of unaffiliated third parties. However, we reserve the right to do so. Such a fee, if imposed, would be not greater than 20% of the total cost. No fee in

this chart is refundable. All fees represent our current offering and generally are uniformly imposed.

2. We reserve the right to increase any fixed fee, fixed payment, or fixed amount (i.e., not stated as a percentage) under the Franchise Agreement based on changes in the Index (defined below) ("Annual Increase") as well as any by any third party increases. Unless it is the result of a third party increase, an Annual Increase may occur only once per calendar year and may not exceed the corresponding cumulative increase in the Index since the Franchise Agreement's effective date or, as the case may be, since the date on which the last Annual Increase became effective for the particular fixed fee, payment, or amount being increased. Any and all Annual Increases will be made during the same month during each calendar year. "Index" refers to the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average, All Items (1982 – 1984 = 100), not seasonally adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics, or in a successor index. We also reserve the right—if any fixed fee, payment, or amount due from you under the Franchise Agreement encompasses any third-party charges we collect from you on a pass-through basis (*i.e.*, for ultimate payment to the third party)—to increase the fixed fee, payment, or amount beyond the Annual Increase to reflect increases in the third party's charges to us. In the event we develop a customized technology solution, the Annual Increase limits described in this paragraph will not apply. Although we do not require software for the following services, we may do so in the future: member class booking & payment, co-working room booking, email marketing, graphic design, and anti-virus software.

3. "Gross Sales" means the aggregate amount of all revenue and other consideration received by the Club from any source, including from selling memberships (both pre- and post-opening), services, products, and merchandise; other types of revenue you receive, including the proceeds of business interruption insurance; and (if we allow barter) the value of services, products, and merchandise bartered in exchange for the Club's memberships, services, products, or merchandise. All transactions must be entered into the Computer System at the full, standard retail price for purposes of calculating Gross Sales. You must report your Gross Sales to us, as well as all amounts due to us based on Gross Sales, in the form and manner we periodically specify.

   Gross Sales exclude: (i) federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority; (ii) tips paid to your employees by customers as long as your employees actually receive the full amount of such tips; (iii) the value of both employee discounts and permitted promotional or marketing discounts offered to the public (these discounts not exceeding, in the aggregate, 2% of the Club's Gross Sales); (iv) proceeds from insurance, excluding business interruption insurance; (v) deferred revenue or deposits as determined by the accounting methods described in our Operations Manuals; and (vi) proceeds from any civil forfeiture, condemnation, or seizure by government entities. In addition, Gross Sales are reduced by the amount of any credits or refunds provided in compliance with our policies.

   Revenue from gift/loyalty/stored-value cards and similar items we approve for offer and sale at HAVEN Clubs, whether maintained on an App, on another electronic medium, or in another form (together, the "Loyalty Program Media") is included in Gross Sales when the Loyalty Program Media are used to pay for services and products (although we have

the right to collect our fees due on that revenue when the Loyalty Program Media are acquired by the customer). Your Club may not issue or redeem any coupons or Loyalty Program Media unless we first approve in writing their form and content and your proposed issuing and honoring/redemption procedures. We have the right to grant or withhold our approval as we deem best. We have no obligation to reimburse you for any costs you incur in participating in our Loyalty Program Media, including for providing services or products to customers without compensation.

We have the right to modify our policies and practices regarding revenue recognition, revenue reporting, and including or excluding certain revenue from "Gross Sales" as circumstances, business practices, and technology change. Such policies and practices shall be located in our Operations Manual which may change from time to time.

4. You must authorize us to debit your business checking or other account automatically for the Royalty, Technology Fee, Brand Fund contribution, and other amounts due under the Franchise Agreement or otherwise. We will debit your account on or after the payment due date for the Royalty, Technology Fee, Brand Fund contribution, and other amounts due. Funds must be available in the account for withdrawal. You must reimburse any "insufficient funds" charges and related expenses we incur due to your failure to maintain sufficient funds in your bank account.

5. We have the right to designate one or more distinct geographic areas or any combination of geographic areas for one or more advertising cooperatives (each, a "Cooperative"). Each Cooperative's members will be the owners of all HAVEN Clubs located and operating in the distinct geographic area or, if combined, the multiple geographic areas (including us and our affiliates, if applicable). We have the right to require you to contribute to the Cooperative up to 1% of the Club's monthly Gross Sales (although the Cooperative's members may vote to increase the required contribution above this 1%, but not to exceed 2% of the Club's monthly Gross Sales, with each member in the Cooperative having one vote). We have the right to control how the Cooperative contributions are spent. All of your Cooperative dues count toward your Local Marketing Spending Requirement for the Club but not toward your market introduction program or required Brand Fund contributions.

6. On a monthly basis, you must spend the greater of $2,000 or 2% of the Club's monthly Gross Sales, on approved Marketing Materials (defined as advertising, marketing, promotional, and customer lead-generation formats and materials) and advertising, marketing, and promotional programs for the Club (the "Local Marketing Spending Requirement"). We will credit all of your Cooperative contributions toward the Local Marketing Spending Requirement. However, we do not count the market introduction program or Brand Fund contributions toward this minimum obligation. We have the right to review your books and records and to have you send us reports to determine your advertising, marketing, and promotion expenses. If you fail to spend (or prove that you spent) the Local Marketing Spending Requirement, we have the right to collect the required amounts from you and to deposit them into the Brand Fund.

Item 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

(Lease of an existing building with a build-to-suit arrangement)

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Initial Franchise Fee[1]	$55,000	Lump sum	Upon signing Franchise Agreement	Us
Site Development Assistance Fee	$30,000	Lump sum	Upon signing Franchise Agreement (or by deadline specified in Area Development Agreement)	Us
Initial Training Fee	$10,000	Lump sum	Upon signing Franchise Agreement	Us
Curriculum Materials / Programs [2]	$1,080 to $1,350	Lump sum	Upon signing Franchise Agreement	Us
Opening Inventory[3]	$1,000 to $2,000	Lump sum	As incurred	Us
Market Introduction Program [17]	$25,000 to $35,000	As incurred	As incurred	Marketing Sources or Us (if we collect costs from you)
Lease, Utility, & Security Deposits [4]	$25,250 to $46,125	Lump sum	As incurred	Landlord and Utilities
Architect, Design, and Engineer Fees[5]	$0 to $40,000	Lump sum	As incurred	Approved Suppliers
Construction / Leasehold Improvements [6a]	$0 to $107,000	As incurred	As incurred	Contractors
Signage[7]	$8,000 to $12,000	Lump sum	As incurred	Approved Suppliers
Playground Equipment, Surfacing, Fencing, and Landscaping [8]	$154,851 to $205,952	Lump sum or financed	As incurred	Approved Suppliers

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Furniture, Fixtures, and Equipment - Childcare [9]	$95,439 to $190,878	Lump sum or financed	As incurred	Approved Suppliers
Furniture, Fixtures, and Equipment - Fitness/Wellness [10]	$24,130 to $36,195	Lump sum or financed	As incurred	Approved Suppliers
Furniture, Fixtures, and Equipment - Workspace[11]	$35,649 to $53,474	Lump sum or financed	As incurred	Approved Suppliers
Furniture, Fixtures, and Equipment - Other [12]	$34,655 to $51,983		As incurred	Approved Suppliers
Security System/Computers/Network Equipment[13]	$32,510 to $48,765	Lump sum	As incurred	Approved Suppliers
Business Licenses and Operating Permits[14]	$4,000 to $5,500	As incurred	As incurred	Government Agencies
Insurance (12months)[15]	$8,000 to $15,000	As agreed	As incurred	Insurance Companies
Initial Training Travel & Living Expenses[16]	$15,000 to $22,500	As incurred	As incurred	Vendors
Miscellaneous [18]	$50,000 to $100,000	As incurred	As incurred	Third Party Suppliers
Additional Funds—3 Months[19]	$138,375 to $184,039	As incurred	As incurred	Third Parties, Suppliers, and Employees
Total Estimated Initial Investment (including real estate lease costs) [20]	$747,939 to $1,252,761			

YOUR ESTIMATED INITIAL INVESTMENT

(Lease and major renovation of an existing building without a build-to-suit arrangement)

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Initial Franchise Fee[1]	$55,000	Lump sum	Upon signing Franchise Agreement	Us
Site Development Assistance Fee	$30,000	Lump sum	Upon signing Franchise Agreement (or by deadline specified in Area Development Agreement)	Us
Initial Training Fee	$10,000	Lump sum	Upon signing Franchise Agreement	Us
Curriculum Materials / Programs [2]	$1,080 to $1,350	Lump sum	Upon signing Franchise Agreement	Us
Opening Inventory[3]	$1,000 to $2,000	Lump sum	As incurred	Us
Market Introduction Program [17]	$25,000 to $35,000	As incurred	As incurred	Marketing Sources or Us (if we collect costs from you)
Lease, Utility, & Security Deposits [4]	$21,708 to $37,208	Lump sum	As incurred	Landlord and Utilities 5,000 to $2,033,00
Architect, Design, and Engineer Fees[5]	$25,000 to $75,000	Lump sum	As incurred	Approved Suppliers
Construction / Leasehold Improvements [6b]	$425,000 to $2,033,000	As incurred	As incurred	Contractors
Signage[7]	$8,000 to $12,000	Lump sum	As incurred	Approved Suppliers
Playground Equipment, Surfacing, Fencing, and Landscaping [8]	$154,851 to $205,952	Lump sum or financed	As incurred	Approved Suppliers
Furniture, Fixtures, and Equipment - Childcare [9]	$95,439 to $190,878	Lump sum or financed	As incurred	Approved Suppliers

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Furniture, Fixtures, and Equipment - Fitness/Wellness [(10)]	$24,130 to $36,195	Lump sum or financed	As incurred	Approved Suppliers
Furniture, Fixtures, and Equipment - Workspace[(11)]	$35,649 to $53,474	Lump sum or financed	As incurred	Approved Suppliers
Furniture, Fixtures, and Equipment - Other [(12)]	$34,655 to $51,983		As incurred	Approved Suppliers
Security System/Computers/Network Equipment[(13)]	$32,510 to $48,765	Lump sum	As incurred	Approved Suppliers
Business Licenses and Operating Permits[(14)]	$4,000 to $5,500	As incurred	As incurred	Government Agencies
Insurance (12months)[(15)]	$8,000 to $15,000	As agreed	As incurred	Insurance Companies
Initial Training Travel & Living Expenses[(16)]	$15,000 to $22,500	As incurred	As incurred	Vendors
Miscellaneous [(18)]	$50,000 to $100,000	As incurred	As incurred	Third Party Suppliers
Additional Funds—3 Months[(19)]	$138,375 to $184,039	As incurred	As incurred	Third Parties, Suppliers, and Employees
Total Estimated Initial Investment (including real estate lease costs) [(20)]	$1,194,397 to $3,204,844			

Explanatory Notes to Table:

General Notes. Except for security and utility deposits, no expenditure in the table is refundable (deposit refundability depends on landlord's and utility's practices). The numbers in this table for fixtures, equipment, and signage are estimated purchase costs. Your estimated initial investment might be lower if you can lease or finance the acquisition of any of these items and pay for them over time. The estimates do not take into account any revenue or deposits you receive before the Club opens and generally do not include taxes on your purchases.

Note 1: *Initial Franchise Fee*. The initial franchise fee for a HAVEN Club is $55,000. However, if you want development rights (a minimum of 2 HAVEN Clubs), the initial franchise fee currently is $41,250 for each of the second and subsequent Clubs that you commit

to develop (that is, 75% of our then-current standard initial franchise fee for a HAVEN Club franchise).

- No separate initial investment is required when you sign the Area Development Agreement. You need only pay the development fee, which equals the full $55,000 initial franchise fee for the first Club covered by the first Franchise Agreement, plus a 50% deposit (currently $20,625) of the initial franchise fee due for each subsequent Club you commit to develop under the ADA (currently $41,250).

Note 2: *Curriculum Materials / Programs*. This amount covers the first quarterly Curriculum Fee for the HAVEN curriculum- aligned projects and related materials and supplies ("Kits") we require as core elements of each month's curriculum focus. This amount does not include shipping/handling costs or applicable sales taxes.

Note 3: *Opening Inventory*. Before opening your Club, you must purchase an initial inventory of branded merchandise and related supplies from us for display and sale at your Club. This estimate does not include delivery costs or applicable sales taxes.

Note 4: *Lease, Utility, & Security Deposits.* A typical HAVEN Club has anywhere from 8 to 10 classrooms and occupies approximately 8,500 to 10,700 square feet of leased space in a free-standing location and a playground between 3,000 and 10,000 square feet. The minimum size requirements will depend on state and local licensing requirements. Your Club must have the capability of having 75 to 100 children. The preferred trade area is a suburban area with accessibility to a city by car or train. Rent depends on geographic location, size, local rental rates, businesses in the area, site profile, and other factors we will discuss with you as part of the site-related assistance we provide during the site selection process. Your lease negotiations with your landlord and the Club's size and market area will determine when your lease payments begin. This initial investment table does not reflect the potential purchase cost of real estate or the costs of constructing a building suitable for the Club.

Real property costs vary considerably according to geographic location and immediate surrounding factors, such as traffic, property values, and demographics. (For example, rent costs are likely to be higher on the East Coast and in dense major metropolitan areas and central business districts.) Factors typically affecting your initial investment include your cost to negotiate the lease, local real estate market values, terms under which other locations have been leased, how the costs of site improvements are allocated between landlord and tenant, interest costs, and the parties' negotiations. Lease terms are individually negotiated and may vary materially from one location or transaction to another.

Commercial leases are typically "triple net" leases, requiring you to pay rent, all taxes, insurance, maintenance, repairs, common-area-maintenance costs, merchants' association fees, and all other costs associated with the property. You might also have to pay percentage rent and make an initial payment into an escrow fund to cover estimated real estate taxes.

Your landlord likely will require you to pay a security deposit equal to one month's rent or more. In addition, utility companies often require deposits when setting up new accounts for telephone, internet, electricity, gas, water, and other utilities necessary to operate a HAVEN Club.

Note 5: *Architect, Design, and Engineer Fees.* This amount includes the cost of an Architect, Structural Engineer, MEP Engineer, and Landscape Architect (some/all of these may not be necessary if the landlord pays for these services).

Note 6: *Construction / Leasehold Improvements.*

6.a Build to Suit. This estimate is based on our expectation that you will lease the Club's site from a landlord in "Build-to-suit" condition meaning the building would be built out to the exact specifications provided to landlord so that the club is effectively move-in ready. Depending on your specific circumstances, the premises may require a minimal amount of additional leasehold improvements that you would be responsible for paying. These additional expenses have been factored into the high-end estimate. In addition to completing most or all of the leasehold improvements, the landlord may give you a tenant improvement allowance that could be used to offset the cost of any improvements you had to make. This allowance has been factored into the high end estimate. The cost of the improvements completed by the landlord and any tenant improvement allowance would typically be amortized (and included in rent calculation) over the term of the lease. Your costs might be more or less than this estimate based on where you plan to operate your Club and the amount of tenant improvements provided by the landlord.

6.b. Major Renovation. This estimate is based on our expectation that the lease is not build-to-suit, and the landlord requires you to pay for all or a portion of the construction costs and improvements. The estimate includes amounts for construction, remodeling, fixed assets, and leasehold improvements. You must pay for leasehold improvement costs—which could include floor and window covering, wall treatment, counters, ceilings, painting, venting, electrical, carpentry, and similar work, and contractor's fees. The actual costs depend on the site's condition, location, and size; the demand for the site among prospective lessees; cost per square foot; the site's previous use; the build-out required to conform the site for your Club; and any construction or other allowances the landlord grants. Your costs might be more or less than this estimate based on where you plan to operate your Club. This amount includes fee's associated with hiring a construction project manager. We require the use of a construction project manager for all leasehold improvement projects but do not currently require the use of a specific vendor for this service.

Note 7: *Signage*. This range covers the cost of indoor and outdoor signage. The low range represents the cost of a single outdoor sign and interior wayfinding signage, while the high range covers the same plus the additional costs of more complex exterior signing options. We may require two outdoor signs depending on the location of the Club. The total cost for the signage varies depending on the size of the signs, quantity, whether the signs are illuminated, and the requirements of the landlord and governing authority.

Note 8: *Playground Equipment, Surfacing, Fencing, and Landscaping*. This amount is for playground equipment, playground surfacing (turf, artificial turf, wood chips, etc.), fencing around perimeter and between different age group playgrounds, and all landscaping/hardscaping. This estimate does not include delivery costs or applicable sales taxes.

Note 9: *Furniture, Fixtures, and Equipment – Childcare.* This amount is for furniture, fixtures, and equipment for the Club's classrooms. This estimate does not include delivery costs or applicable sales taxes.

Note 10: *Furniture, Fixtures, and Equipment - Fitness/Wellness*. This amount is for Fitness/Wellness FF&E based on the Club's size. This includes all gym FF&E and all FF&E for a wellness suite. This estimate does not include delivery costs or applicable sales taxes.

Note 11: *Furniture, Fixtures, and Equipment – Workspace*. This amount is for Workspace FF&E based on the Club's size. This includes all FF&E for shared office space, private offices (if applicable), conference room (if applicable), and parent lounge. This also includes FF&E for the parent lounge and Phone Booths/Focus Pods. This estimate does not include delivery costs or applicable sales taxes.

Note 12: *Furniture, Fixtures, and Equipment – Other*. This amount is for all other FF&E not included in the FF&E categories listed above. This includes FF&E for reception/lobby, kitchen/break-room, employee office, bathrooms, nursing/pumping suite, etc. This estimate does not include delivery costs or applicable sales taxes.

Note 13: *Security System/Computers/Network Equipment.* You must purchase hardware for your information technology infrastructure, physical site security systems and installation, and onsite network and computer hardware/software system requirements. We will give you a list of suggested solutions and minimum system requirements. Included are information technology security systems, computer hardware, network equipment/wireless access points, and other infrastructure-based products and support services. This estimate does not include delivery costs or applicable sales taxes.

Note 14: *Business Licenses and Operating Permits.* The cost of obtaining business, health, and other permits and licenses for your Club can vary considerably from area to area. We have the right to require your Club to apply for state- or national-based accreditation. Before signing the Franchise Agreement, you should consult with the appropriate local agencies about likely expenses.

Note 15: *Insurance*. You must obtain and maintain certain types and amounts of insurance coverage (described in Item 8). Insurance costs depend on policy limits, types of policies, nature and value of physical assets, gross sales, number of employees, square footage, location, business contents, and other factors affecting risk exposure. The estimate contemplates insurance costs for 12 months but excludes workers' compensation insurance. You should check with your insurance agent and state licensing agency regarding additional insurance you might need or want to obtain above our stated minimums.

Note 16: *Training Travel & Living Expenses*. This estimated range is for 3 people to attend our initial training program for 1 to 3 weeks and includes transportation, board, and lodging. You alone are responsible for all Club hiring decisions and all employment terms and conditions for your employees.

Note 17: *Market Introduction Program*. We may require you to spend up to this amount (although you can choose to spend more) on a public relations and market introduction program for your Club, which we will help you develop. You must send us your proposed public relations and market introduction program at least 30 days before its planned rollout date.

Note 18: *Miscellaneous.* This covers professional services, pre-opening labor-related costs, miscellaneous purchases of equipment, soft goods, and inventory not covered in the line-items

above, and other expenses necessary in your market area. This also includes sales tax, shipping charges, and installation costs for all Furniture, Fixtures, and Equipment.

Note 19: *Additional Funds—3 Months*. This line-item estimates the funds needed to cover your additional funds during the first 3 months of operation (other than the items identified separately in the table) including payroll expenses, repairs and maintenance, advertising, utilities, supplies, dues and subscriptions, professional fees, and other miscellaneous expenses. This does not take into consideration any revenue derived during the first three months of operation. The time period of 3 months and estimated additional funds are not representations of when you should expect to break even. We relied on our affiliates' HAVEN Club development and operating experience since August 2019 to compile this Additional Funds estimate.

Note 20: *Total Estimated Initial Investment.* We do not offer financing directly or indirectly for any part of the initial investment. 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.

Area Development Agreement (2-Units)

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Development Fee plus Deposit for additional Location	$130,625 (2-Units)	Lump sum	Upon execution of Development Agreement	Us
Initial Investment to Open Single Club with Build to Suit arrangement Initial Investment to Open Single Club without Build to Suit arrangement	$692,939 to $1,197,761 $1,139,397 to $3,149,844	Totals from Chart A of this Item 7 less the Initial Franchise Fee.		
Grand Total	$768,564 to $1,273,386 (2 Build to Suit) $1,215,022 to $3,225,469 (2 without Build to Suit)	This is the total estimated initial investment to enter into an Area Development Agreement for the right to own a total of two, as well as the estimated initial costs to open and begin operating your initial Haven Club for the first three months (as described more fully in the single unit franchise chart above).		

An estimated initial investment will be incurred for each Club established under a ADA.

No separate initial investment is required when you sign the Area Development Agreement. You need only pay the development fee, which equals the full $55,000 initial franchise fee for the first Club covered by the first Franchise Agreement, plus a 50% deposit (currently $20,625) of the initial franchise fee due for each subsequent Club you commit to develop under the ADA (currently $41,250).

Item 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Brand Standards and Designated and Approved Suppliers

You must operate the Club according to our Brand Standards. Brand Standards may regulate, among other things, types, models, and brands of furniture, fixtures, signs, equipment (including components of and required software licenses for the Computer System), security systems, and branded vehicles (if any) required for the Club (collectively, "Operating Assets"); required, authorized, and unauthorized services and products for the Club; and designated and approved manufacturers, suppliers, and/or distributors of Operating Assets, services, and products. You must buy or lease all Operating Assets, products, and services you use or sell at the Club only according to Brand Standards and, if we require, only from manufacturers, suppliers, or distributors we designate or approve (which may include or be limited to us, our affiliates, and/or other restricted sources) at the prices those suppliers choose to charge.

We and our affiliates currently are the designated supplier of the proprietary curriculum you will use in operating your Club, the certain technology software, and branded merchandise.

You currently must buy or lease all of the Club's Operating Assets (defined above), point-of-sale and information-technology systems, small-wares, and non-branded merchandise only from suppliers we designate or approve or according to our minimum brand specifications (depending on the item involved).

We have the right (but no obligation) to designate a real estate broker you must use to search for potential sites for the Club.

If the Club is your (or your affiliate's) first HAVEN Club, you must use bookkeeping services provided by our designated franchise accounting provider for at least the first 12 months of the Club's operation. You may after 12 months seek approval to use accounting services other than our designated franchise accounting provider. We may (but are not required to) approve your request if we are satisfied that your requested accounting service can furnish the reports and other financial information required to comply with our minimum standards. However, if we determine at any time that you do not have readily-available accounting service providers or employees who can furnish required reports and other financial information in compliance with our minimum standards, we have the right to require the Club once again to use bookkeeping services provided by our designated franchise accounting providers.

No officer of ours owns any interest in any unaffiliated supplier to the franchise system.

We restrict your sources of items and services in many cases to protect trade secrets and other intellectual property, help assure quality and a reliable supply of products meeting our standards, achieve better purchase and delivery terms, control third-party use of the Marks, and

monitor the manufacture, packaging, processing, sale, and delivery of these items. Besides your purchases from designated or approved suppliers, you generally must purchase products and services meeting our minimum standards and specifications.

You must send us before you intend to use them samples or proofs of all Marketing Materials we have not prepared (as a potential approved source of such items) or already approved and all approved Marketing Materials that you propose to change in any way. If we do not approve those Marketing Materials within 15 days after receiving them, they will be deemed disapproved for use. You may not use any Marketing Materials that we have not approved or have disapproved. "Marketing Materials" are defined as advertising, marketing, promotional, and customer lead-generation formats and materials.

Club Development

You must develop the Club at your expense. You must follow our construction guidelines, design standards and guidelines, and mandatory specifications and layouts for a HAVEN Club ("Plans"), including requirements for dimensions, design, interior layout, improvements, color scheme, décor, finishes, signage, and Operating Assets. All other decisions regarding the Club's development are subject to our review and prior written approval.

You must—using your own architect and engineer and at your own cost—adapt the Plans for the Club ("Adapted Plans") and make sure they comply with the Americans with Disabilities Act ("ADA"), all other federal, state, and local laws, codes, ordinances, and regulations, and lease requirements and restrictions. We have the right (but no obligation) to pre-approve the local architect and engineer you wish to engage to prepare the Adapted Plans. In all cases, you must send us the Adapted Plans for pre-approval before the Club's build-out begins and all revised or "as built" plans and specifications prepared during construction and development. Our review is limited to reviewing compliance with our Plans. Our review is not intended or designed to assess your compliance with applicable laws or lease requirements, which is your responsibility. We also have the right to pre-approve the general contractor you wish to engage to build the Club. We require the use of a construction project manager for all leasehold improvement projects but do not currently require the use of a specific vendor. We reserve the right to require a specific vendor in the future.

You must at your expense construct, install all trade dress and Operating Assets in, and otherwise develop the Club according to our standards, specifications, and directions. The Club must contain all Operating Assets, and only those Operating Assets, we specify or pre-approve. You agree to place or display at the Club (interior and exterior), according to our guidelines, only the signs, emblems, lettering, logos, and display materials we approve.

We periodically may modify Brand Standards, which may accommodate regional or local variations, and those modifications may obligate you to invest additional capital in the Club and/or incur higher operating costs. You must implement any changes in mandatory Brand Standards within the time period we request. However, except for:

(i) changes in the computer system;

(ii) changes in signage and logo (i.e., Club exterior graphics);

(iii) certain changes in connection with a transfer;

(iv) changes required by the Club's lease or applicable law; and

(v) general Club upkeep, repair, and maintenance obligations,

for all of which the timing and amounts are not limited during the franchise term, we will not require you to make any capital modifications (i.e., any modification that would qualify as a capital expenditure under generally-accepted accounting principles) (1) during the first 3 years after the Club commences operation or (2) during the last 2 years of the franchise term, unless the proposed capital modifications during those last 2 years (the amounts for which are not limited) are in connection with Club upgrades, remodeling, refurbishing, and similar activities for your acquisition of a renewal franchise.

This means that, besides the rights we reserve above in clauses (i) through (v), we have the right during the 4th through 8th years after the Club commences operation (and unrelated to your potential acquisition of a renewal franchise) to require you to incur capital expenditures to alter the Club's appearance, layout, and/or design substantially, and/or to replace a material portion of the Operating Assets, in order to meet our then-current requirements and then-current Brand Standards for new HAVEN Clubs. You must spend any sums required in order to comply with this obligation and our requirements (even if such capital expenditures or other costs cannot be amortized over the remaining franchise term). However, we will not require you to spend in the aggregate in connection with any remodeling and renovation project—during the 4th through 8th years after the Club commences operation—more than $100,000. Within 60 days after receiving written notice from us, you must prepare plans according to the standards and specifications we prescribe (using an architect, engineer, and general contractor we approve) and submit those plans to us for written approval. You must complete all work according to the plans we approve within the time period we reasonably specify.

Estimated Proportion of Required Purchases and Leases to all Purchases and Leases

We estimate that 3.9% to 20.6% of your expenditures for leases and purchases in establishing your Club and approximately 9% to 20% of your total annual operating expenses on an ongoing basis will be for goods and services which are subject to sourcing restrictions (that is, for which suppliers must be approved by us, or which must meet our standards or specifications).

Membership Agreements and Programs

Every membership agreement your Club uses must comply with all applicable laws, including laws relating to billing, refunds, and cancellations. We will give you a sample of the form of on-line membership agreement our affiliated Clubs use, and which satisfies Brand Standards, for HAVEN Club customers. You must promptly review the membership agreement for compliance with all applicable laws of the jurisdiction in which your Club will operate and inform us whether any changes to our form membership agreement are necessary to comply with those laws. You may not begin offering memberships with that form membership agreement until you confirm that it is compliant or, if you inform us that changes are required, we have modified the form membership agreement to comply with applicable laws. You cannot use (and must discontinue using) any membership agreements that violate applicable laws.

Brand Standards may cover standards, procedures, and requirements for reciprocity programs, transferring memberships, changing membership programs, community engagement and customer experience, collateral, and other programs designed to enhance member satisfaction with HAVEN Clubs, including revenue-sharing, cost-sharing, and pricing- adjustment requirements for these programs.

Test Programs

We have the right to require you periodically to participate in certain test programs and consumer surveys for new services, products, and/or Operating Assets. This could obligate you to spend money for new Operating Assets and to incur other operating costs for the Club. While we need not reimburse those costs, we will not require you to spend unreasonable amounts to participate in test programs and consumer surveys. Alternatively, we have the right to use the Brand Fund to pay for these costs. We have the right to discontinue any test programs before their scheduled completion dates and to choose not to implement any changes to the Franchise System. We have not yet started any test programs but will advise you in advance of any required procedures.

Insurance

You must acquire and maintain insurance coverage for the Club at your own expense in the amounts, and covering the risks, we periodically specify. Your insurance carriers must be licensed to do business in the Club's state and be rated A-, VII or higher by A.M. Best and Company, Inc. (or satisfy our other criteria). We have the right periodically to increase the required coverage amounts and/or to require different or additional insurance coverage at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or relevant changes in circumstances. Insurance policies must name us and our designated affiliates as additional insureds (and be provided on an Additional Insured Grantor of Franchise Endorsement per form CG2029 or an endorsement form with comparable wording acceptable to us) and give us 30 days' prior written notice of material modification, cancellation, or non-renewal and notice of non-payment. You must send us a valid insurance certificate or duplicate insurance policy showing required coverage and payment of premiums.

You currently must have the following minimum insurance coverage:

- Commercial General Liability—no less than $1,000,000/occurrence and $3,000,000/ aggregate
- Umbrella Liability Policy—no less than $2,000,000/occurrence and $2,000,000/ aggregate
- Sexual Abuse & Molestation Liability—no less than $1,000,000/occurrence and $3,000,000/aggregate
- Professional Liability—no less than $1,000,000/occurrence and $3,000,000 / aggregate
- Worker's Compensation and Employers' Liability (amount will vary by state)
- Premises Medical Expense—no less than $20,000
- Accident and Health Medical Policy—excess medical coverage no less than $250,000, accidental death coverage no less than $10,000, accidental dismemberment coverage no

less than $20,000, and dental coverage no less than $1,000 (and with a $500 per tooth maximum)

- Employment Practices Liability—no less than $1,000,000/occurrence and $1,000,000 / aggregate
- Business Interruption Insurance—no less than three months revenue

Your lease or state licensing or regulatory bodies might require additional coverages or limits. In addition, a HAVEN Club might have varying insurance premium costs due to the number of licensed childcare spaces created.

During any construction/remodeling, we require the contractor/developer to have and maintain the following minimum insurance coverage:

Unoccupied Sites: Commercial General Liability—no less than $1,000,000/occurrence and $1,000,000 aggregate and umbrella policy of no less than $2,000,000/occurrence and $2,000,000 aggregate. These numbers increase to $3,000,000, $3,000,000, and $5,000,000, respectively, should the building be occupied at the time of work/renovation/remodeling. Any contractor hired also must have workers' compensation and Employer's Liability coverage.

Loyalty Program Media

You must participate in, and comply with the requirements of, our Loyalty Program Media and customer loyalty/affinity and similar programs. Your participation will include accepting membership points and credits as payment from customers and paying us transaction- processing fees or merchant-services fees or otherwise reimbursing our or a third-party's costs for transactions through our Loyalty Program Media and customer loyalty/affinity programs. We have no obligation to reimburse you for any costs you incur in participating in our Loyalty Program Media, including for providing services or products to customers without compensation.

Supplier Approval and Designation Process and Compliance with Brand Standards

Except as described above, there are no goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Club that you currently must buy or lease from us (or our affiliates) or designated or approved suppliers. In the future, we have the right to designate other products and services that you must buy only from us, our affiliates, or designated or approved suppliers. To maintain the quality of HAVEN Club products and services and our franchise network's reputation, all Operating Assets, products, and services your Club uses or sells (besides those described above that you currently may obtain only from us, our affiliates, and/or approved and designated suppliers) must meet our minimum standards and specifications, which we issue and modify based on our, our affiliates', and our franchisees' experience in operating HAVEN Clubs. Standards and specifications may impose minimum requirements for production, performance, safety, reputation, prices, quality, design, and appearance. Our Operations Manual, other technical manuals, and written and online communications will identify our standards and specifications for you. When appropriate and authorized, you may provide those standards and specifications to suppliers if they agree to maintain confidentiality.

If you want to purchase or lease any Operating Assets, products, or services from a supplier or distributor we have not yet approved (if we require you to buy or lease the asset, product, or

service only from an approved supplier or distributor), then you must establish to our reasonable satisfaction that the quality and functionality of the item or service are equivalent to that of the item or service it replaces and that the supplier or distributor is, among other things, reputable, financially responsible, and adequately insured for product-liability claims. You must pay upon request either our then-current fee or any actual expenses we incur (whichever is greater) to determine whether or not the items, services, suppliers, or distributors meet our requirements and specifications. We will decide within a reasonable time (up to 120 days).

We have the right to condition supplier or distributor approval on requirements relating to product quality and safety; third-party lab testing; prices; consistency; warranty; supply-chain reliability and integrity; financial stability; customer relations; frequency, economy, and efficiency of delivery; the benefits of concentrating purchases with limited suppliers; standards of service (including prompt attention to complaints); and other criteria. We have the right to inspect the proposed supplier's or distributor's facilities and require the proposed supplier or distributor to send samples or items either directly to us or to a third-party testing service. We have the right to re-inspect a supplier's or distributor's facilities and products and revoke our approval of any supplier, distributor, product, or service no longer meeting our criteria by notifying you and/or the supplier or distributor. We do not make available to franchisees our approval criteria for suppliers or distributors. If we approve a supplier or distributor you recommend, we have the right to allow other HAVEN Clubs to purchase or lease the Operating Assets or other products or services from those suppliers or distributors without limitation and without compensation to you, although we will return any amounts we initially charged you to determine whether or not the suppliers or distributors met our requirements and specifications.

Despite these procedures, we have the right to limit the number of approved suppliers and distributors, designate sources you must use, and refuse your requests for any reason, including because we already have designated an exclusive source (which might be us or our affiliate) for a particular item or service or believe that doing so is in the HAVEN Club network's best interests

Revenue from Supply Chain

We and/or our affiliates have the right to derive revenue—in the form of promotional allowances, volume discounts, commissions, other discounts, performance payments, signing bonuses, rebates, marketing and advertising allowances, free products, and other economic benefits and payments—from suppliers that we designate, approve, or recommend for some or all HAVEN Clubs on account of those suppliers' prospective or actual dealings with your Club and other HAVEN Clubs. That revenue may or may not be related to services that we and our affiliates perform. All amounts received from suppliers, whether or not based on your or other franchisees' purchases from those suppliers, will be our and our affiliates' exclusive property, which we and our affiliates may retain and use without restriction for any purposes we and our affiliates deem appropriate. Any products or services that we or our affiliates sell you directly may be sold to you at prices exceeding our and their costs.

In our past fiscal year ending December 31, 2025, neither we nor our affiliates derived any revenue in connection with franchisees' required purchases. There are no arrangements formally in place with unaffiliated suppliers as of this disclosure document's issuance date under which we or our affiliates will receive payments from those suppliers on account of their prospective dealings with our franchisees.

Collectively, your purchases and leases from us or our affiliates, from designated or approved suppliers, or according to our standards and specifications represent virtually 100% of your overall purchases and leases to establish and then operate the Club.

Negotiation of Purchase Arrangements

There currently are no purchasing or distribution cooperatives. We and our affiliates currently negotiate purchase arrangements with suppliers (including price terms) for Operating Assets, point-of-sale and information-technology systems, small-wares, food and beverage products and ingredients, and branded and non-branded merchandise. In doing so, we and our affiliates seek to promote the overall interests of the franchise system and affiliate-owned HAVEN Clubs and our interests as the franchisor.

We do not provide material benefits to a franchisee (for example, renewal or granting additional franchises) for purchasing particular products or services or using particular suppliers.

The Area Development Agreement 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, or comparable items related to establishing or operating your business under the ADA. However, each site proposed for a HAVEN Club must satisfy our site-selection criteria and is subject to our written approval.

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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	4(A) and (B) of Franchise Agreement 5 of Area Development Agreement	5, 7, 8, 11, and 12
b. Pre-opening purchases/leases	4(C) and (D), 5(B) and (C), 7(D) and (E), and 13(A) of Franchise Agreement Not applicable under Area Development Agreement	5, 7, 8, and 11
c. Site development and other pre-opening requirements	4(C) and (D) of Franchise Agreement 5 of Area Development Agreement	7, 8, and 11
d. Initial and ongoing training	6 of Franchise Agreement Not applicable under Area Development Agreement	5, 6, 7, and 11

Obligation	Section in agreement	Disclosure document item
e. Opening	4(D) of Franchise Agreement 1(a), 2(a), and 5 of Area Development Agreement	11 and 12
f. Fees	3(G) and (H), 4(A)(6), 5, 6, 7(C), (D), (E), (F), and (G), 10, 13, 15, 16(C)(1), 16(C)(2)(g), 17, 18(C) and (D), 19(A), (B), and (G), 20(C), (D), and (E), and 21(C) of Franchise Agreement 4 and 5(b) of Area Development Agreement	5, 6, 7, 8, and 11
g. Compliance with standards and policies/operating manual	6(G) and 7 of Franchise Agreement Not applicable under Area Development Agreement	8 and 11
h. Trademarks and proprietary information	8, 9, 10, and 11 of Franchise Agreement 3 of Area Development Agreement	13 and 14
i. Restrictions on products/services offered	7(C), (D), and (F) of Franchise Agreement Not applicable under Area Development Agreement	8, 11, 12, and 16
j. Warranty and customer service requirements	7(C) of Franchise Agreement Not applicable under Area Development Agreement	Not Applicable
k. Territorial development and sales quotas	Not applicable under Franchise Agreement 1(a), 2(a), and 5 of Area Development Agreement and Development Schedule	11 and 12
l. On-going product/service purchases	7(A), (C), (D), (E), and (G) of Franchise Agreement Not applicable under Area Development Agreement	6 and 8
m. Maintenance, appearance and remodeling requirements	7(A) and (C), 16(C)(2)(h), and 17 of Franchise Agreement Not applicable under Area Development Agreement	8, 11, and 17
n. Insurance	20(D) of Franchise Agreement Not applicable under Area Development Agreement	6, 7, and 8
o. Advertising	13 of Franchise Agreement	5, 6, 7, 8, and 11

Obligation	Section in agreement	Disclosure document item
	Not applicable under Area Development Agreement	
p. Indemnification	10 and 20(E) of Franchise Agreement 10 and 11 of Area Development Agreement	6
q. Owner's participation/ management/staffing	3(G) and (H), 6, and 7(C)(7) of Franchise Agreement Not applicable under Area Development Agreement	11 and 15
r. Records and reports	14 of Franchise Agreement Not applicable under Area Development Agreement	6
s. Inspections and audits	15 of Franchise Agreement Not applicable under Area Development Agreement	6
t. Transfer	16 of Franchise Agreement 8 of Area Development Agreement	6 and 17
u. Renewal	17 of Franchise Agreement Not applicable under Area Development Agreement	6 and 17
v. Post-termination obligations	18(C) and 19 of Franchise Agreement Not applicable under Area Development Agreement	6 and 17
w. Non-competition covenants	12, 16(C)(1) and (2)(c), and 19(E) of Franchise Agreement 11 of Area Development Agreement	15 and 17
x. Dispute resolution	21(C), (F), (G), (H), (I), (J), and (L) of Franchise Agreement 11 of Area Development Agreement	17
y. Other: Consumer Data and Data Security	10 of Franchise Agreement Not applicable under Area Development Agreement	14
Social Media Restrictions	7(C)(18) of Franchise Agreement Not applicable under Area Development Agreement	8
Compliance with Customer Loyalty Programs	7(C)(6) and (17) of Franchise Agreement Not applicable under Area Development	6 and 8

Obligation	Section in agreement	Disclosure document item
	Agreement	
Compliance with Customer Complaint Resolution Procedures	7(C)(8) of Franchise Agreement Not applicable under Area Development Agreement	6
Compliance with All Laws	7(B) and (F), 10, and 22 of Franchise Agreement Not applicable under Area Development Agreement	Not Applicable
Owner Guaranty	Owner's Guaranty and Assumption of Obligations and Undertaking of Non-Monetary Obligations (Exhibits B-1 and B-2 to Franchise Agreement) Not applicable under Area Development Agreement	15
Types and Levels of Accreditation and State-Quality Recognition that Club Must Achieve	7(C)(5) of Franchise Agreement	Not Applicable
Handling Media Coverage and Inquiries	7(C)(9) of Franchise Agreement	Not Applicable
Complying with Reciprocity and Membership Programs	7(C)(10) of Franchise Agreement	8
Membership Agreement Requirements	7(F) of Franchise Agreement	8

Item 10
FINANCING

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

Item 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

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

Pre-Opening Assistance

Before you begin operating the Club, we will (directly or through an affiliate or other third party):

1. Review potential Club sites that you identify within the Site Selection Area. We have the right to condition our approval of a proposed site, or a proposed site visit, on your first sending us complete site reports and other materials (including photographs and digital recordings) we request. We will give you our then-current criteria for HAVEN Club sites (including population density and other demographic characteristics, visibility, traffic flow, competition, accessibility, ingress and egress, size, and other physical and commercial characteristics) to help in the site-selection process.

We will use reasonable efforts to review and accept or reject each site you propose within 20 days after we receive all requested information and materials. If we do not accept the site in writing within those 20 days, the site is deemed rejected. We will not unreasonably withhold our approval of a site if, in our and our affiliates' experience and based on the factors outlined above, the proposed site is not inconsistent with sites that we and our affiliates regard as favorable or that otherwise have been successful sites in the past for HAVEN Clubs. However, we have the absolute right to reject any site not meeting our criteria or to require you to acknowledge in writing that a site you prefer, while acceptable to us, is not recommended due to its incompatibility with certain factors bearing on a site's suitability as a location for a HAVEN Club. After we accept and you secure a proposed site, we will identify that site as the Club's address in Exhibit A of the Franchise Agreement. (Franchise Agreement—Section 4(A); ADA—Section 5) We do not own locations for lease to franchisees. Under the ADA, we first must accept each new site you propose for each new HAVEN Club. Our then-current standards for sites will apply.

If you do not find an acceptable Club site within 6 months after the Franchise Agreement's effective date, and then secure that site under an acceptable lease within an additional 2 months after we accept the site, we have the right to terminate the Franchise Agreement upon written notice to you. The initial franchise fee is not refundable. (Franchise Agreement—Section 4(A))

If we and you (or your affiliate) are parties to an Area Development Agreement, the negotiated deadlines specified in that Area Development Agreement will supersede the deadlines specified above. (ADA—Section 5)

We have the right (but no obligation) to designate a real estate broker you must use to search for potential sites for the Club.

2. Accept or reject your Club's lease or sublease. You must send us for review both the proposed terms of the lease or sublease (as they appear in, for example, a landlord letter of intent or lease abstract) and the actual lease or sublease, in each case after receipt from the landlord. We will have 20 days after receiving the proposed lease terms, and another 20 days after receiving the actual lease (these timeframes will not overlap or run concurrently without our prior written approval), to review and either accept or reject what you send us. The lease or sublease must include the lease rider attached as Exhibit D to the Franchise Agreement. You may not sign any lease we have not accepted in writing. (Franchise Agreement—Section 4(B))

3. Give you template Plans for the Club's development. Our Plans might not reflect the requirements of any federal, state, or local laws, codes, ordinances, or regulations, including those arising under the ADA, or any lease requirements or restrictions. You are solely responsible for complying with all laws and must inform us of any changes to the Club's specifications that you believe are necessary to ensure such compliance.

You must—using your own architect and engineer and at your own cost—ensure that your Adapted Plans for the Club comply with all laws and lease requirements and restrictions. We have the right (but no obligation) to pre-approve the local architect and engineer you wish to engage to prepare the Adapted Plans. In all cases, we must pre-approve in writing the Adapted Plans before the Club's build-out begins and all revised or "as built" plans prepared during the Club's construction and development. You must develop the Club in compliance with the approved Adapted Plans. We have the right (but no obligation) to pre-approve the general contractor you wish to engage to build the Club. During the Club's build-out, we have the right physically to inspect the Club or have you send us pictures and images (including recordings) of the Club's interior and exterior so we can review your development of the Club in compliance with our Brand Standards. (Franchise Agreement—Section 4(C)) We do not conform the Club's premises to local ordinances and building codes or obtain required permits for you.

4. Provide initial training for your Managing Owner, the Operating Principal, and the Child Development Director. We describe this training later in this Item. (Franchise Agreement – Sections 6(A) and (B))

5. Identify in writing or electronically the Operating Assets, inventory, supplies, and other products and services you must use to develop and operate the Club, the minimum standards and specifications you must satisfy, and the designated and approved manufacturers, suppliers, and distributors from which you must or may buy or lease items and services (which may include or be limited to us and/or our affiliates). (Franchise Agreement – Sections 4(C), 6(G), 7(D), and 7(E)) We and our affiliates currently are not involved in delivering or installing fixtures, equipment, or signs, although we will provide direction for you to comply with our Brand Standards. We will sell you the initial inventory of branded merchandise.

6. Send an "opening team" to the Club during its opening phase to help you train your supervisory employees on our philosophy and Brand Standards (but not matters relating to labor relations and employment practices). (Franchise Agreement – Section 6(C))

7. Give you access to our various operations and technical manuals, bulletins, and other materials (collectively, the "Operations Manual"). The Operations Manual may consist of and is defined to include audio, video, computer software, other electronic and digital media, and/or written and other tangible materials. The Operations Manual contains Brand Standards and information on your other obligations under the Franchise Agreement. We have the right to modify the Operations Manual periodically to reflect changes in Brand Standards, but those modifications will not alter your fundamental rights or status under the Franchise Agreement. If there is a dispute over the Operations Manual's

contents, our master version controls. The Operations Manual currently contains the equivalent of approximately 350 total pages; its current table of contents is Exhibit E. (Franchise Agreement – Section 6(G))

8. Consult with you on a customizable public relations and market introduction program for the Club. You must send us the proposed program for pre-approval at least 30 days before its planned rollout date. If we do not accept the program in writing within 15 days, it is deemed rejected. You must implement the approved program according to Brand Standards and our other requirements. (Franchise Agreement – Section 13(A))

9. Designate a specific number of Clubs that you (and your Approved Affiliates) must develop and open at accepted locations within your development Territory and the development deadlines (if we grant you development rights). (ADA – Sections 1, 2, and 5) Proposed Club sites will be accepted only if they meet our then-current standards for Club sites.

Opening

The typical time to open the Club for business is within 12 months after the earlier of Franchise Agreement's effective date or your first payment to us. This is also the time within which you must open for business. Your actual opening timetable depends on market availability; how quickly you find the Club's site and finalize its lease; the Club's condition and upgrading and remodeling requirements; the Club's construction and build-out schedule; obtaining licenses; the delivery schedule for Operating Assets and supplies; attending and completing training; and complying with local laws and regulations. (Franchise Agreement—Sections 4(C) and 4(D)) If we and you (or your Approved Affiliate) are parties to a ADA, the ADA will identify the negotiated opening and other deadlines for each Club you commit to develop. (ADA – Sections 1, 2, and 5)

You may not open the Club for business until: (1) we or our designee inspects and approves the Club as having been developed in compliance with our specifications and standards; (2) your Managing Owner, Operating Principal, and Child Development Director complete initial training to our satisfaction; (3) the Club has sufficient trained employees to manage and operate the Club on a day-to-day basis in compliance with our Brand Standards; (4) the minimum number of Club employees we specify are, depending on their positions and roles, CPR-certified and Pediatric First Aid certified; (5) you have satisfied all state and federal permitting, licensing, and other legal requirements and, at our request, have sent us copies of all required permits, licenses, and insurance policies; and (6) you have paid all amounts owed to, and are not in default under any agreement with, us, our affiliates, and principal suppliers. (Franchise Agreement—Sections 4(C) and 4(D))

Ongoing Assistance

During your Club's operation, we will (directly or through an affiliate or other designated third party):

1. Advise you or make recommendations regarding the Club's operation with respect to standards, specifications, operating procedures, and methods that HAVEN Clubs use; purchasing required or recommended Operating Assets and other products, services, supplies, and materials; supervisory-employee training methods and procedures (although

you are solely responsible for the employment terms and conditions of all Club employees); and accounting, advertising, and marketing. We have the right to guide you through our Operations Manual, by electronic media, by telephone, and/or at our office or the Club. (Franchise Agreement – Section 6(G))

2. Continue to give you access to our Operations Manual. (Franchise Agreement – Section 6(G))

3. Issue and modify Brand Standards. Changes in Brand Standards may require you to invest additional capital in the Club and/or incur higher operating costs. You must comply with those obligations within the timeframe we specify. Item 8 describes certain related cost caps. Brand Standards may regulate and establish (to the extent the law allows) price advertising policies and maximum, minimum, or other pricing requirements for services and products the Club sells, including requirements for promotions, special offers, and discounts in which some or all HAVEN Clubs must participate. While we currently do not mandate your Club's retail prices, we will suggest or recommend prices your Club should charge. (Franchise Agreement – Sections 7(A) and 7(C))

4. Let you use our Marks. (Franchise Agreement – Section 8)

5. Let you use our confidential information, some of which constitutes trade secrets under applicable law (the "Confidential Information"). (Franchise Agreement – Sections 7(E) and 9)

6. Establish and maintain a Brand Fund for advertising, marketing, research and development, public relations, Social-Media management, customer lead-generation, customer-relationship-management, and technology programs, materials, and activities we deem appropriate to enhance, promote, and protect the HAVEN Club brand and franchise system. We describe the Brand Fund and other advertising activities below. (Franchise Agreement – Section 13(B))

7. Periodically inspect and monitor the Club's operation. (Franchise Agreement – Section 15(A))

8. Periodically offer refresher training courses. (Franchise Agreement – Section 6(D))

9. Review Marketing Materials you want to use. (Franchise Agreement – Sections 13.C and D)

Advertising and Marketing Programs

Market Introduction Program

You must spend the minimum amounts we specify, ranging from $25,000 to $35,000, to conduct a public relations and market introduction program for the Club. We expect this program to begin approximately 60 to 90 days before, and to continue for approximately 30 to 60 days after, the Club opens. We will consult with you about the type of public relations and market introduction program that we believe is most suitable for your Club's market. We must pre-approve in writing

your proposed public relations and market introduction program, which you must send us for review at least 30 days, before its planned rollout date. If we do not accept the public relations and market introduction program in writing within 15 days after receiving it, it will be deemed rejected. You must implement the approved program according to Brand Standards and our other requirements. At our request, you must pay us for the program's anticipated costs, which we then will either spend for you in the Club's market or re-pay you as you send us invoices or receipts confirming your commitment with vendors to move forward with the approved program. (Franchise Agreement – Section 13(A))

Brand Fund

We have established a Brand Fund to which you and other franchisees must contribute the amounts we periodically specify, not to exceed 2% of your Club's Gross Sales. We currently charge franchisees the full 2% of their Clubs' Gross Sales. Each operational company-owned and affiliate-owned HAVEN Club will contribute to the Brand Fund on the same percentage basis as franchisees.

We will direct all programs the Brand Fund finances, with sole control over and ownership of all creative and business aspects of the Fund's activities. We have no obligation separate from the Brand Fund to advertise for you or in your market.

The Brand Fund may advertise locally, regionally, and/or nationally in printed and on other tangible materials, on radio or television, and/or on the Internet, as we think best. We and/or an outside regional or national advertising agency will produce all advertising and marketing. The Brand Fund periodically may give you sample Marketing Materials at no cost and sell you multiple copies of Marketing Materials at its direct production costs, plus any related shipping, handling, and storage charges. The Brand Fund had no operating history before this disclosure document's issuance date.

We will account for the Brand Fund separately from our other funds (although we need not keep Brand Fund contributions in a separate bank account) and not use the Brand Fund for any of our general operating expenses. We will not use the Brand Fund specifically to develop materials and programs to solicit franchisees. However, media, materials, and programs prepared using Brand Fund contributions may describe our franchise program, reference the availability of franchises and related information, and process franchise leads.

The Brand Fund is not a trust, and we do not owe you fiduciary obligations because we maintain, direct, or administer the Brand Fund or for any other reason. The Brand Fund has the right to spend in any fiscal year more or less than the total Brand Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, invest any surplus for future use, and roll over unspent monies to the following year. We have the right to use new Brand Fund contributions to pay Brand Fund deficits incurred during previous years. We will use all interest earned on Brand Fund contributions to pay costs before using the Brand Fund's other assets. We will prepare an annual, unaudited statement of Brand Fund collections and expenses and share the statement electronically within 60 days after our fiscal-year end or otherwise give you a copy of the statement upon reasonable request. We have the right (but no obligation) to have the Brand Fund audited annually, at the Brand Fund's expense, by a certified public accountant we designate. We have the right to incorporate the Brand Fund or operate it through a separate entity whenever

we deem appropriate. The successor entity will have all of the rights and duties specified here. As of December 31, 2025 we did not make any Brand Fund Expenditures. Our fiscal year is the calendar year.

We have the right at any time to defer or reduce the Brand Fund contributions of any HAVEN Club franchisee and, upon 30 days' prior written notice to you, to reduce or suspend Brand Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Fund. If we terminate the Brand Fund, we will either (i) spend the remaining Fund balance on permitted programs and expenditures or (ii) distribute all unspent funds to our then-existing franchisees, and to us and our affiliates, in proportion to their and our respective Brand Fund contributions during the preceding 12 months. (Franchise Agreement – Section 13(B))

Local Marketing

On a monthly basis, you must spend the greater of $2,000 or 2% of your Club's monthly Gross Sales (unless a Cooperative votes to spend more), on approved Marketing Materials and advertising, marketing, and promotional programs for the Club ("Local Marketing Spending Requirement"). You must prepare, or collaborate with us to prepare, a written local marketing plan for the Local Marketing Spending Requirement and send us the plan for review and pre-approval. (Franchise Agreement – Section 13(D)) We have the right to determine which expenses count or do not count toward your Local Marketing Spending Requirement. Generally, Brand Fund contributions, price discounts or reductions you provide as a promotion, permanent on-premises signs, lighting, personnel salaries, administrative costs, transportation vehicles (even if they display the Marks), and employee-incentive programs do not count. If you do not spend (or prove that you spent) the Local Marketing Spending Requirement, we have the right to collect the required amounts from you and to deposit them into the Brand Fund.

The marketing activities in which you engage will materially affect your Club's success or lack of success. The Local Marketing Spending Requirement might be insufficient for you to achieve your business objectives. Subject to the requirements above, you alone are responsible to determine how much to spend on, and the nature of, Marketing Materials and other approved advertising, marketing, and promotional programs for the Club in order to achieve your business objectives. (Franchise Agreement – Section 13(D))

We are not required to spend any amount on advertising in the franchisee's area or territory.

Approval of Advertising

All advertising, promotion, marketing, and public relations activities you conduct and Marketing Materials you prepare must not be misleading, must conform to our policies, and must comply with all laws. To protect the goodwill that we and our affiliates have accumulated in the "HAVEN" name and other Marks, you must send us before you intend to use them samples or proofs of (1) all Marketing Materials we have not prepared or already approved, and (2) all Marketing Materials we have prepared or already approved that you propose to change in any way. If we do not approve your Marketing Materials in writing within 15 days after we actually receive them, they will be deemed disapproved for use. While we will not unreasonably withhold our approval, you may not use any Marketing Materials we have not approved or have disapproved.

We reserve the right upon 30 days' prior written notice to require you to discontinue using any previously-approved Marketing Materials. (Franchise Agreement – Section 13(C))

Advertising Councils

There currently are no franchisee advertising councils advising us on advertising and marketing policies and programs. However, we have the right to form, change, dissolve, or merge any franchisee advertising council. Once we form a franchisee "advisory" council, we expect that council to provide input on advertising and marketing-related issues.

Advertising Cooperatives

We have the right to designate one or more distinct geographic areas or any combination of geographic areas for one or more advertising cooperatives (each, a "Cooperative"). Each Cooperative's members will be the owners of all HAVEN Clubs located and operating in the distinct geographic area or, if combined, the multiple geographic areas (including us and our affiliates, if applicable). The geographic areas comprising a Cooperative, if there is more than one distinct geographic area in a Cooperative, need not be contiguous to one another or be in the same Designated Market Area (DMA). Each Cooperative will be organized and governed in a form and manner, and begin operating on a date, we determine. We have the right to change, dissolve, and merge Cooperatives. Each Cooperative's purpose is, with our approval, to create, implement, and administer advertising, marketing, and promotional programs and develop Marketing Materials for the benefit of the Cooperative's members. If we already have established, or at some point establish, a Cooperative for the geographic area in which your Club is located, you automatically will become a member of the Cooperative and must participate as its governing documents require. (Franchise Agreement – Section 13(E))

We reserve the right to require you to contribute to the Cooperative up to 1% of the Club's monthly Gross Sales (the Cooperative's members may vote to increase the required contribution above this 1%, but not to exceed 2% of the Club's monthly Gross Sales, with each HAVEN Club in the Cooperative having one vote. All Cooperative dues you contribute will count toward the Local Marketing Spending Requirement. However, Cooperative dues will not affect your market introduction program obligations or be credited toward your required Brand Fund contributions. There are no Cooperatives as of this disclosure document's issuance date. Any Cooperative, once established, shall be governed by its members in accordance with its governing documents (of which we do not currently provide samples). If we or our affiliate are a member of the Cooperative, we will have the same voting power as any member franchisee.

System Website and Electronic Advertising

We or our designees have the right to establish a website or series of websites (with or without restricted access) for the HAVEN Club network: (1) to advertise, market, identify, and promote HAVEN Clubs, the services and products they offer, and/or the HAVEN Club franchise opportunity; (2) to help us operate the HAVEN Club network; and/or (3) for any other purposes we deem appropriate for HAVEN Clubs or our other business activities (collectively, the "System Website"). The System Website may, but need not, provide you with a separate interior webpage or "micro-site" (accessible only through the System Website) ("Micro-Site") referencing your Club and/or otherwise allow you to participate in the System Website. We will own all intellectual

property and other rights in the System Website and all information it contains. We will control and have the right to use the Brand Fund's assets to develop, maintain, operate, update, and market the System Website.

All Marketing Materials you develop for the Club must comply with Brand Standards and contain notices of the System Website's URL as we specify. You may not develop, maintain, or authorize your own Social Media. You may not develop, maintain, or authorize other Digital Marketing mentioning or describing the Club or displaying any Marks without our prior written approval and, if applicable, without complying with our Brand Standards for such other Digital Marketing. Except for the System Website and our designated Social Media, other Digital Marketing, and Apps, you may not conduct commerce or directly or indirectly offer or sell any products or services using any Social Media or other Digital Marketing. We have the right to maintain websites other than the System Website and to offer and sell services and products under the Marks from the System Website, another website, social media sites, or otherwise over the Internet without payment or other obligation to you. (Franchise Agreement – Section 13(F))

Computer System

You must obtain and use the computer hardware and software, firmware, network infrastructure, point-of-sale system, computer-related accessories and peripheral equipment, tablets, smart phones, learning management systems, on-line and digital ordering systems, Apps, and other technology we periodically specify (the "Computer System"). You must use the Computer System to access the System Website and to input and access information about your sales and operations. The Computer System must permit 24-hours-per-day, 7-days-per-week electronic communications between you and us. (Franchise Agreement – Section 7(E)) We will have continuous, unlimited, independent access to all operational information on the Computer System, excluding employee or employment-related information. There are no contractual limitations on our right to access the information on your Computer System, except that we will not unreasonably interfere with your Club's operation.

The required Computer System currently is a desktop or laptop system with monitor, keyboard, and mouse and an up-to-date processing/memory system including no less than 12 GB of RAM, Bluetooth, Wi-Fi Adaptor, and or Network Interface (must be equipped with Antivirus software). Each classroom on premises must be equipped with an iPad (2023 or newer model) or Surface (2023 or newer model) with no less than 4GB of RAM and 250GB Hard Drive and a Wi-Fi Adaptor that is able to connect to the Wi-Fi network in order to use required communications and software. You must use our "Hive" software to deploy our ongoing franchise management and training system as well as our any classroom management software we require.

We estimate the Computer System's initial cost to range from $18,000 to $40,000. Neither we nor any affiliate has any obligation to provide ongoing maintenance, repairs, upgrades, or updates.

The third parties whose computer-related products you buy have no contractual right or obligation to provide ongoing maintenance, repairs, upgrades, or updates unless you obtain a service contract or a warranty covers the product. We estimate the annual costs for ongoing maintenance, repairs, upgrades, or updates to range from $1,000 to $2,500. The Computer System generates and maintains all customer communications systems, scheduling, day-to-day operations

system support, enrollment, and financial information (among other things). You must upgrade the Computer System, and/or obtain service and support, as we require or when necessary because of technological developments, including complying with PCI Data Security Standards. There are no contractual limitations on the frequency and cost of this obligation. We need not reimburse your costs. You may not use any unapproved computer software or security access codes.

You currently must pay us a variable Technology Fee each month based on your usage of certain technology services due and payable at the same time and in the same manner as the Royalty or as we otherwise specify. The Technology Fee is for technology products or services we determine to associate or utilize in connection with the Franchise System and to cover all or certain portions of the corresponding costs. We have the right to use the Technology Fee on any technology services including but not limited to learning-management platforms, Club management software development, website development, and point-of-sale system development. The Technology Fee does not cover hardware or software subscriptions, license fees, or other amounts that you must pay directly to third parties for the Club's Computer System. We have no obligation to account to you or other franchisees for our use of Technology Fees or to ensure that you or the Club benefits directly or pro rata based on your payments of Technology Fees. We use a portion of the amount you pay us to pay third party fees which we do not control. Any increases in third party fees, or increases based on the number of user licenses utilized by you, will be passed on to you directly through this fee.

Training

Initial Training Program

We will furnish through virtual and distance learning and other electronic means, and at a designated training location of our choice (which may be our corporate headquarters, an operating HAVEN Club, and/or your Club), an initial training program ("Initial Training") on operating a HAVEN Club. We will train your Managing Owner, the Operating Principal, and the Child Development Director. (Franchise Agreement—Section 6(A)) We expect training to occur after you sign the Franchise Agreement and while you develop the Club. Your Managing Owner (if not the Operating Principal) must attend and complete the portions of Initial Training we periodically specify for that individual, which may be the full Initial Training or portions of Initial Training we select. We have the right to charge our then-current training fee for each trainee other than your Managing Owner, Operating Principal, and Child Development Director. Initial Training focuses on our philosophy, understanding our services, Brand Standards, and the material aspects of operating a HAVEN Club (excluding aspects relating to labor relations and employment practices).

Before you open the Club for business, your Managing Owner (at our option), Operating Principal, and Child Development Director must complete Initial Training to our satisfaction and be "certified," having passed all applicable operations and proficiency modules, tests, and onboarding. The Club must have on staff at least one fully-trained Operating Principal and one fully-trained Child Development Director. All employees and individuals conducting day-to-day management, programming, and operation of the Club must be trained in our Brand Standards.

We plan to be flexible in scheduling training to accommodate both our personnel and your principals and Club personnel. There currently are no fixed (i.e., monthly or bi-monthly) training schedules. We use manuals, videos, and other hands-on training aids during the training program.

Your training attendees must complete training at least 10 days before the Club's scheduled opening date. You must pay your employees' wages, benefits, and travel, hotel, and food expenses while they attend training. Our training program may include a "train the trainer" module so your senior-level personnel can learn how to train your other employees to follow Brand Standards.

The following charts describe our current initial training program:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Real Estate and Site Selection	8	0	Online or Live Virtual Training* and/or New Jersey/Rhode Island Onsite
Marketing	16	12	Online or Live Virtual Training* and/or New Jersey/Rhode Island Onsite
Business Management	30	16	Online or Live Virtual Training* and/or New Jersey/Rhode Island Onsite
Operations and Licensing	28	25	Online or Live Virtual Training* and/or New Jersey/Rhode Island Onsite
Curriculum and Childcare	30	24	Online or Live Virtual Training* and/or New Jersey/Rhode Island Onsite
Membership and Customer Service	20	12	Online or Live Virtual Training* and/or New Jersey/Rhode Island Onsite
Technology	12	6	Online or Live Virtual Training* and/or New Jersey/Rhode Island Onsite
Total Hours	144	95	

*This means a hybrid of online/virtual and live online training and online learning models. New Jersey/Rhode Island Onsite is training at either our affiliates' Rhode Island or New Jersey HAVEN Clubs (depending on what is most convenient).

We have the right to modify Initial Training if the Club is the second or subsequent HAVEN Club operated by you and your affiliates.

Britt Riley (our co-Founder and Chief Executive Officer), Morgan Everson (our co-Founder and Chief Operations Officer), and Haley DeSousa, our Director of Curriculum

Development and Training, will administer and supervise franchisee training. Ms. Riley and Ms. Everson co-Founded the HAVEN Club concept in 2019. Ms. Riley has 10 year's experience in the childcare industry, and 15 year's experience in training. Both Ms. Riley and Ms. Everson have been involved in all aspects of development and operations of the HAVEN Club concept, since co-founding the concept. Ms. Paige has been involved in curriculum development and training for the HAVEN Club concept since 2021 and has been a teacher for HAVEN Clubs for 6 years, having started working with us in 2019. Any trainers will have at least two years experience in the industry.

The rest of our training team, consisting of Club-level general managers and assistant directors, also assist with hands-on training; all of them have adequate training and appropriate knowledge to facilitate training in the areas they will teach based on their day-to-day involvement with our system.

We will send an "opening team" to the Club to support the Club during its opening phase to help you train your supervisory employees on our philosophy and Brand Standards (but not matters relating to labor relations and employment practices). We expect the opening team to be on-site for up to a total of 15 days (which we expect will begin before the Club's scheduled opening date and extend after the Club's opening date, although all 15 days need not be continuous in one visit). We will pay our opening team's wages and travel-related expenses. However, if in our opinion you and/or the Club needs, or if you request and we agree to provide, special guidance, assistance, or training (excluding training relating to labor relations and employment practices) that extends beyond the period our opening team was scheduled to be at the Club, you must pay our personnel's daily charges (including wages) and travel, hotel, and living expenses. We have the right to delay the Club's opening until all required training has been satisfactorily completed. (Franchise Agreement—Section 6(C))

We have the right to send the opening team to the Club for shorter time periods, based on what we consider to be necessary, if the Club is the second or subsequent HAVEN Club operated by you and your affiliates.

Retraining

If your Managing Owner, Operating Principal, or Child Development Director fails to complete Initial Training (or the portions of Initial Training we require) to our satisfaction, or we determine after an inspection that retraining is necessary because the Club is not operating according to Brand Standards, he or she may attend a retraining session for which we have the right to charge our then-current training fee. You must pay all employee compensation and expenses during retraining. (Franchise Agreement—Section 6(B)) Our fee for retraining ranges up to $2,100. The Club may commence and continue operation only if there is at least one fully-trained Operating Principal and one fully-trained Child Development Director on staff who intend to be at the Club daily. You must replace the Operating Principal if he or she cannot complete Initial Training to our satisfaction.

Training for Club Employees

Your Operating Principal and Child Development Director must properly train all Club employees to perform the tasks for their respective positions. We have developed and will

continuously make available training tools and recommendations for you to use in training the Club's employees to comply with Brand Standards. We have the right to update these training materials to reflect changes in our training methods and procedures and changes in Brand Standards. (Franchise Agreement—Section 6(F))

Ongoing and Supplemental Training

We have the right to require your Managing Owner, Operating Principal, and Child Development Director to attend and complete satisfactorily various on-line and in-person training courses and programs that we or third parties periodically offer during the franchise term at the times and locations we designate. However, we will not require physical attendance at these training courses and programs for more than 5 days total, or online training for more than 20 hours total, during each calendar year (although some portion of the 5 days may be delivered by our e-learning system). You must pay the attendees' compensation and expenses during training. We have the right to charge our then-current fee for continuing and advanced training. If you request training courses or programs to be provided locally, then subject to our training personnel's availability, you must pay our then-current training fee and our training personnel's travel and living expenses. (Franchise Agreement—Section 6(D)) Our fee for supplemental and ongoing training ranges up to $500 per trainer per day plus certain expenses.

Besides attending and/or participating in the various training courses and programs described above, at least one of your representatives (the Managing Owner or another designated representative we approve) must at our request attend an annual meeting of all HAVEN Club franchisees for up to 3 days at a location we designate. You must pay all costs to attend. You must pay any meeting fee we charge even if your representative does not attend (whether or not we excuse that non-attendance). (Franchise Agreement—Section 6(D))

If the Operating Principal no longer is part of your ownership or you no longer employ the Child Development Director, or you become aware that the Operating Principal or Child Development Director intends to leave his or her position, you must immediately appoint a Replacement Operating Principal or seek to hire a new Child Development Director (as applicable) while maintaining a qualified administrative on-site presence (in the absence of an Operating Principal or Child Development Director) according to applicable licensing or other regulations. The Replacement Operating Principal or Child Development Director must satisfactorily complete Initial Training within one month after starting the new position. You must pay our then-current training fee for all Replacement Operating Principals and Child Development Directors hired during the franchise term and also are responsible for their compensation and TRE during training. Our training fee ranges up to $3,500.

Item 12
TERRITORY

Franchise Agreement

You will operate the Club at a specific location that we have approved. If the Club's address is unknown when the Franchise Agreement is signed, you must find an acceptable site for the Club within 6 months afterward. We will identify in the Franchise Agreement a non-exclusive Site Selection Area in which you must look for the site.

You will receive an Area of Protection around your Club. This Area of protection is exclusive. We will identify and describe the Area of Protection in the Franchise Agreement before you sign it unless the Club's site has not yet been found and secured. In that case, we will define the Area of Protection after you find and secure the site within the Site Selection Area. There is no minimum or maximum size for the Area of Protection. Its size depends on the particular market. Factors we consider include population of children under 5 years old, average household income, population age and growth, number of total residences, and proximity to gateway or emerging gateway cities. We will determine the Area of Protection's precise contours based on zip codes, physical or geographical boundaries, roads, highways, city or county boundaries, or drive-times. We have the right to modify the Area of Protection during the franchise term only if the Club relocates.

You must operate the Club only at that site and cannot relocate the Club without our prior written consent. Whether or not we will allow relocation depends on circumstances at the time and what is in the Club's and our system's best interests. Factors include, for example, the new site's market area, its proximity to other Clubs in our system, whether you are complying with your Franchise Agreement, and how long it will take you to open at the new site.

Conditions for relocation approval are (1) the new site and its lease are acceptable to us, (2) you pay us a relocation fee (before the relocation process begins) equal to 50% of our then-current initial franchise fee for first-time franchisees, (3) you reimburse any costs we incur during the relocation process, (4) you confirm that your original Franchise Agreement remains in effect and governs the Club's operation at the new site with no change in the franchise term or, at our option, you sign our then-current form of franchise agreement to govern the Club's operation at the new site for a new franchise term, (5) you sign a general release, in a form satisfactory to us, of any and all claims against us and our owners, affiliates, officers, directors, employees, and agents, (6) you continue operating the Club at its original site until we authorize its closure, and (7) you de-brand and de-identify the Club's former premises within the timeframe we specify and at your own expense so it no longer is associated in any manner (in our opinion) with our system and the Marks.

Unless you acquire development rights (described below), you have no options, rights of first refusal, or similar rights to acquire additional franchises. Although we have the right to do so (as described above), we and our affiliates have not yet established, and have no current plans to establish or operate, other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark.

Your Area of Protection is exclusive. During the franchise term, we and our affiliates will not own or operate, or allow another franchisee or licensee to own or operate, another HAVEN Club having its physical location within the Area of Protection.

Territory exclusivity is not dependent on achieving any particular sale volume, market penetration or any other contingency. The only circumstance where we will alter the Area of Protection during the term of the Agreement is if you relocate your Club.

Except for your HAVEN Club's location exclusivity, we and our affiliates retain all rights with respect to HAVEN Clubs, the Marks, the offer and sale of services and products that are similar to, competitive with, or dissimilar from the services and products that your Club offers and

sells, and any other activities we and they deem appropriate, whenever and wherever we and they desire, without regard to the competitive impact on your Club. Our rights will be as broad as possible inside and outside the Area of Protection. Those rights include the following:

(1) to own and operate, and to allow other franchisees and licensees to own and operate, HAVEN Clubs at any physical locations (and in any geographic markets) outside the Area of Protection (including at the boundary of the Area of Protection) and on any terms and conditions we and they deem appropriate;

(2) to offer and sell and to allow others (including franchisees, licensees, and other distributors) to offer and sell, inside and outside the Area of Protection and on any terms and conditions we and they deem appropriate, services and products that are identical or similar to and/or competitive with those offered and sold by HAVEN Clubs, whether such services and products are identified by the Marks or other trademarks or service marks, through any advertising media, distribution channels (including the Internet and other retailers), and shipping and delivery methods and to any customer, no matter where located;

(3) to establish and operate, and to allow others (including franchisees and licensees) to establish and operate, anywhere (including inside or outside the Area of Protection) any business (whether or not operated at a set physical location) offering identical, similar, and/or competitive services and products under trademarks and service marks other than the Marks;

(4) to acquire the assets or ownership interests of one or more businesses offering and selling services and products similar to those offered and sold at HAVEN Clubs (even if such a business operates, franchises, or licenses "Competitive Businesses"), and operate, franchise, license, or create similar arrangements for those businesses once acquired, wherever those businesses (or the franchisees or licensees of those businesses) are located or operating, including within the Area of Protection;

(5) to be acquired (whether through acquisition of assets, ownership interests, or otherwise, regardless of the transaction form) by a business offering and selling services and products similar to those offered and sold at HAVEN Clubs, or by another business, even if such a business operates, franchises, or licenses Competitive Businesses inside or outside the Area of Protection; and

(6) to engage in all other activities the Franchise Agreement does not expressly prohibit.

We and our affiliates have no contractual or other obligation to compensate you if we and they engage in any of these activities.

Your right to operate the Club is limited to services you provide at the Club's physical location. You do not have the right to distribute services and products over the Internet or to engage in other supply or distribution channels away from the Club's physical location (for example, unapproved Apps, infomercials, or telemarketing).

You must focus the Club's marketing, advertising, promotional, and related activities within the Area of Protection, even though the Club is not restricted from accepting customers located anywhere outside the Area of Protection (including in the areas of protection of other

franchisees). Similarly, other franchisees whose HAVEN Clubs are physically located outside your Area of Protection (including at the boundary of the Area of Protection) are not restricted from accepting customers located anywhere outside their own areas of protection (including in your Area of Protection). You may not develop, maintain, or authorize your own Social Media. You may not develop, maintain, or authorize other Digital Marketing mentioning or describing the Club or displaying any Marks without our prior written approval and, if applicable, without complying with our Brand Standards for such other Digital Marketing. Except for the System Website and our designated Social Media, other Digital Marketing, and Apps, you may not conduct commerce or directly or indirectly offer or sell any products or services using any Social Media or other Digital Marketing.

Neither the Franchisor nor its affiliates have any plans to operate a Club, offering the same goods and services as a franchisee, under a different trademark.

Area Development Agreement

You may (if you qualify) develop and operate a number of HAVEN Clubs within a specific territory (the "Territory"). We and you will identify the Territory in the Area Development Agreement before signing it. The Territory typically is a city, cities, counties, or specific zip codes based on population and related metrics and will be narratively described in, and/or pictorially identified on a map attached to, the ADA. We base the Territory's size primarily on the number of HAVEN Clubs you commit to develop (a minimum of 2), demographics, distinct market areas within the Territory, competitive businesses, and site availability. We will determine the number of Clubs you must develop, and the deadlines for development, to keep your development rights. We and you then will complete the schedule in the ADA before signing it. Each site you propose for a HAVEN Club to be developed under the ADA must be acceptable to us. After each proposed site is accepted and secured, we will determine the Area of Protection for that Club. Our then-current standards for sites and Areas of Protection will apply. We have the right to terminate the ADA if you do not meet any deadline under the Development Schedule. You may not develop or operate HAVEN Clubs outside the Territory.

Your territory rights under the ADA are exclusive. While the ADA is in effect and you are in compliance, we (and our affiliates) will not establish and operate, or grant to others the right to establish and operate, HAVEN Clubs that have their physical locations within the Territory. There are no other restrictions on our and our affiliates' activities in the Territory during the ADA's term.

Except as described above, continuation of your territorial rights does not depend on your achieving a certain sales volume, market penetration, or other contingency, and you have no other options, rights of first refusal, or similar rights to acquire additional franchises. We do not have the right to alter your Territory during the ADA's term.

Despite the Development Schedule in the ADA, we have the right to delay your (and your Approved Affiliates') construction, development, and/or opening of additional HAVEN Clubs within the Territory for the time period we deem best if we believe in our sole judgment, when you submit your application for another HAVEN Club, or after you (or your Approved Affiliate) have constructed and developed but not yet opened a particular HAVEN Club, that you (or your Approved Affiliate) are not yet operationally, managerially, or otherwise prepared (no matter the

reason) to construct, develop, open, and/or operate the additional HAVEN Club in full compliance with our standards and specifications. We have the right to delay additional development and/or a HAVEN Club's opening 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 Development Schedule (unless we are willing to extend the Development Schedule proportionately to account for the delay).

Neither we nor our affiliates operates, franchises, or has plans to operate or franchise, a business under a different trademark that sells or will sell goods or services similar to those the franchise will offer.

Item 13
TRADEMARKS

You may use certain Marks in operating your Club. Haven Collection (our parent company) filed the trademark registration application for the following principal Mark (based on its actual use of the Mark) on the Principal Register of the United States Patent and Trademark Office (the "USPTO"):

Mark	Registration Number	Date of Registration	Principal or Supplemental Register
Haven® CHILDCARE | WORKSPACE | FITNESS	7545641	October 22, 2024	Principal

No Marks are due for renewal. Haven Collection intends to file when due all required affidavits and renewals for all trademark registrations for the Marks that remain important to the HAVEN Club brand.

Haven Collection licenses us to use the Mark and related intellectual property, and to authorize franchisees to use them in operating HAVEN Clubs, under a Trademarks, Copyrights, and Trade Secrets License Agreement effective June 26, 2023 (the "License Agreement"). The License Agreement's initial term is 20 years; we have the right to renew the License Agreement for 2 successive 5-year terms. We have the right to terminate the License Agreement at any time. Haven Collection may terminate the License Agreement immediately if we breach the License Agreement and fail to cure the breach within 30 days after receiving written notice from Haven Collection. When the License Agreement terminates or expires, we must stop using and sublicensing the Marks and related intellectual property. However, any HAVEN Club franchisee that has been authorized to use the Marks in its franchise may continue using the Marks until that franchisee's franchise agreement, and any permitted renewal franchise agreement, expire or are terminated, but only if the franchisee continues to comply with its obligations in the franchise agreement and any permitted renewal franchise agreement during their remaining terms. No other agreement limits our right to use or sublicense any Mark.

There are no currently-effective material determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or 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 where we currently intend to offer franchises.

You must follow our rules and other Brand Standards when using the Marks, including giving proper notices of trademark and service-mark registration and obtaining required fictitious or assumed-name registrations. You may not use any Mark as part of your corporate or legal business name; with modifying words, terms, designs, or symbols (other than logos we license to you); in selling any unauthorized products or services; or in connection with any Social Media and other Digital Marketing without our consent or, if applicable, without complying with our Brand Standards.

If we believe at any time that it is advisable for us and/or you to modify, discontinue using, and/or replace any Mark, and/or to use one or more additional or substitute trademarks or service marks, you must comply with our directions within a reasonable time after receiving notice. We need not reimburse your expenses to comply with those directions (such as your costs to change signs or replace supplies for the Club), any loss of revenue due to any modified or discontinued Mark, or your expenses to promote a modified or substitute trademark or service mark.

You must notify us immediately of any actual or apparent infringement or challenge to your use of any Mark, any person's claim of any rights in any Mark (or any identical or confusingly similar trademark), or unfair competition relating to any Mark. You may not communicate with any person other than us and Haven Collection, our respective attorneys, and your attorneys regarding any infringement, challenge, or claim. We and Haven Collection have the right to take the action we or it deems appropriate (including no action) and control exclusively any litigation, USPTO proceeding, or other administrative proceeding or enforcement action arising from any infringement, challenge, or claim or otherwise concerning any Mark. You must sign any documents and take any other reasonable actions that we and our, and Haven Collection's, attorneys deem necessary or advisable to protect and maintain our and its interests in any litigation or USPTO or other proceeding or enforcement action or otherwise to protect and maintain our and Haven Collection's interests in the Marks.

We currently have no obligation to reimburse your damages and expenses incurred in any trademark infringement proceeding disputing your authorized use of any Mark or to defend any proceeding arising from or relating to your use of any Mark.

The Area Development Agreement does not grant you the right to use the Marks. These rights arise only under Franchise Agreements you sign with us.

Item 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

No patents or patent applications are material to the franchise. We and our affiliates claim copyrights in the Operations Manual (containing our trade secrets and Confidential Information), Club blueprints and other design features, signage, Marketing Materials, our System Website, and similar items used in operating HAVEN Clubs. We and our affiliates have not registered these

copyrights with the United States Copyright Office but currently need not do so to protect them. You may use copyrighted items only as we specify while operating your Club (and must stop using them at our direction). You have no other rights under the Franchise Agreement to a copyrighted item if we require you to modify or discontinue using the subject matter covered by the copyright. Our right to use many of the copyrighted materials described above and much of the Confidential Information described below arises from the same License Agreement described in Item 13.

There currently are no effective adverse material determinations of the USPTO, the United States Copyright Office, or any court regarding the copyrighted materials. Except for our agreement with Haven Collection, no agreement limits our right to use or allow others to use copyrighted materials.

We do not actually know of any infringing uses of our or Haven Collection's copyrights that could materially affect your using them in any state. We and Haven Collection need not protect or defend copyrights, although we intend to do so if in the system's best interests. We and Haven Collection have the right to control any action we choose to bring, even if you voluntarily bring the matter to our attention. You must follow any instructions we give you. We and Haven Collection need not participate in your defense of and/or indemnify you for damages or expenses incurred in a copyright proceeding.

Our Operations Manual and other materials contain our and our affiliates' Confidential Information (some of which are trade secrets under applicable law). Confidential Information includes our proprietary curricula; layouts, designs, and other Plans for HAVEN Clubs; methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, and knowledge and experience used in developing and operating HAVEN Clubs; marketing research and promotional, marketing, and advertising programs for HAVEN Clubs; the standards, processes, information, and technologies involved in creating, developing, operating, maintaining, and enhancing digital and other sales platforms, Apps, and Loyalty Program Media; strategic plans, including expansion strategies and targeted demographics; knowledge of specifications for and suppliers of, and methods of ordering, certain Operating Assets, products, services, materials, and supplies that HAVEN Clubs use and sell; knowledge of operating results and financial performance of HAVEN Clubs other than your Club; customer solicitation, communication, and retention programs, along with data used or generated in connection with those programs; and information generated by, or used or developed in, operating your Club, including Consumer Data, and any other information contained in the Computer System or that visitors (including you) provide to the System Website.

You must comply with all laws governing the use, protection, and disclosure of Consumer Data. If there is a data security incident at the Club, you must notify us immediately, specify the extent to which Consumer Data was compromised or disclosed, and comply and cooperate with our instructions for addressing the data security incident in order to protect Consumer Data and the HAVEN Club brand (including giving us or our designee access to your Computer System, whether remotely or at the Club).

You may not use Confidential Information in an unauthorized manner. You must take reasonable steps to prevent its improper disclosure to others and use non-disclosure agreements with those having access to Confidential Information. We have the right to pre-approve your non-disclosure agreements solely to ensure that you adequately protect Confidential Information and

the competitiveness of HAVEN Clubs. Under no circumstances will we control the forms or terms of employment agreements you use with Club employees or otherwise be responsible for your labor relations or employment practices.

You must promptly disclose to us all ideas, concepts, techniques, or materials relating to a HAVEN Club ("Innovations"), whether or not protectable intellectual property and whether created by or for you or your owners, employees, or contractors. Innovations belong to and are works made-for-hire for us. If any Innovation does not qualify as a "work made-for-hire" for us, you assign ownership of and all related rights to that Innovation to us and must sign (and cause your owners, employees, and contractors to sign) whatever assignment or other documents we periodically request to evidence our ownership and to help us obtain intellectual property rights in the Innovation. You may not use any Innovation in operating the Club without our prior written approval.

We are the sole owners of the Club's customer lists, and you may not distribute the customer lists to any third party without our prior written consent. Despite our ownership of the customer lists, you may use them in operating the Club. During the franchise term, we and our affiliates reserve the right to communicate with and provide notifications to customers appearing on the customer lists and to use them for any business purpose we and they deem necessary or appropriate (to the extent allowed by applicable law). When the franchise term ends, you and your affiliates may not use the customer lists in any form or manner.

The Area Development Agreement does not grant you rights to use any intellectual property. These rights arise only under Franchise Agreements you sign with us.

Item 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Brand Standards may require adequate staffing levels to operate the Club in compliance with Brand Standards and conducting criminal and child abuse background checks and other due diligence on the Club's employees (although you alone will make all employment decisions). Brand Standards also may address appearance of Club personnel and courteous service to customers.

You must designate an individual owner of yours to serve as your "Managing Owner." We must pre-approve your Managing Owner and any proposed change in the Managing Owner. The Managing Owner is responsible for the overall management of your Club. The Managing Owner will communicate with us directly regarding any Club-related matters and must have sufficient authority to make decisions for you that are essential to the Club's effective and efficient operation. The Managing Owner's decisions will be final and will bind you. As noted below, the Managing Owner also may be the Operating Principal.

You also must designate one of your individual owners holding at least 10% of your ownership interests to serve as your "Operating Principal." We must pre-approve your Operating Principal and any proposed change in the Operating Principal. The Operating Principal is responsible for your Club's overall supervision, management, and operation on a day-to-day basis

and must devote her or his full-time efforts to the Club. The Operating Principal also may be the Managing Owner.

The Operating Principal must successfully complete Initial Training before you open the Club for business. We have the right to terminate the Franchise Agreement if the original Operating Principal (or a replacement Operating Principal) fails to do so.

If you want or need to change either the Managing Owner or the Operating Principal, you must appoint the replacement Managing Owner or Operating Principal within 30 days after the former Managing Owner or Operating Principal no longer occupies that position. The Replacement Managing Owner must attend the portions of our Initial Training we specify from time to time. The Replacement Operating Principal must immediately attend Initial Training after we approve the individual.

The Club must have on staff at least one fully-trained Operating Principal and one fully-trained Child Development Director (the latter of whom need not have an equity interest in you or the Club). "Fully-trained" means that the person attended and successfully completed the portions of Initial Training appropriate for her or his position. Your officers, directors, and Child Development Director must sign confidentiality and other agreements (including non-compete agreements) we specify or pre-approve (if applicable law allows). Our right to pre-approve your forms is solely to protect Confidential Information and the competitiveness of HAVEN Clubs. Under no circumstances will we control the forms or terms of employment agreements you use with Club employees or otherwise be responsible for your labor relations or employment practices. We do not limit whom your Club may hire.

Each of your owners holding at least a 10% ownership interest in you, or in an entity directly or indirectly holding at least a 10% ownership interest in you, must personally guarantee all of your obligations under the Franchise Agreement and agree personally to comply with every contractual provision—whether containing monetary or non-monetary obligations—including the covenant not to compete. We have the right to require that owners holding an aggregate of at least 80% of your issued and outstanding ownership interests execute the Guaranty. A spouse of any of your owners need not sign the Guaranty and Assumption of Obligations unless he or she also is an owner.

Each owner not holding at least a 10% ownership interest in you, or in an entity directly or indirectly holding at least a 10% ownership interest in you, must sign an Owner's Undertaking of Non-Monetary Obligations (Exhibit B-2 in the Franchise Agreement) undertaking to be bound personally by specific non-monetary provisions in the Franchise Agreement, including the covenant not to compete.

Item 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

The Club must offer for sale all services and products we periodically specify. The Club may not offer, sell, or otherwise distribute at the Club premises or at another location any services or products that we have not authorized. There are no limits on our right to modify the services and products that your Club must or may offer and sell. We have the right to change such services and products from time to time and from market to market based on numerous considerations. We

also have the right to issue and impose (to the extent the federal and state antitrust laws allow) price advertising policies and maximum, minimum, or other pricing requirements for products and services the Club sells, including requirements for national, regional, and local promotions, special offers, and discounts in which some or all HAVEN Clubs must participate.

Your right to operate the Club is limited to services you provide at the Club's physical location. You do not have the right to distribute services and products over the Internet or to engage in other supply or distribution channels away from the Club's physical location (for example, unapproved mobile apps, catalog sales, mail-order sales, infomercials, or telemarketing).

You must focus the Club's marketing, advertising, promotional, and related activities within your Area of Protection, even though the Club is not restricted from accepting customers located anywhere outside the Area of Protection (including in the areas of protection of other franchisees). Similarly, other franchisees whose HAVEN Clubs are physically located outside your Area of Protection (including at the boundary of the Area of Protection) are not restricted from accepting customers located anywhere outside their own areas of protection (including in your Area of Protection). There are no other limits on the customers to whom your Club may sell services.

You may communicate with the Club's customers only through branded mobile apps, branded email domains, online brand-reputation-management sites, or other channels we expressly designate. We have the right to require your Club to be open a certain minimum number of days per week and minimum number of hours per day for service to customers. We have the right to vary days and hours of operation depending on the Club's location and market area (including our right to require the Club to be open 7 days per week for access to the Club's fitness, workspace, and other services).

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.

Franchise Agreement

Provision	Section in franchise or other agreement	Summary
a. Length of the franchise term	3(B) of Franchise Agreement	Starts on date Franchise Agreement is signed and expires 10 years from the first day of the Club's lease term.
b. Renewal or extension of the term	17 of Franchise Agreement	If you are in good standing, you potentially have the right to acquire 3 renewal franchises for 5 years each on our then-current terms.
c. Requirements for franchisee to renew or extend	17 of Franchise Agreement	You (i) timely request and conduct a business review, (ii) formally notify us of your desire

Provision	Section in franchise or other agreement	Summary
		to acquire a renewal franchise at least 3 months before the franchise term ends, (iii) substantially complied with contractual obligations and operated Club in substantial compliance with Brand Standards, (iv) continue complying substantially with contractual obligations between time you notify us of your desire to acquire a renewal franchise and the end of the franchise term, (v) retain right to occupy Club at its original site, (vi) remodel/upgrade Club, (vii) sign our then-current form of franchise agreement and releases (if applicable state law allows), and (viii) pay renewal-franchise fee. A renewal, for purposes of this franchise system, means entering into a new franchise agreement. Terms of new franchise agreement that you sign for renewal franchise may differ materially from any and all terms and conditions contained in your original expiring Franchise Agreement (including higher fees and a modified or smaller Area of Protection).
d. Termination by franchisee	18(A) of Franchise Agreement	Subject to state law, if we breach Franchise Agreement and do not cure default within applicable cure period after notice from you; you do not have the right to terminate without cause.
e. Termination by franchisor without cause	18(B) of Franchise Agreement	We do not have the right to terminate your Franchise Agreement without cause.
f. Termination by franchisor with cause	18(B) of Franchise Agreement	We have the right to terminate your Franchise Agreement only if you or your owners commit one of several violations. While termination of the Area Development Agreement does not impact any then-effective franchise agreements, termination of a franchise agreement entitles us to terminate the Area Development Agreement.
g. "Cause" defined — curable defaults	18(B) of Franchise Agreement	You have 5 days to cure Gross Sales reporting, payment (to us), and insurance defaults; 10 days to satisfy unpaid judgments of at least $25,000; 30 days to pay suppliers and to cure other defaults not listed in (h) below; and 60 days to vacate attachment, seizure, or levy of Club or appointment of receiver, trustee, or liquidator.

Provision	Section in franchise or other agreement	Summary
		You must immediately begin correcting violations of material law and correct them within timeframe the law specifies. While termination of the Area Development Agreement does not impact any then-effective franchise agreements, termination of a franchise agreement entitles us to terminate the Area Development Agreement.
h. "Cause" defined — non-curable defaults	18(B) of Franchise Agreement	Non-curable defaults include: material misrepresentation or omission; failure to secure (before anticipated lease-signing date) all financing required to construct, develop, and open your Club; failure to find and secure acceptable Club site by deadlines; failure to develop and open Club (with fully-trained staff) by deadline; abandonment of Club or failure to operate Club for at least 3 consecutive business days; unapproved transfer; felony conviction or guilty plea; dishonest, unethical, or immoral conduct adversely impacting our Marks or indicating unsuitability for childcare; serious threat or danger to public health or safety from Club's construction or operation; foreclosure on Club's assets; misuse of confidential information; violation of non-compete; material underreporting of Gross Sales; disabling Club's computer system; closing bank account from which we
		debit funds without first setting up new account; failure to pay taxes due; repeated defaults; assignment for benefit of creditors or admission of inability to pay debts when due; violation of anti-terrorism laws; losing right to Club premises; causing or contributing to a data security incident or failure to comply with requirements to protect Consumer Data; we send notice of termination under another franchise agreement with you or your affiliate; you or your affiliates terminate another franchise agreement with us without cause; you or your affiliate ceases operating a HAVEN Club without our approval; or your ability to continue operating the Club in compliance with our Brand Standards is frustrated in purpose or materially impaired

Provision	Section in franchise or other agreement	Summary
		by any law or interpretation of a law. Termination of the Development Rights Agreement does not impact any then-effective franchise agreement.
i. Franchisee's obligations on termination/nonrenewal	18(C) and 19 of Franchise Agreement	Obligations include paying outstanding amounts (plus, if applicable, liquidated damages); complete de-identification; returning confidential information; destroying at your own cost all branded materials and proprietary items; assigning telephone numbers and directory listings; and cease using Digital Marketing associating you with us or the Marks (also see (o) and (r) below). We have the right to control de-identification process if you do not voluntarily take required action. We have the right to assume Club's management while deciding whether to buy Club's assets.
j. Assignment of contract by franchisor	16(A) of Franchise Agreement	No restriction on our right to assign; we have the right to assign without your approval.
k. "Transfer" by franchisee — defined	16(B) of Franchise Agreement	Includes transfer of (i) Franchise Agreement; (ii) Club's physical structure; (iii) Club's profits, losses, or capital appreciation; (iv) all or substantially all Operating Assets; or (v) ownership interest in you or controlling ownership interest in entity with ownership interest in you. Also includes pledge of Franchise Agreement or ownership interest.
l. Franchisor approval of transfer by franchisee	16(B) of Franchise Agreement	We must approve all transfers; no transfer without our prior written consent.
m. Conditions for franchisor approval of transfer	16(C) of Franchise Agreement	We will approve transfer of non-controlling ownership interest in you if transferee (and each owner) qualifies and meets our then-applicable standards for non-controlling owners, is not (and has no affiliate) in a competitive business, signs our then-current form of Guaranty (or, if applicable, Owner's Undertaking of Non- Monetary Obligations), and pays transfer fee. When there is transfer of franchise rights or controlling ownership interest, we will not unreasonably withhold our approval if:

Provision	Section in franchise or other agreement	Summary
		transferee (and each owner) qualifies (including, if transferee is an existing franchisee, transferee is in substantial operational compliance under all other franchise agreements for HAVEN Clubs) and is not restricted by another agreement from moving forward with the transfer; you have paid us and our affiliates all amounts due, have submitted all reports, and are not then in breach; neither transferee nor its owners and affiliates are in a competitive business; training completed; transfer fee paid; transferee has right to occupy Club's site for expected franchise term; transferee (at our option) assumes your Franchise Agreement or signs our then-current form of franchise agreement and other documents for unexpired portion of your original franchise term (then-current form may have materially different terms, except that your original Royalty, Technology Fee, and Brand Fund contribution levels and the definition of Area of Protection will remain the same for unexpired portion of your original franchise term); transferee agrees to repair and upgrade; you (and transferring owners) sign general release (if applicable state law allows); transferee satisfies all licensing and other legal requirements; we determine that sales terms and financing will not adversely affect Club's operation post-transfer; you subordinate amounts due to you; and you stop using Marks and our other intellectual property (also see (r) below).
n. Franchisor's right of first refusal to acquire franchisee's business	16(G) of Franchise Agreement	We have the right to match any offer for your Club or ownership interest in you or entity that controls you.
o. Franchisor's option to purchase franchisee's business	19(F) of Franchise Agreement	We have the right to buy Club's assets at fair market value and take over site under a lease after Franchise Agreement is terminated or expires (without renewal).
p. Death or disability of franchisee	16(E) of Franchise Agreement	Must transfer to approved party (which may include immediate family member) within 6 months. We have the right to operate Club in interim if

Provision	Section in franchise or other agreement	Summary
		it is not then managed properly.
q. Non-competition covenants during the term of the franchise	12 of Franchise Agreement	No owning interest in, performing services for, or loaning money or guaranteeing loan to competitive business, wherever located or operating; no diverting business to competitive business; and no solicitation of other franchisees for other commercial purposes. "Competitive Business" means any (a) child daycare or preschool learning center or business, whether or not it also offers services other than child daycare or preschool learning services (such as shared and private workspaces or fitness), or (b) business granting franchises or licenses to others to operate the type of business described in clause (a).
r. Non-competition covenants after the franchise is terminated or expires	19(E) of Franchise Agreement	For 2 years after franchise term, no owning interest in or performing services for Competitive Business located or operating at Club's site, within 10 miles of former Club site, or within 10 miles of physical location of another HAVEN Club (same restrictions apply after transfer).
s. Modification of the agreement	21(K) of Franchise Agreement	No modifications generally, but we have the right to change Operations Manual and Brand Standards.
t. Integration/merger clause	21(M) of Franchise Agreement	Only terms of Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Franchise Agreement or this franchise disclosure document may not be enforceable. Nothing in the Franchise Agreement or in any other related written agreement is intended to disclaim representations made in this franchise disclosure document.
u. Dispute resolution by arbitration or mediation	21(F) of Franchise Agreement	We and you must arbitrate all disputes within 10 miles of where we (or then-current franchisor) have our principal business address when the arbitration demand is filed (it currently is in Middletown, Rhode Island).
v. Choice of forum	21(H) of Franchise Agreement	Subject to arbitration requirements, litigation must be (with limited exceptions) in courts closest to where we (or then-current

Provision	Section in franchise or other agreement	Summary
		franchisor) have our principal business address when the action is commenced (it currently is in Middletown, Rhode Island) (subject to applicable state law).
w. Choice of law	21(G) of Franchise Agreement	Federal law and Rhode Island law govern (subject to applicable state law).

This table lists certain important provisions of the Area Development Agreement. You should read these provisions in the agreement attached to this disclosure document.

Area Development Agreement

Provision	Section in Area Development Agreement	Summary
a. Length of the franchise term	6	Term expires on date when final HAVEN Club under Schedule opens for business (subject to earlier termination).
b. Renewal or extension of the term	Not applicable	You have no right to renew or extend development rights.
c. Requirements for franchisee to renew or extend	Not applicable	You have no right to renew or extend development rights.
d. Termination by franchisee	Not applicable	You have no contractual right to terminate Area Development Agreement (except as state law allows).
e. Termination by franchisor without cause	Not applicable	We have no right to terminate Area Development Agreement without cause. Thus, the Franchisor may not terminate any individual Franchise location as a result.
f. Termination by franchisor with cause	7	We have right to terminate Area Development Agreement if you commit one of several violations. A violation of the Area Development Agreement for cause will not result in the termination of a franchise agreement for an operating club. However, the termination of a franchise agreement for cause, will result in the termination of the Development Right Agreement.

Provision	Section in Area Development Agreement	Summary
g. "Cause" defined — curable defaults	Not applicable	No default under the Area Development Agreement is curable. A violation of the Area Development Agreement for cause will not result in the termination of a franchise agreement for an operating club. However, the termination of a franchise agreement for cause, will result in the termination of the Development Right Agreement.
h. "Cause" defined — non-curable defaults	7	Non-curable defaults are your failure to meet any deadline under the Development Schedule, your breach of any other obligation, we terminate any franchise agreement with you or your Approved Affiliate in compliance with its terms, you (or an Approved Affiliate) terminate any franchise agreement with us for any (or no) reason, we deliver formal written notice of default to you (or your Approved Affiliate) under a franchise agreement and you (or your Approved Affiliate) fail to cure the default within the required timeframe, or you (or your Approved Affiliate) cease operating any HAVEN Club without our prior written approval. A violation of the Area Development Agreement for cause will not result in the termination of a franchise agreement for an operating club. However, the termination of a franchise agreement for cause, will result in the termination of the Development Right Agreement.
i. Franchisee's obligations on termination/nonrenewal	1 and 7	Upon termination or expiration of Area Development Agreement, you will lose all rights to develop HAVEN Clubs in your Territory.
j. Assignment of contract by franchisor	8	No restriction on our right to sell or transfer Area Development Agreement or our ownership interests without your approval.
k. "Transfer" by franchisee — defined	8	Includes transfer of Area Development Agreement or any ownership interest in you or your owner (if that owner is an entity).
l. Franchisor approval of transfer by franchisee	8	No transfers without our prior written consent; development rights are not assignable.
m. Conditions for franchisor approval of transfer	8	Development rights are not assignable; we have the right to grant or withhold consent for

Provision	Section in Area Development Agreement	Summary
		any or no reason.
n. Franchisor's right of first refusal to acquire franchisee's business	Not applicable	The Area Development Agreement does not contain this provision.
o. Franchisor's option to purchase franchisee's business	Not applicable	The Area Development Agreement does not contain this provision.
p. Death or disability of franchisee	Not applicable	The Area Development Agreement does not contain this provision.
q. Non-competition covenants during the term of the franchise	11	No owning interest in, performing services for, or loaning money or guaranteeing loan to competitive business, wherever located or operating; no diverting business to competitive business; and no solicitation of other franchisees for other commercial purposes. "Competitive Business" means any (a) child daycare or preschool learning center or business, whether or not it also offers services other than child daycare or preschool learning services (such as shared and private workspaces or fitness), or (b) business granting franchises or licenses to others to operate the type of business described in clause (a).
r. Non-competition covenants after the franchise is terminated or expires	Not applicable	The Area Development Agreement does not contain this provision. You and your owners will be bound by the restrictions under the Franchise Agreement.
s. Modification of the agreement	11	No modifications without signed writing.
t. Integration/merger clause	11	Only terms of Area Development Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Area Development Agreement or this franchise disclosure document may not be enforceable. Nothing in the Area Development Agreement or in any other related written agreement is intended to disclaim representations made in this franchise disclosure document.
u. Dispute resolution by arbitration or mediation	11	We and you must arbitrate all disputes within 10 miles of where we (or then-current

Provision	Section in Area Development Agreement	Summary
		franchisor) have our principal business address when the arbitration demand is filed (it currently is in Middletown, Rhode Island). The provisions above are subject to state law (except to the extent preempted by federal law).
v. Choice of forum	11	Subject to arbitration requirements, litigation must be (with limited exception) in courts closest to where we (or then-current franchisor) have our principal business address when the action is commenced (it currently is in Middletown, Rhode Island) (subject to applicable state law).
w. Choice of law	11	Federal law and Rhode Island law apply under Area Development Agreement (subject to applicable state law).

Item 18
PUBLIC FIGURES

We do not use any public figure to promote our franchise.

Item 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

The following charts provide summarized Profit and Loss historical information for our one location. Our other location operates in the same manner as a standard location with the exception that it is comprised of two small Clubs, one being considered a "Satellite Location", rather than one club of the same square footage. The two buildings operating together share one operating system, one manager, and are otherwise treated as one Club. However, even as combined, the clubs are smaller than our recommended minimum of 75 full-time enrolled children and thus due to the significant differences from what you would purchase pursuant to the this disclosure document, we have excluded our second location from this Item 19. The Club shown below operates in the same manner you will operate with the following exception it is limited to 66 children.

Club #1 (Gladstone, NJ) 2025 Profit and Loss Statement

Haven Gladstone (NJ) P&L	Fiscal Year	% of	Year-Over-Year
	2025	Gross Revenue	Growth Rate
Gross Revenue	**$1,552,512**	**100%**	**18%**
Cost of Goods Sold	$80,368	**5%**	**1%**
Gross Profit	**$1,472,144**	**95%**	**19%**
Gross Profit Margin	95%		
Payroll Expenses (Adjusted)	**$671,563**	**43%**	**10%**
Occupancy Expenses	**$333,391**	**21%**	**2%**
Other Operating Expenses	**$76,843**	**5%**	**92%**
Franchise Fees			
Royalties	**$108,676**	**7%**	**18%**
Brand Fund Contribution	**$31,050**	**2%**	**18%**
Total Franchise Fees	**$139,726**	**9%**	**18%**
EBITDA (Adjusted)	**$250,621**	**16%**	**78%**
EBITDA Margin % (Adjusted)	**16%**		
EBITDAR (Adjusted)	**$454,267**	**29%**	**32%**
EBITDAR Margin % (Adjusted)	**29%**		
3 Year Compound Annual Growth Rate of Gross Revenue:	**24%**		

List pricing for 2025 for 5 full days per week was $2,467 per month from January 1, 2025 through August 31, 2025 and was: i) $2,553 per month for infants and yearlings; ii) 2,516 per month for toddlers; and iii) $2,467 per month for preschoolers and prekindergarten, from September through December.

General Comments:

Except that one of the disclosed location operates in two buildings, there are no material financial or operational characteristics of the disclose locations that are materially different from the type of location you would operate. None of these representations have been audited by a third party.

Several adjustments were made to these representations as described in this paragraph. This location did not pay any Royalties or Brand Fund contributions. The amounts shown above reflect what this location would have paid had they been franchised locations. This locations operated with a general manager, but the representation above presumes that you will be an owner operator. As such $89,595 was removed to reflect an owner operator model. If you intend to hire a general manager, you should take this into account. Also removed from these figures were health, dental. 401(k) matching, and vision insurance benefits that were provided to employees.

Definitions:

"3 Year Compound Annual Growth Rate of Gross Revenue" means the calculated compound growth rate percentage from 2022 through 2025. Also note, in 2022 the total number of children at capacity was limited to 50.

"Gross Revenue" means the aggregate amount of all revenue and other consideration received by the Club from any source, including from selling membership tuition (both pre- and post-opening), application fees, meals sold, service fees, classes, program offerings, other services, products, and merchandise; other types of revenue you receive, including the proceeds of business interruption insurance; and (if we allow barter) the value of services, products, and merchandise bartered in exchange for the Club's memberships, services, products, or merchandise.

*"*Cost of Goods Sold" means the actual variable expenses, other than Royalties and Brand Fund Fees required in the generation of revenue, such as childcare supplies, child enrichment activities, co-working supplies & consumables, cost of providing member classes and program offerings, costs of meals for children, and small equipment/room furnishings. This definition excludes expenses that were capitalized and depreciated over its useful life.

"Gross Profit" means Gross Revenue, less all variable expenses such as Costs of Goods Sold, Royalties, and Brand Fund Fees.

"Gross Profit Margin" is equal to Gross Profit divided by Gross Revenue displayed as a percentage.

"Payroll Expenses (Adjusted)" means all payroll expenses incurred in operating the business as an owner-operator model including wages, payroll taxes, worker's compensation insurance, and payroll processing fees. The figures above do not reflect the inclusion of a general manager which you may have if you do not intend to work in the business. These expenses were adjusted to remove certain benefits you are not required to offer including 401(k), dental, vision, health, director bonuses and a director's salary.

"Occupancy Expenses" mean all expenses related to leasing the premises. These include rent, common area charges, daily cleaning services, normal repairs, maintenance, all utilities, property taxes and insurance.

"Other Operating Expenses" means all other expenses incurred in operating the business not included above. These amounts include Royalty and Brand Fund Fees.

"EBITDA (Adjusted)" means earnings before interest, taxes, depreciation and amortization.

"EBITDAR" means EBITDA (Adjusted) less rent.

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

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Other than the preceding financial performance representation, Haven Franchising, LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Brittany Riley, Chief Executive Officer, 82 Valley Road, Middletown, Rhode Island 02842, (401) 239-9549, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20
OUTLETS AND FRANCHISEE INFORMATION

All figures in the tables below are as of December 31 of each year. The "Company- Owned" outlets are owned and operated by one or more of our affiliates.

Table No. 1

Systemwide Outlet Summary
For years 2023 to 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Company-Owned	2023	2	2	0
	2024	2	2	0
	2025	2	2	0
Total Outlets	2023	2	2	0
	2024	2	2	0
	2025	2	2	0

Table No. 2

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

State	Year	Number of Transfers
All States	2023	0
	2024	0
	2025	0
Total	2023	0
	2024	0
	2025	0

Table No. 3

Status of Franchised Outlets
For years 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Termin-actions	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	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
Totals	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 No. 4

Status of Company-Owned Outlets
For years 2023 to 2025

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Rhode Island	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1

	2025	1	0	0	0	0	1
New Jersey	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Totals	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2

Table No. 5

Projected Openings as of December 31, 2026

State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets In the Next Fiscal Year	Projected New Company-Owned Outlets In the Next Fiscal Year
Illinois	1	0	0
Total	1	0	0

We began offering franchises with the issuance of this disclosure document and therefore currently have no franchisees. Therefore, there were no franchisees that had HAVEN Clubs terminated, canceled, or not renewed—or that otherwise voluntarily or involuntarily ceased doing business under our Franchise Agreement or Area Development Agreement—during our last fiscal year or that 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 franchisees signed confidentiality clauses restricting them from discussing with you their experiences as a franchisee in our franchise system. There are no trademark-specific franchisee organizations associated with the HAVEN Club franchise system.

Item 21
FINANCIAL STATEMENTS

Exhibit C contains our audited financial statements including our balance sheet and related statements of earning and member's equity, and of cash flow for the periods ending December 31, 2023, December 31, 2024 and December 31, 2025. Our fiscal year end is December 31 of each year.

Item 22
CONTRACTS

The following contracts/documents are exhibits:

1. Franchise Agreement (Exhibit A)
2. Area Development Agreement (Exhibit B)
3. State-Specific Riders to Franchise Agreement and Area Development Agreement (Exhibit G)
4. Sample General Release (Exhibit H)
5. Franchisee Representations (Exhibit I)

Item 23
RECEIPTS

Our and your copies of the Franchise Disclosure Document Receipt are located at the last 2 pages of this disclosure document.

EXHIBIT A
FRANCHISE AGREEMENT

HAVEN FRANCHISING, LLC

FRANCHISE AGREEMENT

_____

FRANCHISEE NAME

_____

_____

_____

CLUB ADDRESS

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HAVEN FRANCHISING, LLC
FRANCHISE AGREEMENT

This Franchise Agreement (this "**Agreement**") is made by and between **HAVEN FRANCHISING, LLC**, a Rhode Island limited liability company whose principal business address is 82 Valley Road, Middletown, Rhode Island 02842 ("**we**," "**us**," or "**our**"), and _____, a(n) _____ ("**you**" or "**your**"), and is effective as of the date we sign it, which is set forth next to our signature at the end of this Agreement (the "**Effective Date**").

1. Preambles

(a) We and certain of our affiliates have created, designed, and developed a business concept that is a "one-stop-shop" for childcare, workspace, and fitness, offering high-quality, fully-licensed childcare for children five years old and younger, shared and private workspaces, and fitness for all members of the family in one facility. We and such affiliates currently use, promote, and license certain trademarks, service marks, and other commercial symbols for this business concept, including "HAVEN™," and from time to time may create, use, and license new trademarks, service marks, and commercial symbols (collectively, the "Marks"). One of our affiliates currently owns the Marks, the Confidential Information (defined in Section 9 below), and all aspects of our branded system and licenses that intellectual property to us for use in our franchise program for HAVEN™ Clubs ("HAVEN Clubs").

(b) We offer and grant franchises to operate a HAVEN Club using HAVEN proprietary information, business systems and formats, curricula, programming, methods, procedures, designs, layouts, trade dress, standards, specifications, marketing programs and practices, and Marks, all of which we and our affiliates periodically may improve, further develop, and otherwise modify (collectively, the "Franchise System").

(c) You have applied for a franchise to operate a HAVEN Club, and we are willing to grant you the franchise on the terms and conditions contained in this Agreement.

2. Acknowledgments

You acknowledge that:

1. Attracting customers for your HAVEN Club will require you to make consistent marketing efforts in your community, including through permitted media and on-line advertising and social-media marketing and networking.

2. Retaining customers for your HAVEN Club will require you to provide high-quality services and products and adhere strictly to the Franchise System and Brand Standards (defined in Section 6(G) below and categorized in Section 7(C) below).

3. You are committed to maintaining Brand Standards.

4. Our officers, directors, employees, consultants, lawyers, and agents act only in a representative, and not in an individual, capacity when dealing with you, and their

business dealings with you as a result of this Agreement therefore are considered to be only between you and us.

5. All application and qualification materials you gave us about you and your owners to acquire this franchise were accurate and complete.

6. This Agreement's terms and covenants are reasonably necessary for us to maintain our high service-quality and product standards (and the uniformity of those standards at each HAVEN Club) and to protect and preserve the goodwill of the Marks.

7. We make no commitment about the extent to which we and our affiliates will continue developing and expanding the HAVEN Club network.

The acknowledgments in clauses (8) through (14) below apply to all franchisees and franchises except not to any franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

8. You independently investigated the HAVEN Club franchise opportunity and recognize that the nature of the Club's business will evolve and change over time.

9. Investing in a HAVEN Club involves business risks that could result in your losing a significant portion or all of your investment.

10. Your business abilities and efforts are vital to your success.

11. Other than disclosures appearing in our franchise disclosure document, if any, you have not received from us or our affiliates any representations or guarantees, express or implied, of a HAVEN Club's potential volume, sales, income, or profits.

12. You independently evaluated this opportunity (including by using your business professionals and advisors) and relied upon those evaluations in deciding to sign this Agreement.

13. You had an opportunity to ask questions and to review materials of interest to you concerning the HAVEN Club franchise opportunity.

14. You had an opportunity, and we encouraged you, to have an attorney or other professional advisor review this Agreement and all other materials we gave or made available to you.

3. Grant of Franchise

(A) Grant of Franchise

Subject to this Agreement's terms, we grant you the right, and you commit, to operate a HAVEN Club at the address identified on Exhibit A (the "**Club**") using the Franchise System and the Marks. (If the Club's address is unknown as of the Effective Date, the address will be determined as provided in Section 4(A) and then listed on an amended and restated Exhibit A we

will give you.) Except as provided in this Agreement, your right to operate the Club is limited to services you provide at the Club's physical location. You do not have the right to distribute services and products over the Internet or to engage in other supply or distribution channels away from the Club's physical location (for example, unapproved Apps, infomercials, or telemarketing). You must focus the Club's marketing, advertising, promotional, and related activities within the Area of Protection (defined in Section 3(C) below), even though the Club is not restricted from accepting customers located anywhere outside the Area of Protection (including in the areas of protection of other franchisees). Similarly, other franchisees whose HAVEN Clubs are physically located outside your Area of Protection (including at the boundary of the Area of Protection) are not restricted from accepting customers located anywhere outside their own areas of protection (including in your Areas of Protection).

(B) Term

The franchise term (the "**Term**") begins on the Effective Date and expires ten (10) years from the first day of the Club's Lease term ("Lease" is defined in Section 4(B) below). The Term is subject to earlier termination under Section 18. You agree to operate the Club in compliance with this Agreement for the entire Term unless this Agreement is properly terminated under Section 18.

(C) Territorial Rights

During the Term, we and our affiliates will not own or operate, or allow another franchisee or licensee to own or operate, another HAVEN Club that has its physical location within the geographical area described on Exhibit A (the "**Area of Protection**"). We have the right to modify the Area of Protection only as provided in Exhibit A. If the Club's address is unknown as of the Effective Date, we will describe the Area of Protection on an amended and restated Exhibit A that we will send you after we accept and you secure the Club's site, as provided in Section 4(A).

(D) Reservation of Rights

Except for your location exclusivity described in Section 3(C) above, we and our affiliates retain all rights with respect to HAVEN Clubs, the Marks, the offer and sale of services and products that are similar to, competitive with, or dissimilar from the services and products that your Club offers and sells, and any other activities we and they deem appropriate, whenever and wherever we and they desire, without regard to the competitive impact on your Club. We and you agree that our rights will be as broad as possible inside and outside the Area of Protection. Specifically, but without limitation, we and our affiliates reserve the following rights:

1. to own and operate, and to allow other franchisees and licensees to own and operate, HAVEN Clubs at any physical locations (and in any geographic markets) outside the Area of Protection (including at the boundary of the Area of Protection) and on any terms and conditions we and they deem appropriate;

2. to offer and sell and to allow others (including franchisees, licensees, and other distributors) to offer and sell, inside and outside the Area of Protection and on any terms and conditions we and they deem appropriate, services and products that are identical or similar to and/or competitive with those offered and sold by HAVEN Clubs, whether such services and products are identified by the Marks or other trademarks or service marks, through any advertising media, distribution channels (including the Internet and

other retailers), and shipping and delivery methods and to any customer, no matter where located;

3. to establish and operate, and to allow others (including franchisees and licensees) to establish and operate, anywhere (including inside or outside the Area of Protection) any business (whether or not operated at a set physical location) offering identical, similar, and/or competitive services and products under trademarks and service marks other than the Marks;

4. to acquire the assets or ownership interests of one or more businesses offering and selling services and products similar to those offered and sold at HAVEN Clubs (even if such a business operates, franchises, or licenses Competitive Businesses (defined in Section 12 below)), and operate, franchise, license, or create similar arrangements for those businesses once acquired, wherever those businesses (or the franchisees or licensees of those businesses) are located or operating, including within the Area of Protection;

5. to be acquired (whether through acquisition of assets, ownership interests, or otherwise, regardless of the transaction form) by a business offering and selling services and products similar to those offered and sold at HAVEN Clubs, or by another business, even if such business operates, franchises, or licenses Competitive Businesses inside or outside the Area of Protection; and

6. to engage in all other activities this Agreement does not expressly prohibit.

No compensation is due to you if we or our affiliates engage, or allow others to engage, in any of these activities.

(E) Guaranty

The Guarantors must fully guarantee all of your financial and other obligations to us under this Agreement or otherwise arising from our franchise relationship with you, and agree personally to comply with this Agreement's terms, by executing the form of Guaranty attached as Exhibit B-1. "**Guarantors**" means each person (defined in Section 21(M) below) holding at least a ten-percent (10%) ownership interest in you or in an entity directly or indirectly holding at least a ten-percent (10%) ownership interest in you. Each owner's name and his, her, or its percentage ownership interest in you are set forth in Exhibit C. Subject to our rights and your obligations in Section 16, you must notify us of any change in the information in Exhibit C within ten (10) days after the change occurs. Each owner not holding at least a ten-percent (10%) ownership interest in you, or in an entity directly or indirectly holding at least a ten-percent (10%) ownership interest in you, must sign an Owner's Undertaking of Non-Monetary Obligations, in the form attached as Exhibit B-2, undertaking to be bound personally by specific non-monetary provisions in this Agreement. We have the right to require that owners holding an aggregate of at least eighty percent (80%) of your issued and outstanding ownership interests execute the Guaranty.

(F) Your Form and Structure

As a corporation, limited liability company, or general, limited, or limited liability partnership (each, an "**Entity**"), you agree and represent that:

1. You 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 exist 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 at our request recite that this Agreement restricts the issuance and transfer of any direct or indirect ownership interests in you, and all certificates and other documents representing ownership interests in you will at our request bear a legend (the wording of which we have the right to prescribe) referring to this Agreement's restrictions;

3. Your organizational documents, operating agreement, or partnership agreement, as applicable, will at our request contain a provision requiring any dissenting or non-voting interest-holders to execute all documents necessary to effectuate any action that is properly authorized under the organizational documents, operating agreement, or partnership agreement, as applicable;

4. Exhibit C to this Agreement completely and accurately describes all of your owners and their interests (direct or indirect) in you as of the Effective Date;

5. Your (and your owners') execution and delivery of this Agreement and any related agreement with us (or our affiliates), and performance of your (and their) obligations under this Agreement and such other related agreements, (a) have not violated and will not violate any other agreement or commitment to which you (or they) are a party or by which you (or they) are otherwise bound, and (b) have not violated and will not violate the rights of, or duties owed to, any third party; and

6. You may not use any Mark (in whole or in part) in, or as part of, your legal business name or email address (unless we have provided you that email address) or use any name that is the same as or similar to, or an acronym or abbreviation of, the HAVEN name (although you may register the "assumed name" or "doing business as" name "HAVEN" in the jurisdictions where you are formed and qualify to do business).

You may not be a trust or other special-purpose vehicle without our prior written consent and first satisfying any conditions we specify.

(G) Managing Owner

Upon signing this Agreement, you must designate an individual owner of yours to serve as your managing owner (the "**Managing Owner**"). Your initial Managing Owner, whom we have approved, is identified on Exhibit C. The Managing Owner always must meet the following qualifications and any other standards we set forth from time to time in the Operations Manual or otherwise communicate to you:

1. We must pre-approve any proposed change in the individual designated as the Managing Owner.

2. The Managing Owner is responsible for the overall management of your Club. The Managing Owner must have sufficient authority to make business decisions for you that are essential to the Club's effective and efficient operation. The Managing Owner

must communicate directly with us regarding any Club-related matters (excluding matters relating to labor relations and employment practices). Your Managing Owner's decisions will be final and will bind you, we may rely solely on the Managing Owner's decisions without discussing the matter with another party, and we will not be liable for actions we take based on your Managing Owner's decisions or actions. The Managing Owner may be the Operating Principal.

If you want or need to change the individual designated as the Managing Owner, you must appoint a new individual owner (the "**Replacement Managing Owner**") for that role—in order to protect our brand—within thirty (30) days after the former Managing Owner no longer occupies that position. The Replacement Managing Owner must attend the portions of our Initial Training we specify from time to time. You are responsible for the Replacement Managing Owner's compensation and TRE during all training. As used in this Agreement, "**TRE**" means travel-related expenses of our or your personnel, as applicable. In the case of our personnel, TRE includes coach or economy airfare, local transportation (including airport transfers), accommodations in a facility subject to our approval, meals, and a daily allowance (paid weekly) upon which we and you agree for reasonable miscellaneous expenses.

(H) Operating Principal

Upon signing this Agreement, you must designate one of your individual owners holding at least a ten-percent (10%) ownership interest in you to serve as your operating principal (the "**Operating Principal**"). Your initial Operating Principal, whom we have approved, is identified on Exhibit C. You must have an approved Operating Principal at all times during the Term. The Operating Principal always must meet the following qualifications and any other standards we set forth from time to time in the Operations Manual or otherwise communicate to you:

1. We must pre-approve any proposed change in the individual designated as the Operating Principal.

2. The Operating Principal is responsible for the Club's overall supervision, management, and operation on a day-to-day basis and must devote her or his full-time efforts to the Club. The Operating Principal also may be the Managing Owner.

3. The Operating Principal must successfully complete Initial Training before you open the Club to the public. If the Operating Principal fails to complete Initial Training to our satisfaction, you must appoint another individual to serve as the Operating Principal, and that individual must complete Initial Training to our satisfaction. If no Operating Principal is able to complete Initial Training to our satisfaction, we have the right to terminate this Agreement.

4. If you want or need to change the individual designated as the Operating Principal, you must appoint a new individual (the "**Replacement Operating Principal**") for that role—in order to protect our brand—within thirty (30) days after the former Operating Principal no longer occupies that position. The Replacement Operating Principal must immediately attend Initial Training after we approve the individual. You must pay our then-current Replacement Operating Principal training fee for each Replacement Operating Principal attending Initial Training during the Term and also are responsible for the Replacement Operating Principal's compensation and TRE during such Initial Training.

4. Site Selection, Lease, and Developing the Club

(A) Site Selection and Approval

1. If the Club's address is unknown as of the Effective Date, this Section 4(A) will govern the site selection and approval process. Within six (6) months after the Effective Date, you must find and obtain our written approval of a site within the non-exclusive geographical area described in Exhibit A (the "**Site Selection Area**") at which to operate your Club. Within an additional two (2) months after you find and obtain our written approval of that proposed Club site, you must secure the site under a Lease (defined in Section 4(B) below) acceptable to us. The timeframes during which you must search for, propose, obtain our written approval of, and secure the Club's site within the Site Selection Area (the "**Site Selection Period**") will expire upon the earliest of (a) our approval of the Club's site and Lease and giving you an amended and restated Exhibit A, (b) this Agreement's termination, or (c) six (6) months after the Effective Date. (If we and you (or your affiliate) are parties to an Area Development Agreement, the applicable deadlines specified in that Area Development Agreement will supersede the deadlines specified in this Section 4).

2. You must locate, evaluate, and select the Club's site. We and our affiliates will not search for or select the site for you. We have the right (but no obligation) to designate a real estate broker you must use to search for potential sites for the Club. We will review potential Club sites that you identify within the Site Selection Area and visit the Site Selection Area to review potential Club sites. We have the right to condition our approval of a proposed site, or a proposed site visit, on your first sending us complete site reports and other materials (including, without limitation, photographs and digital recordings) we request. We will give you our then-current criteria for HAVEN Club sites (including, without limitation, population density and other demographic characteristics, visibility, traffic flow, competition, accessibility, ingress and egress, size, and other physical and commercial characteristics) to help in the site-selection process. However, even if we recommend or give you information regarding a potential site or site criteria, you acknowledge that we have made, and will make, no representations or warranties of any kind, express or implied, about the site's suitability for a HAVEN Club or the likelihood that we ultimately will accept that site for the Club's location.

3. You must submit all information we request when you propose a site, including an abstract specifying the key terms of the proposed Lease or purchase transaction. We will not unreasonably withhold our approval of a site if, in our and our affiliates' experience and based on the factors outlined above, the proposed site is not inconsistent with sites that we and our affiliates regard as favorable or that otherwise have been successful sites in the past for HAVEN Clubs. However, we have the absolute right to reject any site not meeting our criteria or to require you to acknowledge in writing that a site you prefer, while acceptable to us, is not recommended due to its incompatibility with certain factors that bear on a site's suitability as a location for a HAVEN Club. We will use reasonable efforts to review and accept or reject each site you propose within twenty (20) days after we receive all requested information and materials. If we do not accept the site in writing within such twenty (20) days, the site will be deemed rejected.

4. Our recommendation or approval of a site that you ultimately select for your Club indicates only that we believe the site is not inconsistent with sites that we regard as favorable or that otherwise have been successful sites in the past for HAVEN Clubs. Applying criteria appearing effective with other sites might not accurately reflect the potential of all sites, and demographic or other factors included in or excluded from our criteria could change, altering a site's potential. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if the particular site fails to meet your expectations. Once a proposed site is accepted and secured, we will list the accepted site's location as the Club's address in Exhibit A.

5. If you do not find and then secure an acceptable Club site within six (6) months after the Effective Date and secure a lease within two (2) months two months thereafter, we have the right to terminate this Agreement upon written notice to you. We will not return to you any portion of the Initial Franchise Fee.

6. You may not relocate the Club to a new site without our prior written consent, which we have the right to grant or deny as we deem best. We have the right to condition relocation approval on (a) the new site and its lease being acceptable to us, (b) your paying us a relocation fee (before the relocation process begins) equal to fifty- percent of our then-current initial franchise fee for first-time HAVEN Club franchisees, (c) your reimbursing any costs we incur during the relocation process, (d) your confirming that this Agreement remains in effect and governs the Club's operation at the new site with no change in the Term or, at our option, your signing our then-current form of franchise agreement to govern the Club's operation at the new site for a new franchise term, (e) your signing a general release, in a form satisfactory to us, of any and all claims against us and our owners, affiliates, officers, directors, employees, and agents, (f) your continuing to operate the Club at its original site until we authorize its closure, and (g) your taking within the timeframe we specify, and at your own expense, all action we require to de-brand and de-identify the Club's former premises so it no longer is associated in any manner (in our opinion) with the Franchise System and the Marks.

(B) Lease Approval

1. You must send us for our review and written approval, which we will not unreasonably withhold, both (a) the proposed terms (as they appear in, for example, a landlord letter of intent or lease abstract) of any lease or sublease (and any renewals, amendments, or extensions of the lease or sublease) (collectively, the "**Lease**") that will govern your occupancy and lawful possession of the Club's site and (b) the actual Lease, in each case after receipt from the landlord. We will have twenty (20) days after receiving the proposed Lease terms, and an additional twenty (20) days after receiving the actual Lease (these time periods will not overlap or run concurrently without our prior written approval), to review and either accept or reject what you send us. The Lease must include the Lease Rider substantially in the form attached to this Agreement as Exhibit D. You may not sign any Lease we have not accepted in writing. We have the right (but have no obligation) to guide or assist you with the leasing process but will not negotiate the Lease for you or provide any legal advice.

2. If we do not accept the proposed Lease terms, or the actual Lease, in writing within the applicable twenty (20)-day period after we receive them from you, the Lease terms or the Lease, as applicable, will be deemed rejected. You acknowledge that our guidance, assistance, and written approval of the Lease are not a guarantee or warranty, express or implied, of the Club's success or profitability or of the Lease's suitability for your business purposes. Our approval indicates only that we believe the site and the Lease terms adequately protect our interests and/or the interests of other franchisees in the HAVEN system, to the extent those interests are implicated in the Lease. You must have a signed Lease by the end of the Site Selection Period. You must send us a true copy of the signed lease within ten (10) days after it is fully executed. After your Lease is executed, you must send us prior notice of any revisions to its terms, whether proposed by you or the landlord, and we have the right to accept or reject those proposed revisions before they become effective.

(C) Development of Club

1. Besides the separate deadline above for obtaining site approval and signing an accepted Lease, you must immediately following the Effective Date begin to pursue diligently, and secure before the anticipated Lease-signing date, all financing required to construct, develop, and open the Club. In addition, you must within twelve (12) months after the Effective Date (or, if earlier, on or before the date specified in any Area Development Agreement to which we and you (or your affiliate) are parties) (the "**Opening Deadline**"): (a) obtain all permits and licenses required to construct and operate the Club; (b) construct the Club and all required improvements to the site and decorate the Club in compliance with our approved plans and specifications; (c) purchase or lease and install all required Operating Assets (defined below); (d) purchase an opening inventory of required, authorized, and approved products, materials, and supplies; (e) complete all required training; and (f) open your Club for business in accordance with all requirements of this Agreement.

2. You must develop the Club at your expense. You must follow our construction guidelines and mandatory specifications and layouts for a HAVEN Club (collectively, "**Plans**"), including requirements for dimensions, design, interior layout, improvements, color scheme, décor, finishes, signage, and Operating Assets. All other decisions regarding the Club's development are subject to our review and prior written approval. Our Plans might not reflect the requirements of any federal, state, or local laws, codes, ordinances, or regulations (collectively, "**Laws**"), including those arising under the Americans with Disabilities Act, or any Lease requirements or restrictions. You are solely responsible for complying with all Laws and must inform us of any changes to the Club's specifications that you believe are necessary to ensure such compliance. You (and not we) are responsible for the performance of architects, engineers, contractors, and subcontractors you hire to develop and maintain the Club and for ensuring that sufficient insurance coverage is in place during and after the construction process. We are not responsible for delays in or losses resulting from the Club's construction, equipping, or decoration, as we have no control over the landlord or architects, engineers, contractors, and subcontractors.

3. You must, using your own architect and engineer and at your own cost, adapt the Plans for the Club (the "**Adapted Plans**") and make sure they comply with all Laws and Lease requirements and restrictions. We have the right (but no obligation) to pre-approve the local architect and engineer you wish to engage to prepare the Adapted Plans. In all cases, we must pre-approve in writing (a) the Adapted Plans before the Club's build-out begins and (b) all revised or "as built" plans and specifications prepared during the Club's construction and development. Our review of the Adapted Plans is limited to reviewing compliance with our Plans. Our review is not intended or designed to assess your compliance with Laws or Lease requirements and restrictions; compliance in those areas is your responsibility. You must develop the Club in accordance with the Adapted Plans we have approved. We have the right (but no obligation) to pre-approve the general contractor you wish to engage to build the Club. We own the Plans and all Adapted Plans. During the Club's build-out, we have the right physically to inspect the Club or require you to send us pictures and images (including recordings) of the Club's interior and exterior so we can review your development of the Club in accordance with our Brand Standards.

4. You agree at your expense to construct, install all trade dress and Operating Assets in, and otherwise develop the Club according to our standards, specifications, and directions. The Club must contain all Operating Assets, and only those Operating Assets, we specify or pre-approve. You agree to place or display at the Club (interior and exterior), according to our guidelines, only the signs, emblems, lettering, logos, and display materials we approve from time to time.

5. You agree to purchase or lease from time to time only approved brands, types, and models of Operating Assets according to our standards and specifications and, at our direction, only from one or more suppliers we designate or approve (which may include or be limited to us and/or certain of our affiliates). "**Operating Assets**" means all required furniture, fixtures, signs, equipment (including components of and required software licenses for the Computer System (defined in Section 7(E)), security systems, and branded vehicles (if any) we periodically require for the Club.

(D) Opening

Despite the Opening Deadline, you may not open the Club for business until:

1. we or our designee inspects the Club and approves it in writing as having been developed in accordance with our specifications and standards. You must give us at least thirty (30) days' prior written notice of the Club's planned opening date and also notify us in writing when the Club is ready for inspection or review. If we or our designee does not inspect or review the Club within fifteen (15) days after you deliver notice that the Club is ready for inspection or review, or if we or our designee does not comment in writing within fifteen (15) days after the inspection or review, then the Club is deemed approved to open. Inspection and approval, which we have the right to conduct through pictures and images (including recordings) we require you to send us, are limited to considering your compliance with our standards and specifications; our approval is not a representation that the Club in fact complies with our standards and specifications or a waiver of our right to enforce any provision of this Agreement. Inspection and approval likewise are not intended

or designed to assess compliance with Laws; compliance with Laws is your responsibility. We will not unreasonably withhold our approval of the Club;

2. your Managing Owner, Operating Principal, and Child Development Director have completed to our satisfaction the Initial Training described in Section 6(A);

3. the Club has sufficient trained employees to manage and operate the Club on a day-to-day basis in compliance with Brand Standards;

4. the minimum number of Club employees we specify are, depending on their positions and roles, CPR-certified and Pediatric First Aid certified;

5. you have satisfied all state and federal permitting, licensing, and other legal requirements for the Club's lawful operation (including ensuring that the Shop's membership offerings and forms of membership agreement comply with all Laws) and, upon our request, have sent us copies of all permits, licenses, and insurance policies required by this Agreement;

6. all amounts due to us, our affiliates, and principal suppliers have been paid; and

7. you are not in default under any agreement with us, our affiliates, or principal suppliers.

5. Fees

(A) Initial Franchise Fee

You must pay us a Fifty-Five Thousand Dollar ($55,000) initial franchise fee (the "**Initial Franchise Fee**") in full when you sign this Agreement if this is your first HAVEN Club. The Initial Franchise Fee is not refundable under any circumstances. This Agreement will not be effective, and you will have no franchise rights, until we receive the Initial Franchise Fee. We will credit toward the Initial Franchise Fee any deposit you (or an affiliate) paid us under an Area Development Agreement.

(B) Site Development Assistance Fee

You must pay us a Thirty Thousand Dollar ($30,000) site development assistance fee (the "**Site Development Assistance Fee**") in full when you sign this Agreement (unless you already paid us the Site Development Assistance Fee for the particular HAVEN Club under an Area Development Agreement to which we and you (or your affiliate) are parties). The Site Development Assistance Fee is not refundable under any circumstances. The Site Development Assistance Fee covers the costs we expect to incur in connection with, among other things, researching the demographic, geographic, and other aspects of the market area in which you plan to develop your Club, reviewing and analyzing one or more proposed sites for your Club (including traveling to and from your market to the extent we deem appropriate), reviewing the Plans and Adapted Plans (described in Section 4(C) above) with your architect and other suppliers, and reviewing your compliance with applicable state and local licensing requirements for childcare facilities (although such compliance is your sole responsibility).

(C) Curriculum Fees

You agree to pay us curriculum fees during the Term for the HAVEN curriculum-aligned projects and related materials and supplies (together, "**Kits**") we require as core elements of each month's curriculum focus (the "**Curriculum Fee**"). The Kits include the specific materials needed for each of the age-specific classrooms at the Club based on the number of allotted spaces in each classroom. The Curriculum Fee will be assessed as a monthly amount for each classroom in your Club (it does not include any shipping/handling costs and taxes that you must pay separately). The Curriculum Fee is due and payable quarterly on or before the first day of each quarter during each year of the Term (covering the amounts due for each three-month period). The first quarterly Curriculum Fee is due in the quarter prior to your first month of operations. Curriculum Fees are not refundable under any circumstances.

(D) Royalty

1. You agree to pay us, on or before the fifteenth day of each calendar month (the "**Payment Day**"), a royalty ("**Royalty**") equal to seven percent (7%) of the Club's Gross Sales during the preceding calendar month. We reserve the right to change the Payment Day to a weekly collection. If we choose to do so, then Royalties will be calculated on a calendar week. Each calendar week would begin on Monday and end on Sunday, although upon notice to you we have the right to change the first and last days of each calendar week for Royalty (and other payment) calculation purposes. You must report your Gross Sales to us, as well as all amounts due to us under this Agreement based on Gross Sales, in the form and manner we periodically specify. In this Agreement, "**Gross Sales**" means the aggregate amount of all revenue and other consideration received by the Club from any source, including, without limitation, from selling memberships (both pre- and post-opening), services, products, and merchandise; other types of revenue you receive, including the proceeds of business interruption insurance; and (if barter is permitted by us) the value of services, products, and merchandise bartered in exchange for the Club's memberships, services, products, or merchandise.

2. All transactions must be entered into the Computer System (defined in Section 7(E) below) at the full, standard retail price for purposes of calculating Gross Sales. However, Gross Sales exclude: (i) federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority; (ii) tips paid to your employees by customers as long as your employees actually receive the full amount of such tips; (iii) the value of both (a) employee discounts and (b) with our prior approval, promotional or marketing discounts offered to the public, with (a) and (b) not exceeding, in the aggregate, five percent (5%) of the Club's Gross Sales; (iv) proceeds from insurance, excluding business interruption insurance; (v) deferred revenue or deposits as determined by the accounting methods described in our Operations Manuals; and (vi) proceeds from any civil forfeiture, condemnation, or seizure by government entities. In addition, Gross Sales are reduced by the amount of any credits or refunds the Club provides in accordance with the terms and conditions set forth in the Operations Manual.

3. Revenue from gift/loyalty/stored-value/affinity "cards" and similar items we approve for offer and sale at HAVEN Clubs, whether maintained on an App, on another electronic medium, or in another form (together, "Loyalty Program Media"), is included in

Gross Sales when the Loyalty Program Media are used to pay for services and products (although we have the right to collect our fees due on that revenue when the Loyalty Program Media are acquired by the customer). Your Club may not issue or redeem any coupons or Loyalty Program Media unless we first approve in writing their form and content and your proposed issuing and honoring/redemption procedures. We have the right to grant or withhold our approval as we deem best.

4. We reserve the right to modify our policies and practices regarding revenue recognition, revenue reporting, and the inclusion or exclusion of certain revenue from "Gross Sales" as circumstances, business practices, and technology change.

(E) Technology Fee

You must pay us the Technology Fee we periodically specify, based on your usage of certain technological resources, due and payable at the same time and in the same manner as the Royalty or in such other manner we periodically specify. Any amount paid to us will not exceed $500 per month, unless we create a customized software for use in your Haven Club. The Technology Fee is (1) for technology products or services we determine to associate or utilize in connection with the Franchise System and (2) to cover all or certain portions of the corresponding costs. We have the right to use the Technology Fee to cover any technology services including but not limited to learning-management platforms, Club management software development, website development, and point-of-sale system development. The Technology Fee does not cover hardware or software subscriptions, license fees, or other amounts that you must pay directly to third parties for the Club's Computer System. This means that, despite payment of the Technology Fees to us, you must pay third-party vendors for the costs of and support services for your Club's Computer System. We have no obligation to account to you or other franchisees for our use of Technology Fees or to ensure that you or the Club benefits directly or pro rata based on your payments of Technology Fees. We use a portion of the amount you pay us to pay third party fees which we do not control. Any increases in third party fees, or increases based on the number of user licenses utilized by you, will be passed on to you directly through this fee.

(F) Payment Method and Timing

You agree to authorize us to debit your business checking or other account automatically for the Royalty, Technology Fee, Brand Fund contribution, and other amounts due under this Agreement and any related agreement between us (or our affiliates) and you. We will debit your account on or after the Payment Day for the Royalty, Technology Fee, Brand Fund contribution, and other amounts due. Funds must be available in the account by the Payment Day for withdrawal by electronic transfer. You must reimburse any "insufficient funds" charges and related expenses we incur due to your failure to maintain sufficient funds in your bank account. You may not close this account without first establishing, and notifying us of, a new account that we are authorized to debit as provided in this Section.

We have the right, at our sole option upon notice to you, to change from time to time the timing and terms for payment of Royalties, Technology Fees, Brand Fund contributions, and other amounts due to us under this Agreement. You may not subordinate to any other obligation your obligation to pay us Royalties, Technology Fees, Brand Fund contributions, or any other amount due under this Agreement.

(G) Administrative Fee and Interest on Late Payments

In addition to our other remedies, including, without limitation, the right to terminate this Agreement under Section 18, if you fail to pay (or make available for withdrawal from your account) when due any amounts you owe us or our affiliates relating to this Agreement or the Club, those amounts will bear interest, accruing as of their original due dates, at one-and-one- half percent (1.5%) per month or the highest commercial contract interest rate the Law allows, whichever is less. In addition, you must pay us a Two-Hundred-Fifty Dollar ($250) administrative fee for each payment not made to us or our affiliate when due (or for each dishonored payment) to cover the increased costs and expenses incurred due to your failure to pay the amounts when due.

(H) Application of Payments and Right of Set-Off

Notwithstanding any designation you make, we have the right to apply any of your payments (whether automatically debited or otherwise) to any of your past due indebtedness to us or our affiliates relating to this Agreement or the Club. We have the right to set off any amounts you or your owners owe us or our affiliates against any amounts that we or our affiliates owe you or your owners, whether in connection with this Agreement or otherwise.

(I) Annual Increase in Fixed Fees and Amounts

We reserve the right to increase any fixed fee, fixed payment, or fixed amount (i.e., not stated as a percentage) under this Agreement based on changes in the Index (defined below) ("**Annual Increase**"). Unless, it is the result of an increase in costs by a third party, an Annual Increase to such fees, payments, and amounts may occur only once during any calendar year and may not exceed the corresponding cumulative increase in the Index since the Effective Date or, as the case may be, since the date on which the last Annual Increase became effective for the particular fixed fee, payment, or amount being increased. Any and all Annual Increases will be made during the same month during each calendar year. "Index" refers to the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average, All Items (1982–1984=100), not seasonally adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics, or in a successor index. Notwithstanding this Section, if any fixed fee, payment, or amount due under this Agreement encompasses any third- party charges we collect from you on a pass-through basis (i.e., for ultimate payment to the third party), we also reserve the right to increase the fixed fee, fixed payment, or fixed amount beyond the Annual Increase to reflect increases in the third party's charges to us. In the event we develop a customized technology solution, the Annual Increase limits described in this paragraph will not apply.

6. Training, Guidance, and Assistance

(A) Initial Training

Before you commence operating the Club, we will furnish through virtual and distance learning and other electronic means, and at a designated training location of our choice (which may be our corporate headquarters, an operating HAVEN Club, and/or your Club), an initial training program ("**Initial Training**") on operating a HAVEN Club. We will train your Managing Owner, the Operating Principal, and the Child Development Director at our then current initial training fee. The training fee is due at the time you execute this Agreement. Your Managing Owner (if not the Operating Principal) must attend and complete the portions of Initial Training we periodically specify for that individual, which may be the full Initial Training or portions of Initial

Training we select. We have the right to charge our then- current training fee for each trainee other than your Managing Owner, Operating Principal, and Child Development Director. Initial Training will last for the timeframe we specify. It focuses on our philosophy, understanding our services, Brand Standards, and the material aspects of operating a HAVEN Club (excluding aspects relating to labor relations and employment practices).

Before we will allow you to open the Club to the public, your Managing Owner (at our option), Operating Principal, and Child Development Director must complete Initial Training to our satisfaction and be "certified," having passed all applicable operations and proficiency modules, tests, and onboarding. Our training program may include a "train the trainer" module so that your senior-level personnel can learn how to train your other employees to follow our Brand Standards. The Club must have on staff at least one (1) fully-trained Operating Principal and one (1) fully-trained Child Development Director. All employees and individuals conducting day-to-day management, programming, and operation of the Club must be trained in our Brand Standards.

You are responsible for paying all wages, benefits, and TRE while your personnel attend training. You are responsible for evaluating any information you believe you need to ensure your employees are accurately paid during training. You also are responsible for maintaining workers' compensation insurance for your employees during training and must send us proof of that insurance before the training program begins.

We have the right to modify Initial Training if the Club is the second or subsequent HAVEN Club operated by you and your affiliates.

(B) Retraining

If your Managing Owner, Operating Principal, or Child Development Director fails to complete Initial Training (or the portions of Initial Training we require) to our satisfaction, or we determine after an inspection that retraining is necessary because the Club is not operating according to Brand Standards, he or she may attend a retraining session for which we have the right to charge our then-current training fee. You are responsible for all employee compensation and TRE during retraining. The Club may commence and continue operation only if there is at least one (1) fully-trained Operating Principal and one (1) fully-trained Child Development Director on staff who intend to be at the Club daily. You must appoint a replacement Operating Principal if your initial Operating Principal cannot complete Initial Training to our satisfaction.

You may request additional or repeat training for your Managing Owner, the Operating Principal, and the Club's Child Development Director at the end of Initial Training if they do not feel sufficiently trained to operate a HAVEN Club. We and you will jointly determine the duration of any additional training, which is subject to our personnel's availability. You must pay our then-current training fee for additional or repeat training. However, if you do not expressly inform us that your Managing Owner, Operating Principal, or Child Development Director does not feel sufficiently trained to operate a HAVEN Club, they will be deemed to have been trained sufficiently to operate a HAVEN Club.

(C) Opening Set-Up and Support

We will send an "opening team" (involving the number of people we determine) to the Club in connection with its opening to the public for business in order to help you train your

supervisory employees on our philosophy and Brand Standards (but not matters relating to labor relations and employment practices). We expect the opening team to be on-site for up to a total of fifteen (15) days (which we expect will begin before the Club's scheduled opening date and extend after the Club's opening date, although all fifteen (15) days need not be continuous in one visit). We will pay our opening team's wages and TRE. However, if in our opinion you and/or the Club needs, or if you request (and we agree to provide), special guidance, assistance, or training (excluding training relating to labor relations and employment practices) that extends beyond the period our opening team was scheduled to be at the Club, you must pay our personnel's daily charges (including wages) and TRE. We have the right to delay the Club's opening until all required training has been satisfactorily completed.

We have the right to send the opening team to the Club for shorter time periods, based on what we consider to be necessary, if the Club is the second or subsequent HAVEN Club operated by you and your affiliates.

(D) Ongoing and Supplemental Training/Convention

We have the right to require your Managing Owner, Operating Principal, and Child Development Director to attend and complete satisfactorily various on-line and in-person training courses and programs offered periodically during the Term by us or third parties at the times and locations we designate. However, we will not require physical attendance at such training courses and programs for more than five (5) days total, or online training for more than twenty (20) hours total, during each calendar year (although some portion of the five (5) days may be delivered by our e-learning system). You are responsible for the attendees' compensation and TRE during their attendance. We have the right to charge our then-current fee for continuing and advanced training. If you request any training courses and programs to be provided locally, then subject to our training personnel's availability, you must pay our then-current training fee and our training personnel's TRE.

Besides attending and/or participating in the training courses and programs described in the previous paragraph, at least one of your representatives (the Managing Owner or another designated representative we approve) must at our request (in our sole discretion) attend an annual meeting of all HAVEN Club franchisees for up to three (3) days at a location we designate. You must pay all TRE to attend. You must pay any meeting fee we charge even if your representative does not attend (whether or not we excuse that non-attendance).

(E) Training For Replacement Operating Principals and Child Development Directors

If the Operating Principal no longer is part of your ownership or you no longer employ the Child Development Director, or you become aware that the Operating Principal or Child Development Director intends to leave his or her position, you must immediately appoint a Replacement Operating Principal or seek to hire a new Child Development Director (as applicable) while maintaining a qualified administrative on-site presence (in the absence of an Operating Principal or Child Development Director) according to applicable licensing and other regulations. The Replacement Operating Principal or Child Development Director must satisfactorily complete Initial Training within one (1) month after starting the new position. You must pay our then-current training fee for all Replacement Operating Principals and Child Development Directors hired during the Term and also are responsible for their compensation and TRE during training.

(F) Training for Club Employees

Your Operating Principal and Child Development Director must properly train all Club employees to perform the tasks required of their positions. We may develop and make available training tools and recommendations for you to use in training the Club's employees to comply with Brand Standards. We have the right to update these training materials periodically to reflect changes in our training methods and procedures and changes in Brand Standards.

We have the right periodically and without prior notice to you to review the Club's performance to determine if the Club meets Brand Standards. If we determine that the Club is not operating according to Brand Standards and that your Operating Principal or Child Development Director is not qualified to retrain one or more Club employees, we have the right, in addition to our other rights under this Agreement, to require the Operating Principal or Child Development Director to re-attend, and complete to our satisfaction, Initial Training. We have the right to charge our then-current training fee. You are responsible for all compensation and TRE of your personnel.

(G) General Guidance and the Operations Manual

We periodically will advise you or make recommendations regarding the Club's operation with respect to:

1. standards, specifications, operating procedures, and methods that HAVEN Clubs use;

2. purchasing required or recommended Operating Assets and other products, services, supplies, and materials;

3. supervisory-employee training methods and procedures (although you are solely responsible for the employment terms and conditions of all Club employees); and

4. accounting, advertising, and marketing.

We have the right to guide you through our various confidential operations and technical manuals, bulletins, and other materials (collectively, "**Operations Manual**"), by electronic media, by telephone consultation, and/or at our office or the Club. If you request and we agree to provide, or we determine that you need, additional or special guidance, assistance, or training, you agree to pay our then-applicable charges, including reasonable training fees and our personnel's daily charges and TRE. Any specific ongoing training, conventions, advice, or assistance we provide does not obligate us to continue providing such training, conventions, advice, or assistance, all of which we have the right to discontinue and modify at any time.

We will give you online or other access to our Operations Manual. Any passwords or digital identifications necessary to access the Operations Manual are considered part of Confidential Information. The Operations Manual may consist of and is defined to include audio, video, computer software, other electronic and digital media, and/or written and other tangible materials. The Operations Manual contains mandatory and suggested specifications, standards, operating procedures, and rules we periodically issue for developing and operating a HAVEN Club, including our proprietary Curriculum that you must use in operating the Club (collectively, "**Brand Standards**"), and information on your other obligations under this Agreement. We have the right

to modify the Operations Manual periodically to reflect changes in Brand Standards, but those modifications will not alter your fundamental rights or status under this Agreement.

You agree to keep current your copy of the Operations Manual (if any materials are delivered in hardcopy) and timely communicate all updates to your employees. You must periodically monitor the System Website and our other communications periodically for updates to the Operations Manual or Brand Standards. You agree to keep secure all parts of the Operations Manual and to restrict access to any passwords for accessing the Operations Manual.

If there is a dispute over its contents, our master version of the Operations Manual controls. You agree that the Operations Manual's contents are confidential and not to disclose any part of the Operations Manual to any person other than Club employees and others needing access in order to perform their duties, but only if they agree to maintain its confidentiality by signing a form of confidentiality agreement. We have the right to pre-approve the form used. You may not at any time copy, duplicate, record, or otherwise reproduce any part of the Operations Manual without our permission.

While we have the right to pre-approve the form of confidentiality agreement you use with Club employees and others having access to our Confidential Information in order to protect that Confidential Information, under no circumstances will we control the forms or terms of employment agreements you use with Club employees or otherwise be responsible for your labor relations.

In addition, Brand Standards do not include any personnel policies or procedures, or any Club security-related policies or procedures, we choose to make available to you in the Operations Manual or otherwise for your optional use. You will determine to what extent, if any, these optional policies and procedures might apply to your Club's operation. You and we agree that we do not dictate or control labor or employment matters for franchisees and HAVEN Club employees. You are solely responsible for obtaining, installing, and maintaining the security and safety procedures, measures, devices, and systems reasonably necessary to protect employees, the public, guests, and customers of your Club from foreseeable harm during and after business hours.

(H) Delegation

We have the right from time to time to delegate the performance of any portion or all of our obligations under this Agreement to third-party designees, whether they are our affiliates, agents, or independent contractors with which we contract to perform such obligations.

7. Club Operation and Brand Standards

(A) Condition and Appearance of Club

1. You may not use, or allow another to use, any part of the Club for any purpose other than operating a HAVEN Club in compliance with this Agreement. You must place or display at the Club (interior and exterior), according to our guidelines, only those signs, emblems, designs, artwork, lettering, logos, and display and advertising materials we periodically specify. You agree to maintain the condition and appearance of the Club, the site, and the Operating Assets in accordance with Brand Standards. Without limiting that obligation, you must take the following actions during the Term at your own expense:

(a) thorough cleaning, repainting, and redecorating of the Club's interior and exterior at intervals and within the timeframe we periodically specify and at our direction; (b) interior and exterior repair of the Club and the site as needed within the timeframe we specify; and (c) repair or replacement, at our direction, of damaged, worn- out, unsafe, non-functioning, or obsolete Operating Assets at intervals and within the timeframe we periodically specify (or, if we do not specify an interval for replacing an Operating Asset, as that Operating Asset must be replaced in order to provide the services and sell the products required to be sold by HAVEN Clubs).

2. In addition to your obligations in clauses (1)(a) through (c) above, we have the right periodically to modify Brand Standards, which may accommodate regional or local variations, and those modifications may obligate you to invest additional capital in the Club and/or incur higher operating costs. You agree to implement any changes in mandatory Brand Standards within the time period we request as if they were part of this Agreement on the Effective Date. However, except for:

(a) changes in the Computer System;

(b) changes in signage and logo (i.e., Club exterior graphics);

(c) changes provided in Section 16(C)(2)(h) in connection with a transfer;

(d) changes required by the Lease or applicable Law; and

(e) your obligations in clauses (1)(a) through (c) in the first paragraph of this Section 7(A),

for all of which the timing and amounts are not limited during the Term, we will not obligate you to make any capital modifications (i.e., any modification that would qualify as a capital expenditure under generally-accepted accounting principles):

(a) during the first three (3) years after the Club commences operation;

or

(b) during the last two (2) years of the Term, unless the proposed capital modifications during those last two (2) years (the amounts for which are not limited) are in connection with Club upgrades, remodeling, refurbishing, and similar activities for your acquisition of a renewal franchise (as provided in Section 17(4).

This means that, besides the rights we reserve above in clauses (a) through (e), we have the right during the fourth (4^{th}) through eighth (8^{th}) years after the Club commences operation (and unrelated to your potential acquisition of a renewal franchise) to require you to incur capital expenditures to alter the Club's appearance, layout, and/or design substantially, and/or to replace a material portion of the Operating Assets, in order to meet our then-current requirements and then-current Brand Standards for new HAVEN Clubs. You acknowledge that this could obligate you to make extensive structural changes to, and significantly remodel and renovate, the Club, and/or to spend substantial amounts for new

Operating Assets. You agree to spend any sums required in order to comply with this obligation and our requirements (even if such capital expenditures or other costs cannot be amortized over the remaining Term), provided, however, that we will not require you to spend in the aggregate in connection with any remodeling and renovation project—during the fourth (4th) through eighth (8th) years after the Club commences operation—more than One Hundred Thousand Dollars ($100,000). Within sixty (60) days after receiving written notice from us, you must prepare plans according to the standards and specifications we prescribe, using an architect, engineer, and general contractor we approve, and you must submit those plans to us for written approval. You agree to complete all work according to the plans we approve within the time period we reasonably specify and in accordance with this Agreement.

3. We also have the right from time to time to require you to participate in certain test programs and consumer surveys for new services, products, and/or Operating Assets. This could obligate you to spend money for new Operating Assets and to incur other operating costs for the Club. While we need not reimburse those costs, we will not require you to spend unreasonable amounts to participate in test programs and consumer surveys. Alternatively, we have the right to use the Brand Fund to pay for these costs. You agree to maintain and timely send us any records and reports we require related to the test programs. We have the right to discontinue any test programs before their scheduled completion dates and to choose not to implement any changes to the Franchise System.

(B) Compliance with Applicable Laws and Good Business Practices

You must secure and maintain all licenses, permits, and certificates required for the Club's operation and operate the Club in full compliance with all Laws, including state licensing requirements; minimum required staffing levels and teacher-to-child staffing ratios; accreditation; specified minimum indoor and outdoor physical facilities and equipment; personnel-screening obligations involving background checks and criminal records checks; personnel credentials, age restrictions, and training requirements; obligations to report evidence of child abuse and neglect; foodservice requirements; requirements that playground structures provide shade; prohibitions on marketing before required licensure is received; and government regulations relating to occupational hazards, advertising, health, environment, employment, workers' compensation and unemployment insurance, and withholding and payment of federal and state income taxes, social-security taxes, and sales and service taxes. The Club's advertising and promotion must be completely factual. The Club must in all dealings with its customers, suppliers, us, and the public adhere to the highest standards of honesty, integrity, fair dealing, and ethical conduct. You may not engage in any practice that could injure our business or the goodwill associated with the Marks, the Franchise System, and other HAVEN Clubs.

You must immediately notify us in writing if (1) there is any incident at the Club involving the health, safety, or well-being of any child or other customer, (2) any legal charge is asserted against you or the Club (even if there is no formal proceeding), (3) any action, suit, investigation, or other proceeding is commenced against you or the Club, (4) you receive any report, citation, notice, or warning regarding the Club's failure (or alleged failure) to comply with any licensing, health, cleanliness, or safety Law, credential, or standard, or (5) any bankruptcy or insolvency proceeding or an assignment for the benefit of creditors is commenced by or against you, your owners, or the Club. Without limitation of the foregoing, you must alert us to any potential crisis

situation relating to the Club. A potential crisis situation includes (but is not limited to) any allegation or occurrence of abuse, neglect, or mistreatment of a child; any allegation or discovery that a child has been released to an unauthorized person; any occurrence of unlawful conduct in the Club; any allegation or discovery of any hazardous or unlawful substance associated with the Club; any outbreak of serious illness associated with the Club; or any allegation or discovery of any breach of computer or camera systems or loss of data, files, or personally identifiable information.

(C) Compliance with Brand Standards

You agree to comply with all Brand Standards, as we periodically modify them, as if they were part of this Agreement. You may not offer, sell, or provide at or from the Club any services or products that are not authorized in the Operations Manual. You must offer, sell, and provide all services and products we prescribe from time to time. We have the right to change such services and products from time to time and from market to market based on numerous considerations. Brand Standards may direct any aspect of the Club's operation and maintenance that is material to the goodwill associated with the Marks, the Franchise System, and HAVEN Clubs. While we maintain the right to issue and modify Brand Standards, you alone exercise day-to-day control over the Club's operation and remain solely responsible for compliance with Brand Standards, which may relate to any one or more of the following:

1. the curricula you must use with the Club's customers;

2. required and/or authorized services and products and unauthorized and prohibited services and products (which the Club is not allowed to offer and sell under any circumstances). We always have the right to approve or disapprove in advance all services and products to be sold by or used at the Club, and the Club must comply with our directions. We have the right to withdraw our approval of previously-authorized services and products upon notice to you based on what we think is best for HAVEN Clubs;

3. protecting Consumer Data;

4. inventory requirements so the Club may operate at full capacity;

5. the types and levels of accreditation and annual and other certifications (and re-certifications) and state-quality recognition you must achieve and maintain and the timeframes for doing so;

6. sales, marketing, advertising, and promotional programs and the materials and media used in those programs, including participating in and complying with the requirements of any special advertising, marketing, and promotional programs we periodically specify;

7. adequate staffing levels to operate the Club in compliance with Brand Standards, conducting criminal and child abuse background checks and due diligence on the Club's employees (although you alone will review the results and make employment decisions on the basis of those results), appearance of Club personnel, and courteous service to customers. However, you have sole responsibility and authority for your labor relations and employment practices, including, among other things, employee selection,

promotion, termination, hours worked, rates of pay, benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. Club employees are exclusively under your control at the Club. You must communicate clearly with Club employees in your employment agreements, human resources manuals, written and electronic correspondence, paychecks, and other materials that you (and only you) are their employer and that we, as the franchisor of HAVEN Clubs, and our affiliates are not their employer or joint employer and do not engage in any employer-type activities (including those described above) for which only franchisees are responsible. You must obtain an acknowledgment (in the form we specify or approve) from all Club employees that you (and not we or our affiliates) are their employer;

8. standards, procedures, and requirements for responding to customer complaints, including promptly reimbursing our costs if we resolve a customer complaint because you fail to do so as or when required;

9. standards, procedures, and requirements for engaging in press or media coverage; responding to media inquiries made to you or the Club, including directing media inquiries to us no later than twenty-four (24) hours after the inquiry is made; refraining from representing that you are an authorized spokesperson or media representative for the HAVEN Club brand; and complying with our Public Relations policies and procedures;

10. standards, procedures, and requirements for reciprocity programs, transferring memberships, changing membership programs, community engagement and customer experience, collateral, and other programs designed to enhance member satisfaction with HAVEN Clubs, including revenue-sharing, cost-sharing, and pricing-adjustment requirements for these programs;

11. price advertising policies and maximum, minimum, or other pricing requirements for services and products the Club sells, including requirements for national, regional, and local promotions, special offers, and discounts in which some or all HAVEN Clubs must participate, in each case to the maximum extent the Law allows;

12. use and display of the Marks at the Club and on various consumer-facing supplies;

13. quality-assurance, customer-satisfaction, "mystery-shop," consumer-survey, and similar programs, including your using and paying directly (or reimbursing us for) our designated or approved third-party service providers;

14. minimum number of days per week and minimum number of hours per day to be open for service to customers, which we have the right to vary depending on the Club's location and market area (and which we have the right to require be seven (7) days per week for access to the Club's fitness, workspace, and other services);

15. use of various electronic, cloud-based, digital, and other payment systems (including cryptocurrency);

16. use of mobile and Franchise System applications and other digital channels ("Apps") for which we or a third-party provider (including our affiliate) has the right to charge fees;

17. issuing and honoring/redeeming Loyalty Program Media and administering customer loyalty/affinity and similar programs. You must participate in, and comply with the requirements of, our Loyalty Program Media and customer loyalty/affinity programs (which will include accepting membership points and credits as payment from customers and paying us transaction-processing fees or merchant-services fees or otherwise reimbursing our or a third-party's costs for transactions through our Loyalty Program Media and customer loyalty/affinity programs). We have the right to draft from your bank account all monies paid to you for Loyalty Program Media and similar customer loyalty initiatives and hold those monies until the Loyalty Program Media and similar customer loyalty initiatives are redeemed at your Club. However, we have the right to keep any prepaid amounts that are not used by customers to the extent allowed by Law. We have no obligation to reimburse you for any costs you incur in participating in our Loyalty Program Media, including for providing services or products to customers without compensation;

18. standards, platforms, requirements, and procedures for (a) communications among you, us, and other franchisees, (b) accessing and using various aspects of the System Website (including an intranet), (c) using blogs, common social networks like Facebook and Instagram, professional networks like LinkedIn, live- blogging tools like Twitter, file, audio, and video-sharing sites, and other similar social- networking media or tools (collectively, "**Social Media**") that in any way reference the Marks or involve the Club, and (d) using the Marks as part of any domain name, homepage, electronic address, metatag, or otherwise in connection with any website or other online presence, including on or through Social Media and display ads (collectively, "**Digital Marketing**") (except to the extent our standards, procedures, or requirements are prohibited under Law);

19. communicating with the Club's customers only through branded mobile Apps, branded email domains, online brand-reputation-management sites, or other channels we expressly designate and only for purposes related to the Club's operation;

20. participation in one or more franchise advisory councils that we choose to establish for the Franchise System; and

21. any other aspects of operating and maintaining the Club that we determine are useful to preserve or enhance the efficient operation, image, or goodwill of the Marks and HAVEN Clubs.

Brand Standards will not include any employment-related policies or procedures or dictate or regulate the employment terms and conditions for the Club's employees. Any information we provide (in the Operations Manual or otherwise) concerning employment-related policies or procedures, or relating to employment terms and conditions for Club employees, is only a recommendation, and not a requirement, for your optional use.

As described in Section 7(A) above, we have the right periodically to modify and supplement Brand Standards, which may require you to invest additional capital in the Club and incur higher operating costs. Those Brand Standards will constitute legally-binding obligations on

you when we communicate them. Although we retain the right to establish and modify periodically the Brand Standards you have agreed to follow, you retain complete responsibility and authority for the Club's management and operation and for implementing and maintaining Brand Standards at the Club.

(D) Approved Products, Services, and Suppliers

1. We have the right to periodically to designate and approve Brand Standards, manufacturers, suppliers, and/or distributors for the Operating Assets, services, and products we periodically authorize HAVEN Clubs to sell or use. You must purchase or lease all Operating Assets, products, and services you use or sell at the Club only according to Brand Standards and, if we require, only from manufacturers, suppliers, or distributors we designate or approve (which may include or be limited to us, certain of our affiliates, and/or other restricted sources). We and/or our affiliates have the right to derive revenue—in the form of promotional allowances, volume discounts, commissions, other discounts, performance payments, signing bonuses, rebates, marketing and advertising allowances, free products, and other economic benefits and payments—from suppliers that we designate, approve, or recommend for some or all HAVEN Clubs on account of those suppliers' prospective or actual dealings with your Club and other HAVEN Clubs. That revenue may or may not be related to services we and our affiliates perform. All amounts received from suppliers, whether or not based on your or other franchisees' purchases from those suppliers, will be our and our affiliates' exclusive property, which we and our affiliates have the right to retain and use without restriction for any purposes we and our affiliates deem appropriate. Any products or services that we or our affiliates sell you directly may be sold to you at prices exceeding our and their costs.

2. If you want to purchase or lease any Operating Assets, products, or services from a supplier or distributor we have not then approved (if we require you to buy or lease the asset, product, or service only from an approved supplier or distributor), then you must establish to our reasonable satisfaction that the quality and functionality of the item or service are equivalent to those of the item or service it replaces and that the supplier or distributor is, among other things, reputable, financially responsible, and adequately insured for product-liability claims. You must pay upon request either our then-current fee or any actual expenses and TRE we incur, whichever is greater, to determine whether or not the items, services, suppliers, or distributors meet our requirements and specifications.

3. We have the right to condition our written approval of a supplier or distributor on requirements relating to product quality and safety; third-party lab-testing; prices; consistency; warranty; supply-chain reliability and integrity; financial stability; customer relations; frequency, economy, and efficiency of delivery; concentration of purchases; standards of service (including prompt attention to complaints); and other criteria. We have the right to inspect the proposed supplier's or distributor's facilities and to require the proposed supplier or distributor to deliver product samples or items either directly to us or to any third party we designate for testing. If we approve a supplier or distributor you recommend, you agree that we have the right to allow other HAVEN Clubs to purchase or lease the Operating Assets or other products or services from those suppliers or distributors without limitation and without compensation to you. However, if we approve for use by the entire franchise system of a supplier or distributor you recommend,

we will return any amounts we initially charged you to determine whether or not the supplier or distributor met our requirements and specifications.

4. Despite the foregoing, we have the right to limit the number of approved suppliers and distributors with which you may deal, designate sources you must use, and refuse any of your requests for any reason, including, without limitation, because we have already designated an exclusive source (which might be us or one of our affiliates) for a particular item or service or believe that doing so is in the best interests of HAVEN Clubs. You acknowledge that it might be disadvantageous from a cost and service basis to have more than one supplier in a given market area, and that we have the right to consider the impact of any supplier approval on our and our franchisees' ability to obtain the lowest distribution costs and best service. However, we make no guaranty, warranty, or promise that we will obtain the best pricing or most advantageous terms for HAVEN Clubs. We also do not guaranty the performance of suppliers and distributors to HAVEN Clubs. We are not responsible or liable if the products or services provided by a supplier or distributor fail to conform to or perform in compliance with Brand Standards or our contractual terms with the supplier or distributor.

5. We have the right (without liability) to consult with your suppliers about the status of your account with them and to advise your suppliers and others with whom you, we, our affiliates, and other franchisees deal that you are in default under any agreement with us or our affiliates (but only if we or our affiliate has notified you of such default).

(E) Computer System

1. You agree to obtain and use the computer hardware and software, firmware, network infrastructure, point-of-sale system, computer-related accessories and peripheral equipment, tablets, smart-phones, learning management systems, on-line and digital ordering systems, Apps, and other technology we periodically specify (collectively, the "**Computer System**"). You must use the Computer System to access the System Website and to input and access information about your sales and operations. The Computer System must operate continuously. We will have continuous, unlimited access to all information maintained on the Computer System (excluding matters relating to labor relations and employment practices) and to the content of any HAVEN e-mail accounts we provide you.

2. We have the right to periodically to modify the Computer System's specifications and components. Our modification of Computer System specifications and/or other technological developments or events may require you to purchase, lease, or license new or modified computer components, software, and peripherals 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, you must incur the costs to obtain the computer components, software, and peripherals comprising the Computer System (and additions and modifications) and required service or support. Within sixty (60) days after we deliver notice to you, you must obtain the Computer System components we designate and ensure that your Computer System, as modified, is functioning properly.

3. We and our affiliates have the right to condition any license to you of required or recommended proprietary software, and/or your use of technology developed

or maintained by or for us, on your signing a software license agreement, liability waiver, and/or similar document, or otherwise agreeing to the terms (for example, by acknowledging your consent to and accepting the terms of a click-through license agreement), that we and our affiliates periodically prescribe to regulate your use of, and our (or our affiliates') and your respective rights and responsibilities with respect to, the software or technology. We and our affiliates have the right to charge you upfront and ongoing fees for any required or recommended proprietary software or technology we or our affiliates choose to create, develop, modify, and license to you (to the extent not in our judgment covered by the Technology Fee) and for other Computer System maintenance and support services and programs provided during the Term.

4. Despite your obligation to buy, use, and maintain the Computer System according to our standards and specifications, you have sole and complete responsibility for: (a) acquiring, operating, maintaining, and upgrading the Computer System; (b) the manner in which your Computer System interfaces with our and any third party's computer system; (c) any and all consequences if the Computer System is not properly operated, maintained, and upgraded (though we are not responsible for any outages in our proprietary operating software); and (d) independently determining what is required for you to comply (and then complying) at all times with the most current version of the Payment Card Industry Data Security Standards, and with all Laws (including data privacy laws) governing the use, disclosure, security, and protection of Consumer Data (defined in Section 10) and the Computer System, and validating compliance with those standards and Laws as may be periodically required. The Computer System must permit twenty-four (24)-hours-per-day, seven (7)-days-per-week electronic communications between you and us, including access to the Internet and System Website (but excluding matters relating to labor relations and employment practices).

(F) Membership Agreements

You must ensure that every membership agreement your Club uses complies with all applicable Laws, including, without limitation, laws relating to billing, refunds, and cancellations. We will give you a sample of the form of on-line membership agreement we use, and which satisfies Brand Standards, for HAVEN Club customers. You must promptly review the membership agreement for compliance with all applicable Laws of the jurisdiction in which your Club will operate and inform us whether any changes to our form membership agreement are necessary to comply with such applicable Laws. You may not begin offering memberships with that form membership agreement until you confirm that it complies with applicable Laws in the jurisdiction in which your Club will operate or, if you inform us that changes are required, we have modified the form membership agreement to comply with applicable Laws. Your Club's compliance with applicable Laws is solely your responsibility. You may not use (and must discontinue using) any membership agreements that violate applicable Laws. You must indemnify us under Section 20(E) and compensate us for all other damages we incur as a result of your breach of this requirement.

(G) Background Checks

You agree that we have the right during the Term to require you to conduct however many periodic background checks (including credit and criminal) we deem necessary or desirable in our business judgment on you, your Managing Owner, your Operating Principal, and any other owner.

8. Marks

(A) Ownership and Goodwill of Marks

Your right to use the Marks is derived only from this Agreement and is limited to your operating the Club according to this Agreement and all mandatory Brand Standards we prescribe during the Term. Your unauthorized use of the Marks is a breach of this Agreement and infringes our (and our licensor's) rights in the Marks. Any use of the Marks relating to the Club, and any goodwill that use establishes, are for our (and our licensor's) exclusive benefit. We (and our licensor) have the right to take the action necessary to enforce all trademark-use obligations under this Agreement. This Agreement does not confer any goodwill or other interests in the Marks upon you, other than the right to operate the Club according to this Agreement. All provisions in this Agreement relating to the Marks apply to any additional and substitute trademarks and service marks we periodically authorize you to use. You may not at any time during or after the Term contest or assist any other person to contest the validity, or our (or our licensor's) ownership, of the Marks.

(B) Limitations on Use of Marks

You agree to use the Marks as the Club's sole identification, subject to the notices of independent ownership we periodically designate. 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 license to you), (3) in selling any unauthorized services or products, (4) in connection with any Social Media that we do not control, (5) in connection with any Digital Marketing (other than Social Media) without our consent or, if applicable, without complying with our Brand Standards communicated to you, or (6) in any other manner we have not expressly authorized in writing. You may not use any Mark to advertise the transfer, sale, or other disposition of the Club or an ownership interest in you without our prior written consent, which we will not unreasonably withhold. You must give the notices of trademark and service mark registrations we periodically specify and obtain any fictitious- or assumed-name registrations that applicable Law requires. You may not pledge, hypothecate, or grant a security interest in any property that bears or displays the Marks (unless the Marks are readily removable from such property) and must advise your proposed lenders of this restriction.

You must include a clear disclaimer in all of the Club's employee-facing materials that you (and only you) are the employer of Club employees and that we, as the franchisor of HAVEN Clubs, and our affiliates are not their employer or joint employer and do not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. You also must obtain an acknowledgment (in the form we specify or approve) from all Club employees that you (and not we or our affiliates) are their employer.

(C) Notification of Infringements and Claims

You agree to notify us immediately of any actual or apparent infringement or challenge to your use of any Mark, any person's claim of any rights in any Mark (or any identical or confusingly similar trademark), or unfair competition relating to any Mark. You may not communicate with any person other than us and our licensor, our respective attorneys, and your attorneys regarding any infringement, challenge, or claim. We and our licensor have the right to take the action we deem appropriate (including no action) and control exclusively any litigation, U.S. Patent and Trademark Office proceeding, or other administrative proceeding or enforcement action arising from any infringement, challenge, or claim or otherwise concerning any Mark. You must sign any documents and take any other reasonable actions we and our, and our licensor's, attorneys deem necessary or advisable to protect and maintain our (and our licensor's) interests in any litigation, Patent and Trademark Office or other proceeding, or enforcement action or otherwise to protect and maintain our (and our licensor's) interests in the Marks.

(D) Discontinuance of Use of Marks

If we believe at any time that it is advisable for us and/or you to modify, discontinue using, and/or replace any Mark, and/or to use one or more additional or substitute trademarks or service marks, you agree to comply with our directions within a reasonable time after receiving notice. We need not reimburse your expenses to comply with those directions (such as your costs to change signs or to replace supplies for the Club), any loss of revenue due to any modified or discontinued Mark, or your expenses to promote a modified or substitute trademark or service mark.

9. Confidential Information

We and our affiliates possess (and will continue to develop and acquire) certain confidential information, some of which constitutes trade secrets under applicable Law, relating to developing and operating HAVEN Clubs (the "**Confidential Information**"), which includes but is not limited to:

1. information in the Operations Manual and Brand Standards, including our proprietary curricula;

2. layouts, designs, and other Plans for HAVEN Clubs;

3. methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, and knowledge and experience used in developing and operating HAVEN Clubs;

4. marketing research and promotional, marketing, and advertising programs for HAVEN Clubs;

5. the standards, processes, information, and technologies involved in creating, developing, operating, maintaining, and enhancing digital and other sales platforms, Apps, and Loyalty Program Media;

6. strategic plans, including expansion strategies and targeted demographics;

7. knowledge of specifications for and suppliers of, and methods of ordering, certain Operating Assets, products, services, materials, and supplies that HAVEN Clubs sell and use;

8. knowledge of the operating results and financial performance of HAVEN Clubs other than the Club;

9. customer solicitation, communication, and retention programs, along with Data used or generated in connection with those programs;

10. all Data and other information generated by, or used or developed in, operating the Club, including Consumer Data, and any other information contained from time to time in the Computer System or that visitors (including you) provide to the System Website; and

11. any other information we reasonably designate as confidential or proprietary.

You will not acquire any interest in any Confidential Information, other than the right to use certain Confidential Information as we specify in operating the Club during the Term according to Brand Standards and this Agreement's other terms and conditions. You acknowledge that using any Confidential Information in another business would constitute an unfair method of competition with us and our affiliates, suppliers, and franchisees. You acknowledge and agree that Confidential Information is proprietary, includes our and our affiliates' trade secrets, and is disclosed to you only on the condition that you, your owners, and your employees agree, and you and they do agree:

1. not to use any Confidential Information in another business or capacity and at all times to keep Confidential Information absolutely confidential, both during and after the Term (afterward for as long as the information is not generally known in the childcare, fitness, and co-working industries);

2. not to make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form;

3. to adopt and implement all reasonable procedures we periodically specify to prevent unauthorized use or disclosure of Confidential Information, including disclosing it only to Club personnel and others needing to know the Confidential Information in order to operate the Club and using confidentiality and non-disclosure agreements with those having access to Confidential Information. (We have the right to pre-approve the forms of agreements you use solely to ensure that you adequately protect Confidential Information and the competitiveness of HAVEN Clubs. Under no circumstances will we control the forms or terms of employment agreements you use with Club employees or otherwise be responsible for your labor relations or employment practices.); and

4. not to sell, trade, or otherwise profit in any way from the Confidential Information (including by selling or assigning any Consumer Data or related information or Data), except during the Term using methods we have approved.

"Confidential Information" does not include information, knowledge, or know-how that lawfully is or becomes generally known in the childcare, fitness, and co-working industries or that you knew from previous business experience before we gave you access to it (directly or indirectly). If we include any matter in Confidential Information, anyone claiming it is not Confidential Information must prove that the exclusion in this paragraph applies.

10. Consumer Data

1. You must comply with our reasonable instructions regarding the organizational, physical, administrative, and technical measures and security procedures to safeguard the confidentiality and security of the names, addresses, telephone numbers, e-mail addresses, dates of birth, images/pictures/likenesses, demographic or related information, buying habits, preferences, credit-card information, and other personally-identifiable information of customers ("**Consumer Data**") and, in any event, employ reasonable means to safeguard the confidentiality and security of Consumer Data. You must comply with all Laws governing the use, protection, and disclosure of Consumer Data.

2. If there is a Data Security Incident at the Club, you must notify us immediately after becoming aware of the actual or suspected occurrence, specify the extent to which Consumer Data was compromised or disclosed, and comply and cooperate with our instructions for addressing the Data Security Incident in order to protect Consumer Data and the HAVEN Club brand (including giving us or our designee access to your Computer System, whether remotely or at the Club). We (and our designated affiliates) have the right, but no obligation, to take any action or pursue any proceeding or litigation with respect to the Data Security Incident, control the direction and handling of such action, proceeding, or litigation, and control any remediation efforts.

"**Data Security Incident**" means any act that initiates either internally or from outside the Club's computers, point-of-sale terminals, and other technology or networked environment and violates the Law or explicit or implied security policies, including attempts (either failed or successful) to gain unauthorized access (or to exceed authorized access) to the Franchise System, HAVEN Clubs, or their Data or to view, copy, or use Consumer Data or Confidential Information without authorization or in excess of authorization; unwanted disruption or denial or service; unauthorized use of a system for processing or storage of Data; and changes to system hardware, firmware, or software characteristics without our knowledge, instruction, or consent.

If we determine that any Data Security Incident results from your failure to comply with this Agreement or any requirements for protecting the Computer System and Consumer Data, you must indemnify us under Section 20(E) and compensate us for all other damages we incur as a result of your breach of this Agreement.

3. You acknowledge and agree that we are the sole owners of the Club's membership/customer lists ("**Customer Lists**"), and you may not distribute the Customer Lists to any third party, in any form or manner, without our prior written consent. Despite our ownership of the Customer Lists, you may use the Customer Lists in connection with the Club's operation and as otherwise permissible under this Agreement. During the Term,

we and our affiliates reserve the right to communicate with and provide notifications to customers appearing on the Customer Lists and to use the Customer Lists for any business purpose we and they deem necessary or appropriate (to the extent allowed by applicable Law). Upon expiration (without a renewal franchise) or termination of this Agreement, you and your affiliates cannot use the Customer Lists in any form or manner.

11. Innovations

All ideas, concepts, techniques, or materials relating to a HAVEN Club, whether or not protectable intellectual property and whether created by or for you or your owners, employees, or contractors ("**Innovations**"), must be promptly disclosed to us and will be deemed to be our sole and exclusive property and works made-for-hire for us. To the extent any Innovation does not qualify as a "work made-for-hire" for us, by this paragraph you assign ownership of and all related rights to that Innovation to us and agree to sign (and to cause your owners, employees, and contractors to sign) whatever assignment or other documents we periodically request to evidence our ownership and to help us obtain intellectual property rights in the Innovation. You may not use any Innovation in operating the Club or otherwise without our prior written approval.

12. Exclusive Relationship

(A) Restrictions.

You acknowledge that we granted you the rights under this Agreement in consideration of and reliance upon your and your owners' agreement to deal exclusively with us with respect to the services and products that HAVEN Clubs offer and sell. You therefore agree that, during the Term, neither you, your owners, nor any members of your or their Immediate Families (defined below) will:

1. have any direct or indirect, controlling or non-controlling interest as an owner—whether of record, beneficial, or otherwise—in a Competitive Business (defined below), wherever located or operating, provided that this restriction will not prohibit ownership of shares of a class of securities publicly-traded on a United States stock exchange and representing less than three percent (3%) of the number of shares of that class of securities issued and outstanding;

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

3. directly or indirectly loan any money or other thing of value, or guarantee any other person's loan, to any Competitive Business or any owner, director, officer, manager, or employee of any Competitive Business, wherever located or operating;

4. divert or attempt to divert any actual or potential business or customer of the Club to a Competitive Business; or

5. solicit other franchisees, or use available lists of franchisees, for any commercial purpose other than purposes directly related to the Club's operation.

The term "Competitive Business," as used in this Agreement, means any (a) child daycare or preschool learning center or business, whether or not it also offers services other than child daycare or preschool learning services (such as shared and private workspaces or fitness), or (b) business granting franchises or licenses to others to operate the type of business described in clause (a), other than a HAVEN Club operated under a franchise agreement with us.

The term "**Immediate Family**" includes the named individual, his or her spouse or domestic partner, and all children of the named individual or his or her spouse or domestic partner. You agree to obtain similar covenants from your officers, directors, and other supervisory personnel, to the extent permitted by applicable Law, to the extent their competitive activities would adversely affect your Club or the HAVEN brand. We have the right to pre- approve the forms of agreements you use solely to ensure that you adequately protect Confidential Information and the competitiveness of HAVEN Clubs. Under no circumstances will we control the forms or terms of employment agreements you use with Club employees or otherwise be responsible for your labor relations or employment practices.

(B) Directives.

If there is a dispute related to this Section 12 or Section 19(E), you and your owners direct any third party construing this Section or Section 19(E), including any court, arbitrator, mediator, master, or other party acting as trier-of-fact or law:

1. To presume conclusively that the restrictions set forth in this Section and in Section 19(E) are reasonable and necessary in order to protect (a) our legitimate business interests, including the interests of our other franchisees, (b) the confidentiality of Confidential Information, (c) the integrity of the Franchise System, (d) our investment in the Franchise System, (e) the investment of our other franchisees in their franchised Clubs, and (f) the goodwill associated with the Franchise System;

2. To presume conclusively that the restrictions set forth in this Section and in Section 19(E) will not unduly burden your or your owners' ability to earn a livelihood;

3. To construe this Section and Section 19(E) under the Laws governing distribution contracts between commercial entities in an arms-length transaction and not under Laws governing employment contracts; and

4. To presume conclusively that any violation of the terms of this Section or Section 19(E) was accompanied by the misappropriation and inevitable disclosure of Confidential Information and constitutes a deceptive and unfair trade practice and unfair competition.

13. Advertising and Marketing

(A) Market Introduction Program

You must spend the minimum amounts we specify, ranging from Twenty-Five Thousand Dollars ($25,000) to Thirty-Five Thousand Dollars ($35,000), to conduct a public relations and market introduction program for the Club. We expect this program to begin approximately sixty (60) to ninety (90) days before, and to continue for approximately thirty (30) to sixty (60) days after, the Club opens (although we have the right to specify a different timeframe). We will consult

with you about the type of public relations and market introduction program that we believe is most suitable for your Club's market. We must pre-approve in writing your proposed public relations and market introduction program, which you must send us for review at least thirty (30) days, before its planned rollout date. If we do not accept the public relations and market introduction program in writing within fifteen (15) days after receiving it, it will be deemed rejected. You agree to implement the approved program according to Brand Standards and our other requirements. At our request, you must pay us for the program's anticipated costs, which we then will either spend on your behalf in the Club's market or re-pay you as you send us invoices or receipts confirming your commitment with vendors to move forward with the approved program.

(B) Brand Fund

1. We have established a fund ("**Brand Fund**" or "**Fund**") for advertising, marketing, research and development, public relations, Social-Media management, customer lead-generation, customer-relationship-management, and technology programs, materials, and activities, the purpose of all of which is to enhance, promote, and protect the HAVEN Club brand and Franchise System. You agree to contribute to the Brand Fund the amounts we periodically specify, not to exceed two percent (2%) of the Club's Gross Sales. Your Brand Fund contribution is due and payable at the same time and in the same manner as the Royalty or in such other manner we periodically specify. Each operational company-owned and affiliate-owned HAVEN Club will contribute to the Brand Fund on the same percentage basis as franchisees.

2. We will direct all programs the Brand Fund finances, with sole control over and ownership of all creative and business aspects of the Fund's activities. We have the right to use the Brand Fund to pay for, among other things (and without limitation), creating, preparing, producing, and/or placing (in media and through other venues) video, audio, written, and other tangible materials, Social Media and other Digital Marketing, and premium samples and give-aways; creating, developing, maintaining, and administering one or more System Websites and other e-commerce strategies (including an Intranet); creating and administering national, regional, multi-regional, local, and multi-local marketing, advertising, and customer lead-generation programs (which may include spending Brand Fund contributions in specific geographic markets or directing Brand Fund contributions to individual or groups of franchisees to spend on marketing, advertising, and lead-generation programs in their own markets); using advertising, public relations, and marketing agencies and other advisors to provide assistance (including paying retainer and management fees); establishing regional and national promotions (including contests) and partnerships and hiring spokespersons and digital influencers to promote the HAVEN Club brand; engaging in reputation-management activities; establishing on-line systems and other vehicles for centralized customer interaction; supporting public relations, market research and development, and other advertising, promotion, marketing, and brand-related activities; creating and implementing customer-satisfaction surveys; organizing and hosting franchisee conferences, conventions, and meetings; supporting and hosting charitable or nonprofit events and community-based activities; recruiting teachers for HAVEN Clubs; and funding Loyalty Program Media and Apps. The Brand Fund periodically may give you sample advertising, marketing, promotional, and consumer lead-generation formats and materials (collectively, "**Marketing Materials**") at no cost and sell

you multiple copies of Marketing Materials at its direct cost of producing them, plus any related shipping, handling, and storage charges.

3. We will account for the Brand Fund separately from our other funds (although we need not keep Brand Fund contributions in a separate bank account) and not use the Brand Fund for any of our general operating expenses. However, we have the right to cause the Brand Fund to reimburse us and our affiliates for the reasonable salaries and benefits of personnel who manage and administer, or otherwise provide assistance or services to, the Brand Fund; the Brand Fund's administrative costs; TRE of our personnel while they are on Brand Fund business; meeting costs; overhead relating to Brand Fund business; and other expenses we and our affiliates incur administering or directing the Brand Fund and its programs, including conducting market research, preparing Marketing Materials, collecting and accounting for Brand Fund contributions, paying taxes due on Brand Fund contributions we receive, and any other costs or expenses we incur operating or as a consequence of the Fund.

4. The Brand Fund is not a trust, and we do not owe you fiduciary obligations because we maintain, direct, or administer the Brand Fund or for any other reason.

5. The Brand Fund has the right to spend in any fiscal year more or less than the total Brand Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, invest any surplus for future use, and roll over unspent monies to the following year. We have the right to use new Brand Fund contributions to pay Brand Fund deficits incurred during previous years. We will use all interest earned on Brand Fund contributions to pay costs before using the Brand Fund's other assets. We will prepare an annual, unaudited statement of Brand Fund collections and expenses and share the statement electronically within sixty (60) days after our fiscal-year end or otherwise give you a copy of the statement upon reasonable request. We have the right (but no obligation) to have the Brand Fund audited annually, at the Brand Fund's expense, by a certified public accountant we designate. We have the right to incorporate the Brand Fund or operate it through a separate entity whenever we deem appropriate. The successor entity will have all of the rights and duties specified in this Section 13(B).

6. The Brand Fund's principal purposes are to maximize recognition of the Marks, increase patronage of HAVEN Clubs, and enhance, promote, and protect the HAVEN Club brand and Franchise System. Although we will try to use the Brand Fund in the aggregate to develop and implement Marketing Materials and programs benefiting all HAVEN Clubs, we need not ensure that Brand Fund expenditures in or affecting any geographic area are proportionate or equivalent to Brand Fund contributions by HAVEN Clubs operating in that geographic area or that any HAVEN Club benefits directly or in proportion to its Brand Fund contribution from the development of Marketing Materials or the implementation of programs. The Brand Fund will not be used principally to develop materials and programs to solicit franchisees. However, media, materials, and programs (including the System Website) prepared using Brand Fund contributions may describe our franchise program, reference the availability of franchises and related information, and process franchise leads. We have the right, but no obligation, to use collection agents and institute legal proceedings at the Brand Fund's expense to collect unpaid Brand Fund contributions. We also have the right to forgive, waive, settle, and compromise all claims

by or against the Brand Fund. Except as expressly provided in this Section 13(B), we assume no direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Brand Fund.

7. We have the right at any time to defer or reduce the Brand Fund contributions of any HAVEN Club franchisee and, upon thirty (30) days' prior written notice to you, to reduce or suspend Brand Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Fund. If we terminate the Brand Fund, we will either (a) spend the remaining Fund balance on permitted programs and expenditures or (b) distribute all unspent funds to our then-existing franchisees, and to us and our affiliates, in proportion to their and our respective Brand Fund contributions during the preceding twelve (12) month period.

(C) Approval of Marketing and Other External Communications

All advertising, promotion, marketing, and public relations activities you conduct and Marketing Materials you prepare must not be misleading, must conform to the policies set forth in the Operations Manual or that we otherwise prescribe from time to time, and must comply with all Laws. To protect the goodwill that we and certain of our affiliates have accumulated in the "HAVEN" name and other Marks, you must send us before you intend to use them samples or proofs of (1) all Marketing Materials we have not prepared or already approved, and (2) all Marketing Materials we have prepared or already approved that you propose to change in any way. However, you need not send us any Marketing Materials in which you have simply completed the missing Club-specific or pricing information based on templates we sent you. If we do not approve your Marketing Materials in writing within fifteen (15) days after we actually receive them, they will be deemed disapproved for use. While we will not unreasonably withhold our approval, you may not use any Marketing Materials we have not approved or have disapproved. We reserve the right upon thirty (30) days' prior written notice to require you to discontinue using any previously-approved Marketing Materials.

(D) Local Marketing

You agree to spend the greater of $2,000 per month or two percent (2%) of the Club's monthly Gross Sales (unless a Cooperative votes to spend more), on approved Marketing Materials and advertising, marketing, and promotional programs for the Club (the "**Local Marketing Spending Requirement**"). You must prepare, or collaborate with us to prepare, a written local marketing plan for the Local Marketing Spending Requirement and send us the plan for review and pre-approval according to our specified process. We will not count any of the following expenditures towards your Local Marketing Spending Requirement: Brand Fund contributions, price discounts or reductions you provide as a promotion, permanent on- premises signs, lighting, personnel salaries, administrative costs, transportation vehicles (even if they display the Marks), employee-incentive programs, and other amounts that we, in our reasonable judgment, deem inappropriate to satisfy the Local Marketing Spending Requirement. We have the right to review your books and records, and require you to submit reports periodically, to determine your advertising, marketing, and promotion expenses. If you fail to spend (or prove that you spent) the Local Marketing Spending Requirement, we have the right to collect the required amounts from you and to deposit them into the Brand Fund for use as provided in Section 13(B) above.

You acknowledge that the marketing activities in which you engage will materially affect your Club's success or lack of success. While you agree to the Local Marketing Spending Requirement above, that amount might be insufficient for you to achieve your business objectives. Subject to the requirements above, you alone are responsible for determining how much to spend on, and the nature of, Marketing Materials and other approved advertising, marketing, and promotional programs for the Club in order to achieve your business objectives.

(E) Advertising Cooperatives

We have the right to designate one or more distinct geographic areas or any combination of geographic areas for one or more advertising cooperatives (each, a "**Cooperative**"). Each Cooperative's members will be the owners of all HAVEN Clubs located and operating in the distinct geographic area or, if combined, the multiple geographic areas (including us and our affiliates, if applicable). The geographic areas comprising a Cooperative, if there is more than one distinct geographic area in a Cooperative, need not be contiguous to one another or be in the same Designated Market Area (DMA). Each Cooperative will be organized and governed in a form and manner, and begin operating on a date, we determine. We have the right to change, dissolve, and merge Cooperatives. Each Cooperative's purpose is, with our approval, to create, implement, and administer advertising, marketing, and promotional programs and develop Marketing Materials for the benefit of the Cooperative's members. If, as of the Effective Date, we have established a Cooperative for the geographic area in which the Club is located, or if we establish a Cooperative for that area during the Term, you automatically will become a member of the Cooperative and then must participate as its governing documents require.

We reserve the right to require you to contribute to the Cooperative up to one percent (1%) of the Club's monthly Gross Sales (the Cooperative's members may vote to increase the required contribution above this one percent (1%), but not to exceed two percent (2%), with each HAVEN Club in the Cooperative having one vote). All Cooperative dues you contribute will count toward the Local Marketing Spending Requirement under Section 13(D), provided, however, that Cooperative dues will not (1) affect your market introduction program obligations under Section 13(A), or (2) be credited toward your required Brand Fund contributions under Section 13(B).

(F) System Website

1. We or our designees have the right to establish a website or series of websites (with or without restricted access) for the HAVEN Club network: (a) to advertise, market, identify, and promote HAVEN Clubs, the services and products they offer, and/or the HAVEN Club franchise opportunity; (b) to help us operate the HAVEN Club network; and/or (c) for any other purposes we deem appropriate for HAVEN Clubs or other business activities in which we engage (collectively, the "**System Website**"). The System Website may, but need not, provide you with a separate interior webpage or "micro-site" (accessible only through the System Website) ("Micro-Site") referencing your Club and/or otherwise allow you to participate in the System Website. We will develop and maintain your Micro-Site (if applicable) for you. We have the continuing right to manage, monitor, and pre-approve your Micro-Site's form, content, and quality during the Term. Your Micro-Site always must comply with Brand Standards. You must give us the information and materials we request for you to participate in the System Website, whether or not on a Micro-Site. In doing so, you represent that they are accurate and not misleading and do not infringe

another party's rights. We will own all intellectual property and other rights in the System Website, your Micro-Site, and all information they contain, including the domain name or URL, the log of "hits" by visitors, any personal or business data visitors supply, and all information relating to the Club's customers (collectively, the "**Data**").

2. We will control and have the right to use Brand Fund contributions to develop, maintain, operate, update, and market the System Website, including your Micro-Site (if any). We will update or add information on your Micro-Site, if any, as frequently as we deem appropriate. You must notify us whenever any information on your Micro-Site changes or is not accurate. You must pay our then-current monthly or other fee for the Franchise System Intranet (if, or to the extent, the Brand Fund does not pay for these costs). We have final approval rights over all information on the System Website, including your Micro-Site (if any). We have the right to implement and periodically to modify Brand Standards for the System Website.

3. We will maintain your Micro-Site (if any) and otherwise allow you to participate in the System Website only while you are in substantial compliance with this Agreement and all Brand Standards (including those for the System Website). If you are in material default of any obligation under this Agreement or Brand Standards, we have the right, in addition to our other remedies, to suspend temporarily your participation in the System Website until you fully cure the default. We will permanently terminate your access to and participation in the System Website upon this Agreement's expiration or termination.

4. All Marketing Materials you develop for the Club must comply with Brand Standards and contain notices of the System Website's URL in the manner we periodically designate. You may not develop, maintain, or authorize your own Social Media. You may not develop, maintain, or authorize other Digital Marketing mentioning or describing the Club or displaying any Marks without our prior written approval and, if applicable, without complying with our Brand Standards for such other Digital Marketing. Except for the System Website, our designated Social Media, other Digital Marketing, and Apps, you may not conduct commerce or directly or indirectly offer or sell any products or services using any Social Media or other Digital Marketing.

5. Nothing in this Section limits our right to maintain websites other than the System Website or to offer and sell services and products under the Marks from the System Website, another website, or otherwise over the Internet without payment or any other obligation to you.

14. Records, Reports, and Financial Statements

In order to ensure consistency and reliability with respect to your various financial-reporting obligations to us, you must establish and maintain at your own expense a bookkeeping, accounting, and recordkeeping system conforming to the requirements and formats (including, at our option, the accounting methods and chart of accounts) we prescribe from time to time. We have the right to specify the Club-management accounting software you must use. The records and information contained in any bookkeeping, accounting, and recordkeeping system we require will not include any records or information relating to the Club's employees, as you control exclusively your labor relations and employment practices. We will have independent, unlimited

access and retrieval rights to the financial, sales, inventory, and other business- performance information and tools maintained on your Computer System (including Consumer Data but excluding employee records, as you control exclusively your labor relations and employment practices). To the extent we do not access this information directly from the Computer System, you must give us:

1. within ten (10) days after the end of each of your fiscal months, a profit-and-loss statement for the Club as of the end of the previous fiscal month and year-to- date; and

2. within thirty (30) days after the end of each of your fiscal years, an unaudited annual profit-and-loss statement and a balance sheet for the Club as of the end of the previous fiscal year; and

3. within fifteen (15) days after our request, exact copies of federal and state income, sales tax, and other tax returns and any other forms, records, books, reports, and other information we periodically require relating to you or the Club (other than Club employee records, as you control exclusively your labor relations and employment practices).

We have the right periodically to specify the form and content of the reports and financial statements described above. You must verify and sign each report and financial statement in the manner we prescribe. We have the right to disclose data from such reports and statements (and to identify the Club as the source of such reports and statements) for any business purpose we determine in our sole judgment, including the right to identify the Club and disclose its individual financial results in both a financial performance representation appearing in Item 19 of our franchise disclosure document and a supplemental financial performance representation.

You agree to preserve and maintain all records, in the manner we periodically specify, in a secure location for at least five (5) years after the end of the fiscal year to which such records relate or for any longer timeframe the Law requires. If we reasonably determine that any report or financial statement you send us is willfully or recklessly, and materially, inaccurate, we have the right to require you to prepare, at your own expense, audited financial statements annually during the Term until we determine that your reports and statements accurately reflect the Club's business and operations.

If the Club is your (or your affiliate's) first HAVEN Club, you must use bookkeeping services provided by our designated franchise accounting provider for at least the first twelve (12) months of the Club's operation. You may after twelve (12) months seek approval to use accounting services other than our designated franchise accounting provider. We have the right (but are not required) to approve your request if we are satisfied that your requested accounting service is capable of furnishing the reports and other financial information required by this Agreement in compliance with our minimum standards. However, if we determine at any time that you do not have readily-available accounting service providers or employees who can furnish required reports and other financial information in compliance with our minimum standards, we have the right to require the Club once again to use bookkeeping services provided by our designated franchise accounting providers.

15. Inspections and Audits

(A) Inspections

1. To determine whether you and the Club are complying with this Agreement, including all Brand Standards, we and our designated representatives and vendors (including "mystery" shoppers) have the right before you open the Club for business and afterward from time to time during your regular business hours, and without prior notice to you, to inspect and evaluate the Club, observe and record operations (including through electronic monitoring), remove samples of products and supplies, interview and interact with the Club's supervisory employees and customers, inspect all books and records relating to the Club, access security footage from your security systems, and access all electronic records on your Computer System to the extent necessary to ensure compliance with this Agreement and all Brand Standards (in all cases excluding records relating to labor relations and employment practices, as you control exclusively labor relations and employment practices for Club employees). You must cooperate with us and our representatives and vendors in those activities, including giving us any access control we need. We will give you a written summary of the evaluation.

Without limiting our other rights and remedies under this Agreement, you must promptly correct at your own expense all deficiencies (i.e., failures to comply with Brand Standards) noted by our evaluators within the time period we specify after you receive notice of those deficiencies (which may be as short as one (1) day depending on the deficiency). We then may conduct one or more follow-up evaluations to confirm that you have corrected the deficiencies and otherwise are complying with this Agreement and all Brand Standards. You must pay the actual costs of the first follow-up audit, including our personnel's daily charges (including wages) and TRE. We have the right to charge you a One-Thousand Five-Hundred Dollar ($1,500) inspection fee, plus our personnel's TRE, for the second and each follow-up evaluation we make and for each inspection you specifically request. If you fail to correct a deficiency at the Club or in its operation after these inspections, we have the right (short of taking over the Club's management) to take the required action for you, without being guilty of or liable for trespass or tort, in which case you must immediately reimburse all of our costs.

2. If we find any condition at the Club that we consider to be hazardous, unsafe, unhealthy, unsanitary, unclean, or in material disrepair, we have the following rights in addition to all other rights set forth in this Agreement:

(a) we have the right to require you immediately to close and suspend operation of the Club or to take any other action we deem necessary whenever we have reason to believe that the Club presents imminent risk to public health and safety. You must notify us immediately of any violation affecting public health or safety and promptly take any action we require. You alone are responsible for all losses, costs, or other expenses incurred in complying with this clause (a); and/or

(b) we have the right immediately to remove or destroy at your expense any product that we believe to be hazardous or contaminated or to present imminent risk to public health or safety.

3. Because we do not have the right to inspect your employment records, you agree to confirm for us periodically (in the manner specified in Brand Standards) that the Club's employees have all certifications required by Law.

(B) Our Right to Audit

We and our designated representatives have the right at any time during your business hours, and without prior notice to you, to examine the Club's business, bookkeeping, and accounting records, sales and income tax records and returns, and other records (other than your employment records, as you control exclusively your labor relations and employment practices). You must fully cooperate with our representatives and independent accountants conducting any inspection or audit. If any inspection or audit discloses an understatement of the Club's Gross Sales, you must pay us, within ten (10) days after receiving the inspection or audit report, the amounts due on the understatement, plus our administrative fee and interest from the date originally due until the date of payment. Further, if an inspection or audit is necessary due to your failure to furnish reports, supporting records, or other information as required or on a timely basis, or if our examination reveals an understatement exceeding two percent (2%) of the amount you actually reported to us for the period examined, you must reimburse our costs for the examination, including, without limitation, legal fees, independent accountants' fees, and compensation and TRE for our employees. All remedies above are in addition to our other remedies and rights under this Agreement and applicable Law.

16. Transfer

(A) Transfer by Us

We have the right to change our ownership or form and/or to assign this Agreement and any other agreement to a third party without restriction. After we assign this Agreement to a third party that expressly assumes this Agreement's obligations, we no longer will have any performance or other obligations under this Agreement. That assignment will constitute a release and novation with respect to this Agreement, and the new owner-assignee will be liable to you as if it had been an original party to this Agreement. Specifically and without limiting the foregoing, you agree that we have the right to sell our assets (including this Agreement), the Marks, or the Franchise System to a third party; offer our ownership interests privately or publicly; merge, acquire other business entities, or be acquired by another business entity; and/or undertake a refinancing, recapitalization, leveraged buyout, securitization, or other economic or financial restructuring.

(B) Transfer by You and Definition of Transfer

You acknowledge that the rights and duties this Agreement creates are personal to you and your owners, and we have granted you the rights under this Agreement in reliance upon our perceptions of your and your owners' character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, neither:

1. this Agreement or any interest in this Agreement;

2. the Club's physical structure;

3. any right to receive all or a portion of the profits, losses, or capital appreciation relating to the Club;

4. all or substantially all of the Operating Assets;

5. any ownership interest in you; nor

6. a controlling ownership interest in an Entity with an ownership interest in you, may be transferred without our prior written approval. A transfer of the Club's ownership, possession, or control (including its physical structure), or all or substantially all of the Operating Assets, may be made only with the concurrent transfer (to the same proposed transferee) of the franchise rights (with the transferee assuming this Agreement or signing our then-current form of franchise agreement and related documents, as we require). Any transfer without our prior written approval is a breach of this Agreement and has no effect, meaning you and your owners will continue to be obligated to us for all your obligations under this Agreement.

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

1. transfer of record or beneficial ownership of stock or any other ownership interest or the right to receive (directly or indirectly) all or a portion of the profits, losses, or any capital appreciation relating to the Club;

2. a merger, consolidation, or exchange of ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or a redemption of ownership interests;

3. any sale or exchange of voting interests or securities convertible to voting interests;

4. any management or other agreement granting the right (directly or indirectly) to exercise or control the exercise of any owner's voting rights or to control your (or an Entity with an ownership interest in you) or the Club's operations or affairs;

5. transfer in a divorce, insolvency, or Entity-dissolution proceeding or otherwise by operation of law;

6. transfer by will, declaration of or transfer in trust, or under the laws of intestate succession; or

7. pledge of this Agreement (to someone other than us) or of an ownership interest in you or your owners as security or collateral, foreclosure upon or attachment or seizure of the Club (including its physical structure), or your transfer, surrender, or loss of the Club's possession, control, or management.

You may grant a security interest (including a purchase-money security interest) in the Club's assets (including its physical structure but not including this Agreement or the franchise rights) to a lender that finances your acquisition, development, and/or operation of the Club without having to obtain our prior written approval as long as you give us ten (10) days' prior written notice. However, you may not pledge, hypothecate, or grant a security interest in any property that bears or displays the Marks (unless the Marks are readily removable from such

property) and must advise your proposed lenders of this restriction. This Agreement and the franchise rights granted to you by this Agreement may not be pledged as collateral or be the subject of a security interest, lien, levy, attachment, or execution by your creditors or any financial institution. Any security interest that may be created in this Agreement by virtue of Section 9-408 of the Uniform Commercial Code is limited as described in Section 9-408(d) of the Uniform Commercial Code.

(C) Conditions for Approval of Transfer

If you and your owners are in full compliance with this Agreement, then, subject to this Section 16's other provisions:

1. We will approve the transfer of a non-controlling ownership interest in you if the proposed transferee and its owners are of good moral character, have no ownership interest in and do not perform services for (and have no affiliates with an ownership interest in or performing services for) a Competitive Business, otherwise meet our then-applicable standards for non-controlling owners of HAVEN Club franchisees, sign our then-current form of Guaranty and Assumption of Obligations or, if applicable, Owner's Undertaking of Non-Monetary Obligations, and pay us a One-Thousand-Five- Hundred Dollar ($1,500) transfer fee. The term "controlling ownership interest" is defined in Section 21(M); or

2. If the proposed transfer involves the franchise rights granted by this Agreement or a controlling ownership interest in you or in an Entity owning a controlling ownership interest in you, or is one of a series of transfers (regardless of the timeframe over which those transfers take place) in the aggregate transferring the franchise rights granted by this Agreement or a controlling ownership interest in you or in an Entity owning a controlling ownership interest in you, then we will not unreasonably withhold our approval of a proposed transfer meeting all of the following conditions (provided, however, there may be no such transfer until after the Club has opened for business):

(a) on both the date you send us the transfer request and the transfer's proposed effective date: (i) the transferee and its direct and indirect owners have the necessary business experience, aptitude, and financial resources to operate the Club; (ii) the transferee otherwise is qualified under our then-existing standards for the approval of new franchisees or of existing franchisees interested in acquiring additional franchises (including the transferee and its affiliates are in substantial operational compliance, at the time of the application, under all other franchise agreements for HAVEN Clubs to which they then are parties with us); and (iii) the transferee and its owners are not restricted by another agreement (whether or not with us) from purchasing the Club or the ownership interest in you or the Entity that owns a controlling ownership interest in you;

(b) on both the date you send us the transfer request and the transfer's proposed effective date, you have paid all required Royalties, Technology Fees, Brand Fund contributions, and other amounts owed to us and our affiliates relating to this Agreement and the Club, have submitted all required reports and statements, and are not in breach of any provision of this Agreement or another agreement with us or our affiliates relating to the Club;

(c) on both the date you send us the transfer request and the transfer's proposed effective date, neither the transferee nor any of its direct or indirect owners or affiliates operates, has an ownership interest in, or performs services for a Competitive Business;

(d) before or after the transfer's proposed effective date (as we determine), the transferee's managing owner, operating principal, and other management personnel, if different from your Managing Owner, Operating Principal, and other management personnel, satisfactorily complete our then-current Initial Training;

(e) the transferee has the right to occupy the Club's site for the expected franchise term;

(f) before the transfer's proposed effective date, the transferee and each of its owners (if the transfer is of the franchise rights granted by this Agreement), or you and your owners (if the transfer is of a controlling ownership interest in you or in an Entity owning a controlling ownership interest in you) if we so require, sign our then-current form of franchise agreement and related documents (including a Guaranty and Assumption of Obligations and, if applicable, Owner's Undertaking of Non-Monetary Obligations), any and all of the provisions of which may differ materially from any and all of those contained in this Agreement, provided, however, that (i) the term of the new franchise agreement signed will equal the unexpired portion of the Term, (ii) the Royalty, Technology Fee, and Brand Fund contribution levels specified in this Agreement will be substituted into the then-current form of franchise agreement that you sign for the balance of the initial franchise term (i.e., the unexpired portion of the Term), and (iii) the Area of Protection defined in this Agreement will be substituted into the then-current form of franchise agreement that you sign for the balance of the initial franchise term (i.e., the unexpired portion of the Term).;

(g) before the transfer's proposed effective date, you or the transferee pays us a transfer fee equal to (i) fifty-percent (50%) of our then-current initial franchise fee if the transferee is an existing HAVEN Club franchisee, an entity that is legally affiliated with an existing HAVEN Club franchisee, or an owner of an existing HAVEN Club franchisee, (ii) seventy-five percent (75%) of our then-current initial franchise fee if the transferee is not an existing HAVEN Club franchisee, not legally affiliated with an existing HAVEN Club franchisee, or not an owner of an existing HAVEN Club franchisee, or (iii) one-hundred percent (100%) of our then-current initial franchise fee if a franchise broker that we retained was involved in the transfer process and a broker commission is payable. Five Thousand Dollars ($5,000) of this transfer fee is due as a deposit when you initially request our consideration or approval of the transfer and is not refundable, whether or not the transfer actually occurs;

(h) before the transfer's proposed effective date, the transferee agrees to repair and/or replace Operating Assets and upgrade the Club (including its physical structure) in accordance with our then-current requirements and specifications for

new HAVEN Clubs within the timeframe we specify following the transfer's effective date;

(i) before the transfer's proposed effective date, you (and your transferring owners) sign a general release, in a form satisfactory to us, of any and all claims against us and our affiliates and our and their respective owners, officers, directors, employees, representatives, agents, successors, and assigns;

(j) before the transfer's proposed effective date, the transferee has satisfied all licensing and other requirements under applicable Law;

(k) we have determined that the purchase price, payment terms, and required financing will not adversely affect the transferee's operation of the Club;

(l) if you or your owners finance any part of the purchase price, you and they agree before the transfer's proposed effective date that the transferee's obligations under promissory notes, agreements, or security interests reserved in the Operating Assets, the Club (including its physical structure), or ownership interests in you are subordinate to the transferee's (and its owners') obligation to pay Royalties, Technology Fees, Brand Fund contributions, and other amounts due to us and our affiliates and otherwise to comply with this Agreement;

(m) before the transfer's proposed effective date, you and your transferring owners (and members of their Immediate Families) agree, for two (2) years beginning on the transfer's effective date, not to engage in any activity proscribed in Section 19(E) below; and

(n) before the transfer's proposed effective date, you and your transferring owners agree not directly or indirectly at any time after the transfer or in any manner (except with other HAVEN Clubs you or they own or operate) to: (i) identify yourself or themselves in any business as a current or former HAVEN Club or as one of our franchisees; (ii) use any Mark, any colorable imitation of a Mark, any trademark, service mark, or commercial symbol that is confusingly similar to any Mark, any copyrighted items, or other indicia of a HAVEN Club for any purpose; or (iii) utilize for any purpose any trade dress, trade name, trademark, service mark, or other commercial symbol suggesting or indicating a connection or association with us.

You acknowledge that we have legitimate reasons to evaluate the qualifications of potential transferees and to analyze and critique the terms of their purchase contracts with you. Therefore, our contact with potential transferees to protect our business interests will not constitute improper or unlawful conduct. You expressly authorize us to investigate any potential transferee's qualifications, to analyze and critique the proposed purchase terms, to communicate candidly and truthfully with the transferee regarding your operation of the Club, and to withhold our consent, as long as our decision is not unreasonable, even if the conditions in clauses (2)(a) through (2)(n) above are satisfied. You waive any claim that our decision to withhold approval of a proposed transfer in order to protect our business interests—if that decision was reasonable despite satisfaction of the conditions in clauses

(2)(a) through (2)(n) above—constitutes tortious interference with contractual or business relationships or otherwise violates any Law. We have the right to review all information regarding the Club you give the proposed transferee, correct any information we believe is inaccurate, and give the proposed transferee copies of any reports you have given us or we have made regarding the Club.

Notwithstanding anything to the contrary in this Section 16, we need not consider a proposed transfer of a controlling or non-controlling ownership interest in you, or a proposed transfer of this Agreement, until you (or an owner) and the proposed transferee first send us a copy of the bona fide offer to purchase or otherwise acquire the particular interest from you (or the owner). For an offer to be considered "bona fide," we have the right to require that it include a copy of all proposed agreements between you (or your owner) and the proposed transferee related to the sale, assignment, or transfer.

(D) Transfer to a Wholly-Owned or Affiliated Entity

Notwithstanding Section 16(C) above, if you are in full compliance with this Agreement, you may transfer this Agreement, together with the Operating Assets and all other assets associated with the Club (including its physical structure), to an Entity that will conduct no business other than the Club and, if applicable, other HAVEN Clubs and of which you or your then-existing owners own and control one hundred percent (100%) of the equity and voting power of all issued and outstanding ownership interests, provided that all Club assets are owned, and the Club is operated, only by that single Entity. The Entity must expressly assume all of your obligations under this Agreement, but you will remain personally liable under this Agreement as if the transfer to the Entity did not occur. Transfers of ownership interests in that Entity are subject to the restrictions in Section 16(C).

(E) Death or Disability

1. Transfer Upon Death or Disability

Upon the death or disability of one of your owners, that owner's executor, administrator, conservator, guardian, or other personal representative (the "**Representative**") must transfer the owner's ownership interest in you (or an owner) to a third party, which may include an Immediate Family member. That transfer (including transfer by bequest or inheritance) must occur within a reasonable time, not to exceed six (6) months from the date of death or disability, and is subject to all terms and conditions in this Section 16. A failure to transfer such interest within this time period is a breach of this Agreement.

2. Operation upon Death or Disability

If, upon the death or disability of your Operating Principal, the Club's day-to-day operations are not being managed by a trained individual, then you or the Representative (as applicable) must within a reasonable time, not to exceed thirty (30) days from the date of death or disability, appoint a Replacement Operating Principal to operate the Club. The Replacement Operating Principal must at your expense satisfactorily complete the training we designate within the time period we specify. We have the right to assume the Club's management, as described in Section 18(C), for the time we deem necessary if the Club is

not in our opinion being managed properly after the death or disability of your Operating Principal. Upon the death or disability of your Operating Principal, you also must appoint a new Operating Principal, as provided in Section 3(H)(4) above.

(F) Effect of Consent to Transfer

Our consent to any transfer is not a representation of the fairness of any contract terms between you (or your owner) and the transferee, a guarantee of the Club'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 full compliance with this Agreement.

(G) Our Right-of-First-Refusal

1. If you, any of your owners, or the owner of a controlling ownership interest in an Entity with an ownership interest in you at any time determines to sell or transfer for money or other consideration (which can be independently valued in dollars) the franchise rights granted by this Agreement and the Club (including its physical structure and/or all or substantially all of its Operating Assets), a controlling ownership interest in you, or a controlling ownership interest in an Entity with a controlling ownership interest in you (except to or among your current owners or in a transfer under Section 16(D), which are not subject to this Section 16(G)), you 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, as noted in Section 16(C) above, we have the right to require to include a copy of all proposed agreements related to the sale or transfer). The offer must include details of the proposed sale or transfer's payment terms and the financing sources and terms of the proposed purchase price and provide for an earnest money deposit of at least five percent (5%) of the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be a fixed-dollar amount, without any contingent payments of purchase price (such as earn-out payments), and the proposed transaction must relate exclusively to the rights granted by this Agreement and the Club (including its physical structure and/or all or substantially all of its Operating Assets), a controlling ownership interest in you, or a controlling ownership interest in an Entity with a controlling ownership interest in you. It may not relate to any other interests or assets. We have the right to require you (or your owners) to send us copies of any materials or information you send to the proposed buyer or transferee regarding the possible transaction.

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

(a) we have the right to substitute cash for any form of consideration proposed in the offer;

(b) our credit will be deemed equal to the credit of any proposed buyer;

(c) the closing of our purchase will not (unless we agree otherwise) be earlier than sixty (60) days after we notify you of our election to purchase or, if later, the closing date proposed in the offer;

(d) you and your owners must sign the general release described in Section 16(C)(2)(i) above; and

(e) we must receive, and you and your owners agree to make, all customary representations, warranties, and indemnities given by the seller of the assets of a business or of ownership interests in an Entity, as applicable, including representations and warranties regarding ownership and condition of, and title to, assets and (if applicable) ownership interests; your and your owners' authorization to sell, as applicable, any ownership interests or assets without violating any Law, contract, or requirement of notice or consent; liens and encumbrances on ownership interests and assets; validity of contracts and liabilities, contingent or otherwise, relating to the assets or ownership interests being purchased; and indemnities for all actions, events, and conditions that existed or occurred in connection with the Club before the closing of our purchase.

If the offer is to purchase all of your ownership interests, we have the right instead to elect to purchase all of the Club's assets (including its physical structure), and not any of your ownership interests, on the condition that the amount we pay you for such assets equals the full value of the transaction as proposed in the offer (i.e., the value of all assets to be sold and of all liabilities to be assumed).

3. Once you or your owners submit the offer and related information to us triggering the start of the thirty (30)-day decision period referenced above, the offer is irrevocable for that thirty (30)-day period. This means we have the full thirty (30) days to decide whether to exercise the right-of-first-refusal and have the right to do so even if you or your owners change your, his, her, or its mind during that period and prefer after all not to sell the particular interest that is the subject of the offer. You and your owners may not withdraw or revoke the offer for any reason during the thirty (30) days, and we have the right to exercise the right to purchase the particular interest in accordance with this Section's terms.

4. If we exercise our right-of-first-refusal and close the transaction, you and your transferring owners agree that, for two (2) years beginning on the closing date, you and they (and members of your and their Immediate Families) will be bound by the non-competition covenants contained in Section 19(E).

5. If we do not exercise our right-of-first-refusal, you or your owners have the right to complete the sale to the proposed buyer on the original offer's terms, but only if we approve the transfer as provided in this Section 16. If you or your owners do not complete the sale to the proposed buyer within sixty (60) 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 sale's terms (which you agree to tell us promptly), we will have an additional right-of- first-refusal during the thirty (30) days following either expiration of the sixty (60) 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 option.

6. We have the unrestricted right to assign this right-of-first-refusal to a third party (including an affiliate), which then will have the rights described in this Section 16(G). (All references in this Section 16(G) to "we" or "us" include our assignee if we have exercised our right to assign this right-of-first-refusal to a third party.) We waive our right-of-first-refusal for sales or transfers to Immediate Family members meeting the criteria in Section 16(C).

17. Expiration of Agreement

When this Agreement expires (unless it is terminated sooner), you will have the right to acquire a first renewal franchise to continue operating the Club as a HAVEN Club for five (5) years under our then-current form of franchise agreement, but only if you:

1. have requested in writing and conducted with us a business review at least six (6) months, but not more than nine (9) months, before the end of the Term and then have formally notified us of your desire to acquire a renewal franchise no less than three (3) months before the end of the Term;

2. have substantially complied with all of your obligations under this Agreement and all other agreements with us or our affiliates related to the Club, including operated the Club in substantial compliance with Brand Standards, during the Term, as noted in the business review we conduct;

3. continue complying substantially with all of your obligations under this Agreement and all other agreements with us or our affiliates related to the Club between the time you formally notify us of your desire to acquire a renewal franchise and the end of the Term; and

4. retain the right to occupy the Club at its original site, have remodeled and upgraded the Club, and otherwise have brought the Club into full compliance with then-applicable specifications and standards for new HAVEN Clubs (regardless of cost) before this Agreement expires. We have no obligation to grant you a renewal franchise if you wish to relocate the Club or no longer have the right to occupy the Club at its original site.

To acquire a renewal franchise, you and your owners must: (i) sign our then-current form of franchise agreement (and related documents), which may contain terms and conditions differing materially from any and all of those in this Agreement, including higher Royalties, Technology Fees, and Brand Fund contributions and a modified or smaller Area of Protection, and will be modified to reflect that it is for a renewal franchise; (ii) pay us a renewal-franchise fee equal to ten-percent (10%) of our then-current initial franchise fee for first-time franchisees; and (iii) sign a general release in the form we specify as to any and all claims against us, our affiliates, and our and their respective owners, officers, directors, employees, agents, representatives, successors, and assigns. If you fail to sign and return the documents referenced above, together with the renewal-franchise fee, within thirty (30) days after we deliver them to you, that will be deemed your irrevocable election not to acquire a renewal franchise.

If you fail to notify us by the deadline specified in clause (a) above of your desire to acquire a renewal franchise, or if you (and your owners) are not, both on the date you give us written notice of your election to acquire a renewal franchise (at or after the business review) and on the date on which this Agreement expires, in substantial compliance with this Agreement and all other agreements with us or our affiliates related to the Club, you acknowledge that we have no obligation to grant you a renewal franchise, whether or not we had, or chose to exercise, the right to terminate this Agreement during its Term under Section 18. We have the right to condition our grant of a renewal franchise on your completing certain requirements on or before designated deadlines following commencement of the renewal-franchise term.

If we grant you a first five (5)-year renewal franchise, you will have the right to acquire a second and third (which will be the final) renewal franchise to continue operating the Club as a HAVEN Club, the term of each of which will commence immediately upon expiration of the preceding renewal-franchise term and expire five (5) years from that date, but only if you have complied as of the end of the preceding renewal-franchise term with the same conditions for a renewal-franchise grant as those described in this Section 17 with respect to the first renewal-franchise grant. Otherwise, you will have no right to acquire the second or third renewal franchise. In connection with your acquisition of the second or third renewal franchise, you must sign our then-current form of franchise agreement (and related documents), which may contain terms and conditions differing materially from any and all of those in this Agreement and in the franchise agreements you sign for the first (and, if applicable, second) renewal franchise, including higher Royalties, Technology Fees, and Brand Fund contributions and a modified or smaller Area of Protection. That franchise agreement also will be modified to reflect that it is for a renewal franchise (i.e., including that no further renewal franchises will be granted after the third renewal franchise).

18. Termination of Agreement

(A) Termination by You

You may terminate this Agreement if we materially breach any of our obligations under this Agreement and fail to correct that breach within thirty (30) days after you deliver written notice to us of the breach; provided, however, if we cannot reasonably correct the breach within those thirty (30) days but give you within the thirty (30) days evidence of our effort to correct the breach within a reasonable time period, then the cure period will run through the end of that reasonable time period. Your termination of this Agreement other than according to this Section 18(A) will be deemed a termination without cause and your breach of this Agreement.

(B) Termination by Us

We have the right at our option to terminate this Agreement, effective immediately upon delivery of written notice of termination to you, upon the occurrence of any one of the following events:

1. you (or any of your direct or indirect owners) have made or make any material misrepresentation or omission in applying for and acquiring the franchise or operating the Club, including, without limitation, by intentionally or through your gross negligence understating the Club's Gross Sales for any period;

2. you do not start pursuing diligently immediately following the Effective Date, and secure before the anticipated Lease-signing date, all financing required to construct, develop, and open the Club;

3. you fail (a) to find and obtain our written approval of a site, to secure an accepted site under a Lease we accept, or otherwise to meet any development obligation identified in Section 4 on or before the required deadline for each such step, or (b) to develop, open, and begin operating the Club in compliance with this Agreement, including all Brand Standards (including with a fully-trained staff), on or before the Opening Deadline;

4. you (a) abandon the Club, meaning you have deserted, walked away from, or closed the Club under circumstances leading us to conclude that you have no intent to return to the Club, regardless of how many days have passed since the apparent abandonment, or (b) fail actively and continuously to operate the Club for at least three (3) consecutive business days (except where closure is due to a force majeure event and you notify us within three (3) days after the particular event to obtain our written approval to remain closed for an agreed-upon amount of time as is necessary under the circumstances before we will require you to re-open);

5. you, any of your owners, or the owner of a controlling ownership interest in an Entity with an ownership interest in you makes a purported transfer in violation of Section 16;

6. you (or any of your direct or indirect owners) are or have been convicted by a trial court of, or plead or have pleaded guilty or no contest to, a felony;

7. you (or any of your direct or indirect owners) engage in any dishonest, unethical, immoral, or similar conduct as a result of which your (or the owner's) association with the Club (or the owner's association with you) could, in our reasonable opinion, have a material adverse effect on the goodwill associated with the Marks or indicates unsuitability for childcare;

8. we reasonably determine that (a) a serious threat or danger to public health or safety has resulted or will result from the Club's construction or operation, and (b) an immediate termination of this Agreement and permanent shutdown of the Club or construction site is necessary to avoid substantial liability or material loss of goodwill of the HAVEN Club brand;

9. a lender forecloses on its lien on a substantial and material portion of the Club's assets;

10. an entry of judgment against you involving aggregate liability of Twenty-Five Thousand Dollars ($25,000) or more in excess of your insurance coverage, and the judgment remains unpaid for ten (10) days or more following its entry;

11. you (or any of your direct or indirect owners) misappropriate any Confidential Information or violate any provisions of Section 12, including, but not limited to, by holding interests in or performing services for a Competitive Business;

12. you violate any material Law relating to the Club's development, operation, or marketing (including the offer and sale of Club memberships) and do not (a) begin to correct the noncompliance or violation immediately after delivery of written notice (regardless of by whom sent to you) or (b) completely correct the noncompliance or violation within the time period prescribed by Law, unless, in the case of both (a) and (b), you are in good faith contesting your liability for the violation through appropriate proceedings or, in the case of (b) only, you provide reasonable evidence to us and the relevant authority of your continued efforts to correct the violation within a reasonable time period;

13. you fail to report the Club's Gross Sales or to pay us or any of our affiliates any amounts when due and do not correct the failure within five (5) days after delivery of written notice;

14. you underreport the Club's Gross Sales by two percent (2%) or more on three (3) separate occasions within any twenty-four (24) consecutive-month period or by five percent (5%) or more during any reporting period;

15. you disable the Club's Computer System, close the Club's business checking or other account from which we debit required payments without complying with Section 5(F), or otherwise intentionally prevent us from debiting required payments;

16. you fail to maintain the insurance we require for the Club or to send us satisfactory evidence of such insurance coverage within the required time, or significantly modify your insurance coverage without our written approval, and do not correct the failure within five (5) days after delivery of written notice;

17. you fail to pay when due any federal or state income, service, sales, employment, or other taxes due on the Club's operation, unless you are in good faith contesting your liability for such taxes through appropriate proceedings;

18. you (or any of your direct or indirect owners) (a) fail on three (3) or more separate occasions within any twelve (12)-consecutive-month period to comply with this Agreement (including any Brand Standard), whether or not you correct the failures after our delivery of notice to you (which includes failures identified and reported to you during any inspection we conduct under Section 15(A)), 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 (including any Brand Standard), whether or not you correct the failures after our delivery of notice to you (which includes failures identified and reported to you during any inspection we conduct under Section 15(A));

19. you fail to pay amounts you owe to our designated, approved, or recommended suppliers within thirty (30) days following the due date (unless you are contesting the amount in good faith), or you default (and fail to cure within the allocated time) under any note, lease, or agreement we deem material relating to the Club's operation or ownership, and do not correct the failure within five (5) days after delivery of written notice;

20. 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 a substantial part of your property; the Club is attached, seized, or levied upon, unless the attachment, seizure, or levy is vacated within sixty (60) days; or any order appointing a receiver, trustee, or liquidator of you or the Club is not vacated within sixty (60) days following its entry;

21. your or any of your owners' assets, property, or interests are blocked under any Law relating to terrorist activities, or you or any of your owners otherwise violate any such Law;

22. you lose the right to occupy the Club's premises due to your Lease default (even if you have not yet vacated the Club's premises);

23. you lose the right to occupy the Club's premises (but not due to your Lease default), or the Club is damaged to such an extent that you cannot operate the Club at its existing location over a thirty (30)-day period, and you fail both to relocate the Club to a substitute site we accept and to begin operating the Club at that substitute site within one-hundred-eighty (180) days from the first date on which you could not operate the Club at its existing location;

24. you fail to comply with any other obligation under this Agreement or any other agreement between us (or any of our affiliates) and you relating to the Club, including, without limitation, any Brand Standard, and do not correct the failure to our satisfaction within thirty (30) days after we deliver written notice;

25. you cause or contribute to a Data Security Incident or fail to comply with any requirements to protect Consumer Data;

26. we send you (or your affiliate) a notice of termination under another franchise agreement between us and you (or your affiliate) for a HAVEN Club, you terminate such a franchise agreement without cause (as defined in the franchise agreement), or you (or your affiliate) cease operating a HAVEN Club without our approval; or

27. your ability to continue operating the Club in accordance with our Brand Standards under this Agreement, in whole or in part, is frustrated in purpose or materially impaired by any Law or interpretation of such Law.

(C) Assumption of Club's Management

If you abandon or fail actively to operate the Club for any period, (2) under the circumstances described in Sections 16(E) and 18(D), and (3) after termination or expiration of this Agreement while we are deciding whether to exercise our right to purchase the Club's Operating Assets under Section 19(F), we or our designee has the right (but not the obligation) to enter the site and assume the Club's management for any time period we deem appropriate. The manager will exercise control over the working conditions of the Club's employees only to the extent such control is related to our legitimate interest in protecting, and is necessary at that time to protect, the quality of our services, products, or brand.

If we assume the Club's management, all revenue from the Club's operation during our management period will (except as provided below) be kept in a separate account, and all Club expenses will be charged to that account. In addition to the fees and payments owed under this Agreement on account of the Club's operation, we have the right to charge you a management fee equal to ten percent (10%) of the Club's Gross Sales (but no less than Eight Hundred Dollars ($800) per day), plus any out-of-pocket expenses incurred in connection with the Club's management, including salaries and TRE. We or our designee will have a duty to use only reasonable efforts and, if we or our designee is not grossly negligent and does not commit an act of willful misconduct, will not be liable to you or your owners for any debts, losses, lost or reduced profits, or obligations the Club incurs, or to any of your creditors for any supplies, products, or other assets or services the Club purchases, while we or our designee manages it. We have the right to require you to sign our then-current form of management agreement, which will govern the terms of our management of the Club.

If we or our designee assumes the Club's management due to your abandonment or failure actively to operate the Club, or after termination or expiration of this Agreement while we are deciding whether to exercise our right to purchase the Club's Operating Assets under Section 19(F), we or our designee has the right to retain all, and need not pay you or otherwise account to you for any, Gross Sales generated while we or our designee manages the Club.

(D) Other Remedies upon Default

Upon your failure to remedy any noncompliance with any provision of this Agreement, including any Brand Standard, or another default specified in any written notice issued to you under Section 18(B) within the time period (if any) we specify in our notice, we have the right, until the failure has been corrected to our satisfaction, to take any one or more of the following actions:

1. suspend your right to participate in one or more advertising, marketing, or promotional programs that we or the Brand Fund provides;

2. suspend or terminate your participation in any temporary or permanent fee reductions to which we might have agreed (whether as a policy, in an amendment to this Agreement, or otherwise);

3. refuse to provide any operational support this Agreement requires; and/or

4. assume the Club's management, as described in Section 18(C), for the time we deem necessary in order to correct the default, for all of which costs you must reimburse us (in addition to the amounts you must pay us under Section 18(C)).

Exercising any of these rights will not constitute an actual or constructive termination of this Agreement or be our sole and exclusive remedy for your default. We have the right at any time after the applicable cure period (if any) under the written notice has lapsed to terminate this Agreement without giving you any additional corrective or cure period. During any suspension period, you must continue paying all fees and other amounts due under, and otherwise comply with, this Agreement and all related agreements. Our election to suspend your rights as provided above is not our waiver of any breach of this Agreement. If we rescind any suspension of your rights, you are not entitled to any compensation (including, without limitation, repayment,

reimbursement, refunds, or offsets) for any fees, charges, expenses, or losses you might have incurred due to our exercise of any suspension right provided above.

19. Rights and Obligations upon Termination or Expiration of This Agreement

(A) Payment of Amounts Owed

You agree to pay us within fifteen (15) days after this Agreement expires or is terminated, or on any later date we determine the amounts due to us, the Royalties, Technology Fees, Brand Fund contributions, late fees and interest, and other amounts owed to us (and our affiliates) that are then unpaid.

(B) De-Identification

Upon termination or expiration of this Agreement, you must de-identify the Club in compliance with this Section 19(B) and as we reasonably require. De-identification includes, but is not limited to, taking the following actions:

1. beginning immediately upon the effective date of termination or expiration, you and your owners may not directly or indirectly at any time afterward or in any manner (except in connection with other HAVEN Clubs you or they own and operate): (a) identify yourself or themselves in any business as a current or former HAVEN Club or as one of our current or former franchisees; (b) use any Mark, any colorable imitation of a Mark, any trademark, service mark, or commercial symbol that is confusingly similar to any Mark, any copyrighted items, or other indicia of a HAVEN Club for any purpose; or (c) use for any purpose any trade dress, trade name, trademark, service mark, or other commercial symbol suggesting or indicating a connection or association with us;

2. immediately upon the effective date of termination or expiration, you must take the action required to cancel all fictitious- or assumed-name or equivalent registrations relating to your use of any Mark;

3. if we do not exercise the option under Section 19(F) below, you must at your own cost, and without any payment from us for such items, destroy all signs, Marketing Materials, forms, and other materials containing any Mark within twenty (20) days after the De-identification Date (defined below). If you fail to do so voluntarily, we and our representatives have the right to enter the Club at our convenience and remove these items without liability to you, the landlord, or any other third party for trespass or any other claim. You must reimburse our costs of doing so. (Notwithstanding the above, you may after the De-identification Date sell these branded items to another HAVEN Club franchisee.);

4. if we do not exercise the option under Section 19(F) below, you must at your own cost, and without any payment from us for such items, destroy all materials that are proprietary to the HAVEN Club brand within thirty (30) days after the De- identification Date. If you fail to do so voluntarily when we require, we and our representatives have the right to enter the Club at our convenience and remove these items without liability to you, the landlord, or any other third party for trespass or any other claim. You must reimburse

our costs of doing so. (Notwithstanding the above, you may after the De-identification Date sell these proprietary items to another HAVEN Club franchisee.);

5. if we do not exercise the option under Section 19(F) below, you must at your own expense within twenty (20) days after the De-identification Date make the alterations we specify to distinguish the Club clearly from its former appearance and from other HAVEN Clubs in order to prevent public confusion. If you fail to do so voluntarily when we require, we and our representatives have the right to enter the Club at our convenience and take this action without liability to you, your landlord, or any other third party for trespass or any other claim. We need not compensate you or the landlord for any alterations. You must reimburse our costs of de-identifying the Club;

6. you must within fifteen (15) days after the De-identification Date notify the telephone company and all telephone directory publishers (both web-based and print) of the termination or expiration of your right to use any telephone or other numbers and telephone directory listings associated with any Mark; authorize, not interfere with, and assist in the transfer of those numbers and directory listings to us or at our direction; and/or instruct the telephone company to forward all calls made to your numbers to numbers we specify. If you fail to do so, we have the right to take whatever action and sign whatever documents we deem appropriate on your behalf to effect these events; and

7. you must immediately cease using any Digital Marketing related to the Club or the Marks, take all action required to disable Digital Marketing, and cancel all rights in and to any accounts for such other Digital Marketing (unless we request you to assign them to us).

The "**De-identification Date**" means: (i) if we exercise the option under Section 19(F), the closing date of our (or our designee's) purchase of the Club's assets; or (ii) if we do not exercise the option under Section 19(F), the date upon which that option expires or we notify you of our decision not to exercise, or to withdraw our previous exercise, of that option, whichever occurs first.

(C) Confidential Information

Upon termination or expiration of this Agreement, you and your owners must immediately cease using any of our Confidential Information in any business or otherwise and return to us all copies of the Operations Manual and any other confidential materials to which we gave you access. You may not sell, trade, or otherwise profit in any way from any Consumer Data or other Confidential Information at any time after expiration or termination of this Agreement.

(D) Notification to Customers

Upon termination or expiration of this Agreement, we have the right to contact (at our expense) previous, current, and prospective customers to inform them that a HAVEN Club no longer will operate at the Club's location or, if we intend to exercise the option under Section 19(F), that the Club will operate under new management. We also have the right to inform them of other nearby HAVEN Clubs. Exercising these rights will not constitute interference with your contractual or business relationships with those customers.

(E) Covenant Not to Compete

Upon our termination of this Agreement in compliance with its terms, your termination of this Agreement without cause, or expiration of this Agreement (without the grant of a renewal franchise), you and your owners agree that neither you, they, nor any member of your or their Immediate Families will:

1. have any direct or indirect, controlling or non-controlling interest as an owner—whether of record, beneficial, or otherwise—in any Competitive Business located or operating:

(a) at the Club's site; or

(b) within ten (10) miles of the former Club site; or

(c) within ten (10) miles of the physical location of another HAVEN Club in operation or under construction on the later of the effective date of termination or expiration or the date on which the restricted person begins to comply with this Section 19(E),

provided that this restriction does not prohibit ownership of shares of a class of securities publicly-traded on a United States stock exchange and representing less than three percent (3%) of the number of shares of that class of securities issued and outstanding; or

2. perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business located or operating:

(a) at the Club's site; or

(b) within ten (10) miles of the former Club site; or

(c) within ten (10) miles of the physical location of another HAVEN Club in operation or under construction on the later of the effective date of termination or expiration or the date on which the restricted person begins to comply with this Section 19(E).

You, each owner, and your and their Immediate Families will each be bound by these competitive restrictions for two (2) years beginning on the effective date of this Agreement's termination or expiration. However, if a restricted person does not begin to comply with these competitive restrictions immediately, the two (2)-year restrictive period for that non-compliant person will not start to run until the date on which that person begins to comply with the competitive restrictions (whether or not due to the entry of a court order enforcing this provision). The running of the two (2)-year restrictive period for a restricted person will be suspended whenever that restricted person breaches this Section and will resume when that person resumes compliance. The restrictive period also will be tolled automatically during the pendency of a proceeding in which either party challenges or seeks to enforce these competitive restrictions. These restrictions also apply after a permitted transfer under Section 16 above. You (and your owners) expressly acknowledge that you (and they) possess skills and abilities of a general nature and have other opportunities for exploiting those skills. Consequently, our enforcing the covenants made in this

Section 19(E) will not deprive you (and them) of personal goodwill or the ability to earn a living. The terms of Section 12(B) of this Agreement also apply to the competitive restrictions described in this Section 19(E).

(F) Option to Purchase Club

1. Exercise of Option

Upon our termination of this Agreement in compliance with its terms, your termination of this Agreement without cause, or expiration of this Agreement (without the grant of a renewal franchise), we have the option, exercisable by giving you written notice before or within thirty (30) days after the effective date of termination or expiration, to purchase the Club's Operating Assets and other assets associated with the Club's operation that we designate. We have the unrestricted right to assign this purchase option to a third party (including an affiliate), which then will have the rights and, if the purchase option is exercised, obligations described in this Section 19(F). (All references in this Section 19(F) to "we" or "us" include our assignee if we have exercised our right to assign this purchase option to a third party.) We are entitled to all customary representations, warranties, and indemnities in our asset purchase, including representations and warranties regarding ownership and condition of, and title to, assets; liens and encumbrances on assets; validity of contracts and liabilities affecting the assets, contingent or otherwise; and indemnities for all actions, events, and conditions that existed or occurred in connection with the Club before the closing of our purchase. While we (or our assignee) are deciding whether to exercise the option to purchase, we (or our assignee) have the right to conduct any investigations to determine: (a) the ownership and condition of the Operating Assets; (b) liens and encumbrances on the Operating Assets; (c) environmental and hazardous substances at or upon the Club's site; and (d) the validity of contracts and liabilities inuring to us (or our assignee) or affecting the Assets. You must give us and our representatives access to the Club at all reasonable times to inspect the Operating Assets.

If you or one or more of your owners, directly or through another entity, hold title to the underlying real estate on which the Club's physical structure is located, we (or our assignee) have the right to elect to lease that site from you or your owner (or the entity) for an initial five or ten (10) year term (at our option), with one (1) renewal term of five (5) or ten (10) years (again at our option), on commercially reasonable terms. The title-holder agrees to sign and deliver to us at the Effective Date, for public recordation and other legitimate business purposes, a joinder signature page to this Agreement and any other document we specify so that public notice may be given of the rights set forth in this Section 19(F)(1), and we may provide any other information required by the laws of the state in which the Club's underlying real estate is located. We have the right to record such documents at our expense at any time on or after the Effective Date. If you lease the Club's site from an unaffiliated lessor, you agree (at our option) to assign the Lease to us or to enter into a sublease for the remainder of the Lease term on the same terms (including renewal options) as the Lease.

2. Purchase Price

If we elect to purchase all or substantially all of the Club's Operating Assets and other assets associated with the Club's operation, the purchase price for those assets will be their fair market value, although fair market value will not include any value for (a) the franchise or any rights granted by this Agreement, (b) goodwill attributable to our Marks, brand image, and other

intellectual property, or (c) participation in the network of HAVEN Clubs. In all cases, we have the right to exclude from the assets purchased any Operating Assets or other items not reasonably necessary (in function or quality) to the Club's operation or that we have not approved as meeting Brand Standards; the purchase price will reflect those exclusions. We and you must work together in good faith to agree upon the assets' fair market value within fifteen (15) days after we deliver our notice exercising our right to purchase. If we and you cannot agree on fair market value within this fifteen (15)-day period, fair market value will be determined by the following appraisal process.

Fair market value will be determined by one (1) independent accredited appraiser upon whom we and you agree who, in conducting the appraisal, will be bound by the criteria specified above. We and you agree to select the appraiser within fifteen (15) days after we deliver our purchase notice (if we and you do not agree on fair market value before then). If we and you cannot agree on a mutually-acceptable appraiser within the fifteen (15) days, we will send you a list of three (3) independent appraisers, and you must within seven (7) days select one of them to be the designated appraiser to determine the purchase price. Otherwise, we have the right to select the appraiser. We and you will share equally the appraiser's fees and expenses. Within thirty (30) days after delivery of notice invoking the appraisal mechanism, we and you each must send the appraiser our and your respective calculations of the purchase price, with such detail and supporting documents as the appraiser requests and according to the criteria specified above. Within fifteen (15) days after receiving both calculations, the appraiser must decide whether our proposed purchase price or your proposed purchase price most accurately reflects the assets' fair market value. The appraiser has no authority to compromise between the two (2) proposed purchase prices; it is authorized only to choose one or the other. The appraiser's choice will be the purchase price and is final.

3. Closing

We will pay the purchase price at the closing, which will take place not later than thirty (30) days after the purchase price is determined. However, we have the right to decide after the purchase price is determined not to complete the purchase and will have no liability to you for choosing not to do so. We have the right to set off against the purchase price, and to reduce the purchase price by, any and all amounts you owe us (or our affiliates). At the closing, you agree to deliver instruments transferring to us: (a) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us), with all sales and transfer taxes paid by you; (b) all of the Club's licenses and permits that may be assigned; and (c) possessory rights to the Club's site.

If you cannot deliver clear title to all purchased assets, or if there are other unresolved issues, the sale will be closed through an escrow. You and your owners further agree to sign general releases, in a form satisfactory to us, of any and all claims against us and our affiliates and our and their respective owners, officers, directors, employees, agents, representatives, successors, and assigns. If we exercise our rights under this Section 19(F), then for two (2) years beginning on the closing date, you and your owners (and members of your and their Immediate Families) will be bound by the non-competition covenants contained in Section 19(E).

You may not under any circumstances sell any of the Club's assets until we have exercised or elected not to exercise our right to purchase those assets, as provided in this Section.

(G) Liquidated Damages

If we terminate this Agreement for cause under Section 18(B), or if you terminate this Agreement without cause, before the Term's scheduled expiration date, you acknowledge and confirm that we will suffer substantial damages as a result of such termination, including Brand Damages. "**Brand Damages**" means lost Royalties, lost Brand Fund Contributions, lost market penetration and goodwill, loss of HAVEN Club representation in the Club's market area, customer confusion, lost opportunity costs, and expenses that we will incur in developing or finding another franchisee to develop another HAVEN Club in the Club's market area. We and you acknowledge that Brand Damages are difficult to estimate accurately, and proof of Brand Damages would be burdensome and costly, although such damages are real and meaningful to us. Therefore, upon termination of this Agreement, as provided above, before the Term's scheduled expiration date, you agree to pay us in a lump sum, within the timeframe we specify, liquidated damages equal to the product of either twenty-four (24) or the number of months that would have remained in the Term (as of the effective date of termination) had it not been terminated, whichever is shorter, multiplied by the average monthly Royalties and Brand Fund contributions that were due and payable to us during the twelve (12) months before the calendar month of termination (or for such lesser period that the Club has been open, if less than twelve (12) months).

You agree that the liquidated damages calculated under this Section 19(G) represent the best estimate of our Brand Damages arising from any termination of this Agreement before the Term expires. Your payment of the liquidated damages to us will not be considered a penalty but, rather, a reasonable estimate of fair compensation to us for the Brand Damages we will incur because this Agreement did not continue for the Term's full length. Your payment of liquidated damages is full compensation to us only for the Brand Damages resulting from the early termination of this Agreement and is in addition to, and not in lieu of, your obligations to pay other amounts due to us under this Agreement as of the effective date of termination and to comply strictly with the de-identification procedures of Section 19(B) and your other post- termination obligations. If any valid law or regulation governing this Agreement limits your obligation to pay, and/or our right to receive, the liquidated damages for which you are obligated under this Section, then you will be liable to us for any and all Brand Damages we incur, now or in the future, as a result of your breach of this Agreement.

(H) Continuing Obligations

All of our and your (and your owners') obligations expressly surviving expiration or termination of this Agreement will continue in full force and effect after and notwithstanding its expiration or termination and until they are satisfied in full.

20. Relationship of the Parties; Indemnification

(A) Independent Contractors

1. This Agreement does not create a fiduciary relationship between you and us (or any affiliate of ours). You have no authority, express or implied, to act as an agent for us or our affiliates for any purpose. You are, and will remain, an independent contractor responsible for all obligations and liabilities of, and for all losses or damages to, the Club and its assets, including any personal property, equipment, fixtures, or real property, and

for all claims or demands based on damage to or destruction of property or based on injury, illness, or death of any person resulting directly or indirectly from the Club's operation.

2. We and you are entering this Agreement with the intent and expectation that we and you are and will be independent contractors. Further, we and you are not and do not intend to be partners, joint venturers, associates, or employees of the other in any way, and we (and our affiliates) will not be construed to be jointly liable for any of your acts or omissions under any circumstances. We (and our affiliates) are not the employer or joint employer of the Club's employees. Your Managing Owner and Operating Principal are solely responsible for managing and operating the Club and supervising the Club's employees. You agree to identify yourself conspicuously in all dealings with customers, suppliers, public officials, Club personnel, and others as the Club's owner, operator, and manager under a franchise we have granted and to place notices of independent ownership at the Club and on the forms, business cards, stationery, advertising, e-mails, and other materials we require from time to time.

3. We (and our affiliates) will not exercise direct or indirect control over the working conditions of Club personnel, except to the extent such indirect control is related to our legitimate interest in protecting the quality of our services, products, or brand. We (and our affiliates) do not share or codetermine the employment terms and conditions of the Club's employees and do not affect matters relating to the employment relationship between you and the Club's employees, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. To that end, you must notify Club personnel that you are their employer and that we, as the franchisor of HAVEN Clubs, and our affiliates are not their employer or joint employer and do not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. You also must obtain an acknowledgment (in the form we specify or approve) from all Club employees that you (and not we or our affiliates) are their employer.

(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 relationship with you is other than franchisor and franchisee. We will not be obligated for any damages to any person or property directly or indirectly arising from the Club'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, employment, or other taxes, whether levied upon you or the Club, due to the business you conduct (except for our own income taxes). You must pay those taxes and reimburse us for any taxes we must pay to any taxing authority on account of either your Club's operation or payments you make to us (except for our own income taxes).

(D) Insurance

During the Term, you must acquire and maintain in force at your sole expense insurance coverage for the Club in the amounts, and covering the risks, we periodically specify in the Operations Manual. We have the right to require some or all of your insurance policies to provide for waiver of subrogation in favor of us and certain of our affiliates. Your insurance carriers must be licensed to do business in the state in which the Club is located and be rated A or higher by A.M. Best and Company, Inc. (or such similar criteria we periodically specify). Insurance policies must be in effect before you begin constructing the Club. We have the right periodically to increase the amounts of coverage required under those insurance policies and/or to require different or additional insurance coverage at any time to reflect inflation, identification of new risks, changes in Law or standards of liability, higher damage awards, or relevant changes in circumstances. Insurance policies must name us and any affiliates we periodically designate as additional insureds and provide for thirty (30) days' prior written notice to us of any policy's material modification, cancellation, or non-renewal and notice to us of any non-payment. You must periodically, including before the Club opens for business, send us a valid certificate of insurance or duplicate insurance policy evidencing the coverage specified above and the payment of premiums. We have the right to require you to use our designated insurance broker to facilitate your compliance with these insurance requirements. We have the right to obtain insurance coverage for the Club at your expense if you fail to do so, in which case you must promptly pay our then-current administrative fee. We also have the right to defend claims in our sole discretion.

(E) Indemnification

To the fullest extent permitted by Law, you must indemnify and hold harmless us, our affiliates, and our and their respective owners, directors, officers, employees, agents, successors, and assignees (the "**Indemnified Parties**") against, and reimburse any one or more of the Indemnified Parties for, all Losses (defined below) incurred as a result of:

1. a claim threatened or asserted;

2. an inquiry made formally or informally; or

3. a legal action, investigation, or other proceeding brought by a third party and directly or indirectly arising out of:

(a) the Club's construction, design, or operation;

(b) the business you conduct under this Agreement;

(c) your noncompliance or alleged noncompliance with any Law, including any allegation that we or another Indemnified Party is an employer or joint employer or otherwise responsible for your acts or omissions relating to the Club's employees;

(d) a Data Security Incident; or

(e) your breach of this Agreement.

You also agree to defend the Indemnified Parties (unless an Indemnified Party chooses to defend at your expense as provided in the following paragraph) against any and all such claims, inquiries, actions, investigations, and proceedings, including those alleging the Indemnified Party's negligence, gross negligence, willful misconduct, and willful wrongful omissions. However, you have no obligation to indemnify or hold harmless an Indemnified Party for any Losses to the extent they are determined in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction to have been caused solely and directly by the Indemnified Party's negligence, willful misconduct, or willful wrongful omissions, so long as the claim to which those Losses relate is not asserted on the basis of theories of vicarious liability (including agency, apparent agency, or joint employment) or our failure to compel you to comply with this Agreement.

For purposes of this indemnification and hold harmless obligation, "**Losses**" includes all obligations, liabilities, damages (actual, consequential, or otherwise), and reasonable defense costs that any Indemnified Party incurs. Defense costs include, without limitation, 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, whether or not litigation, arbitration, or alternative dispute resolution actually is commenced. Each Indemnified Party, with its own counsel and at your expense, has the right to defend and otherwise respond to and address any claim threatened or asserted or inquiry made, or any action, investigation, or proceeding brought (instead of having you defend it with your counsel, as provided in the preceding paragraph), and, in cooperation with you, to agree to settlements or take any other remedial, corrective, or other actions, for all of which defense and response costs and other Losses you are solely responsible (except as provided in the last sentence of the preceding paragraph).

Your obligations under this Section will continue in full force and effect after 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 Losses, in order to maintain and recover fully a claim against you under this Section. 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 Section.

21. Enforcement

(A) Severability

1. Except as expressly provided to the contrary in this Agreement, each section, paragraph, term, and provision of this Agreement is severable. If, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future Law in a final, unappealable ruling issued by any court, arbitrator, 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 restricting competitive activity is deemed unenforceable due to 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 reformed to the extent necessary to be reasonable and enforceable, and then enforced to the fullest

extent permissible, under the Laws and public policies applied in the jurisdiction whose Laws determine the covenant's validity.

2. If any applicable and binding Law requires more notice than this Agreement requires of the termination of this Agreement or of our refusal to grant a renewal franchise, or if under any applicable and binding Law any provision of this Agreement, including any Brand Standard, is invalid, unenforceable, or unlawful, the notice and/or other action required by the Law will be substituted for the comparable provisions of this Agreement, and we have the right to modify the invalid or unenforceable provision or Brand Standard to the extent required to be valid and enforceable or delete the unlawful provision entirely. 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 and Force Majeure

1. We and you have the right unilaterally, in writing, to waive or to reduce any contractual obligation or restriction upon the other, effective upon delivery of written notice to the other or another effective date stated in the waiver notice. However, no interpretation, change, termination, or waiver of any provision of this Agreement will bind us unless in writing, signed by one of our officers, and specifically identified as an amendment to this Agreement. No modification, waiver, termination, discharge, or cancellation of this Agreement affects the right of any party to this Agreement to enforce any claim or right under this Agreement, whether or not liquidated, which occurred before the date of such modification, waiver, termination, discharge, or cancellation. Any waiver granted is without prejudice to any other rights we or you have, is 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.

2. We and you will not waive or impair any right, power, or option this Agreement reserves (including our right to demand your strict compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before the Term expires) because of any custom or practice varying from 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 your compliance with any Brand Standard; our waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other HAVEN Clubs; the existence of franchise agreements for other HAVEN Clubs containing provisions differing from those contained in this Agreement; or our acceptance of any payments from you after any breach of this Agreement. No special or restrictive legend or endorsement on any payment or similar item given to us will be a waiver, compromise, settlement, or accord and satisfaction. We have the right to remove any legend or endorsement, which will have no effect.

3. 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 obligations results from: (a) acts of God; (b) fires, strikes, embargoes, war, terrorist acts or similar events, or riot; (c) compliance with the orders, requests, or regulations of any federal, state, or municipal government; or (d)

any other similar event or cause. Any delay resulting from these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable. However, these causes will not excuse payment of amounts owed at the time of the occurrence or payment of Royalties, Technology Fees, Brand Fund contributions, and other amounts due afterward. Under no circumstances do any financing delays, difficulties, or shortages excuse your failure to perform or delay in performing your obligations under this Agreement.

(C) Costs and Attorneys' Fees

If we incur costs and expenses (internal or external) to enforce our rights or your obligations under this Agreement because you have failed 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 to reimburse all costs and expenses we incur, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees. Your obligation to reimburse us arises whether or not we begin a formal legal proceeding against you to enforce this Agreement. If we do begin a formal legal proceeding against you, the reimbursement obligation applies to all costs and expenses we incur preparing for, commencing, and prosecuting the legal proceeding and until the proceeding has completely ended (including appeals and settlements).

(D) You May Not Withhold Payments

You may not withhold payment of any amounts owed to us or our affiliates due to our alleged nonperformance of our obligations under this Agreement or for any other reason. You specifically waive any right you have at Law or in equity to offset any monies you owe us or our affiliates or to fail or refuse to perform any of your obligations under this Agreement.

(E) 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 that we or you are entitled by Law to enforce.

(F) Arbitration

All controversies, disputes, or claims between us (and our affiliates and our and their respective owners, officers, directors, agents, and employees, as applicable) and you (and your affiliates and your and their respective owners, officers, and directors, as applicable) arising out of or related to:

1. this Agreement or any other agreement between you (or your owner) and us (or our affiliate) relating to the Club or any provision of any such agreements;

2. our relationship with you;

3. the validity of this Agreement or any other agreement between you (or your owner) and us (or our affiliate) relating to the Club, or any provision of any such agreements, and the validity and scope of the arbitration obligation under this Section; or

4. any Brand Standard,

must be submitted for arbitration to the American Arbitration Association. Except as otherwise provided in this Agreement, such arbitration proceedings will be heard by one (1) arbitrator in accordance with the then-existing Commercial Arbitration Rules of the American Arbitration Association. All proceedings requiring a physical presence, including the hearing, will be conducted at a suitable location that is within ten (10) miles of where we have our (or, in the case of a transfer by us, the then-current franchisor has its) principal business address when the arbitration demand is filed. The arbitrator will have no authority to select a different hearing locale other than as described in the prior sentence. All matters within the scope of the Federal Arbitration Act (9 U.S.C. Sections 1 *et seq.*) will be governed by it and not by any state arbitration law.

The arbitrator has the right to award any relief he or she deems proper in the circumstances, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs (in accordance with 21.C above), provided that: (i) the arbitrator has no authority to declare any Mark generic or otherwise invalid; and (ii) subject to the exceptions in Section 21(I), we and you waive to the fullest extent the Law permits any right to or claim for any punitive, exemplary, treble, and other forms of multiple damages against the other. The arbitrator's award and decision will be conclusive and bind all parties covered by this Section, and judgment upon the award may be entered in a court specified or permitted in Section 21(H) below.

We and you will be bound by any limitation under this Agreement or applicable Law, whichever expires first, on the timeframe in which claims must be brought. We and you further agree that, in connection with any arbitration proceeding, each must submit or file any claim constituting a compulsory counterclaim (as defined by the then-current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim not submitted or filed in the proceeding will be barred. The arbitrator does not have the right to consider any settlement discussions or offers either you or we made. We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding in order for the arbitration proceeding to take place and by doing so do not waive or relinquish our right to seek recovery of those costs in accordance with Section 21(C) above.

We and you agree that arbitration will be conducted on an individual basis and not in a class, consolidated, or representative action, that only we (and our affiliates and our and their respective owners, officers, directors, agents, and employees, as applicable) and you (and your affiliates and your and their respective owners, officers, and directors, as applicable) may be the parties to any arbitration proceeding described in this Section, and that no such arbitration proceeding may be consolidated or joined with another arbitration proceeding involving us and/or any other person. Despite the foregoing or anything to the contrary in this Section or Section 21(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 Section 21(F), then we and you agree that this arbitration clause will not apply to that dispute, and such dispute will be resolved in a judicial proceeding in accordance with this Section 21 (excluding this Section 21(F)).

This Section's provisions are intended to benefit and bind certain third-party non-signatories and will continue in full force and effect after and notwithstanding expiration or termination of this Agreement.

Despite your and our agreement to arbitrate, each has the right to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction, provided, however, each must contemporaneously submit its dispute for arbitration on the merits as provided in this Section.

(G) Governing Law

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, all controversies, disputes, or claims arising from or relating to:

1. this Agreement or any other agreement between you (or your owners) and us (or our affiliates) relating to the Club;

2. our relationship with you;

3. the validity of this Agreement or any other agreement between you (or your owners) and us (or our affiliate) relating to the Club; or

4. any Brand Standard,

will be governed by the Laws of the State of Rhode Island, without regard to its conflict of Laws rules. However, the provisions of any Rhode Island legislation regulating the offer or sale of franchises, business opportunities, or similar interests, or governing the relationship between a franchisor and a franchisee or any similar relationship, will not apply to the matters in clauses (1) through (4) above under any circumstances unless their jurisdictional requirements and definitional elements are met independently without reference to this Section 21(G), and no exemption to their application exists.

(H) Consent to Jurisdiction

Subject to the arbitration obligations in Section 21(F), you and your owners agree that all judicial actions brought by us against you or your owners, or by you or your owners against us, our affiliates, or our or their respective owners, officers, directors, agents, or employees, relating to this Agreement or the Club must be brought exclusively in the state or federal court of general jurisdiction located closest to where we have our (or, in the case of a transfer by us, the then-current franchisor has its) principal business address when the action is commenced. You and each of your owners irrevocably submit to the jurisdiction of such courts and waive any objection you or they might have to either jurisdiction or venue. Despite the foregoing, we have the right to bring an action seeking a temporary restraining order or temporary or preliminary injunctive relief, or to enforce an arbitration award, in any federal or state court in the state in which you reside or the Club is located.

(I) Waiver of Punitive and Exemplary Damages

EXCEPT FOR YOUR INDEMNIFICATION OBLIGATIONS UNDER SECTION 20(E) AND CLAIMS BASED ON YOUR UNAUTHORIZED USE OF THE MARKS OR UNAUTHORIZED USE OR DISCLOSURE OF ANY CONFIDENTIAL INFORMATION, WE AND YOU (AND YOUR OWNERS) WAIVE TO THE FULLEST EXTENT THE LAW PERMITS ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, TREBLE, AND OTHER FORMS OF MULTIPLE DAMAGES AGAINST THE OTHER AND AGREE THAT, IF

THERE IS A DISPUTE BETWEEN US AND YOU (AND/OR YOUR OWNERS), THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES HE, SHE, OR IT SUSTAINS.

(J) Waiver of Jury Trial

SUBJECT TO THE ARBITRATION OBLIGATIONS IN SECTION 21(F), WE AND YOU (AND YOUR OWNERS) IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER US OR YOU (OR YOUR OWNERS). WE AND YOU (AND YOUR OWNERS) ACKNOWLEDGE THAT WE AND YOU (AND THEY) MAKE THIS WAIVER KNOWINGLY, VOLUNTARILY, WITHOUT DURESS, AND ONLY AFTER CONSIDERING THIS WAIVER'S RAMIFICATIONS.

(K) 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 Brand Standards, this Agreement may not be modified except by a written agreement signed by both you and us that is specifically identified as an amendment to this Agreement.

(L) Limitations of Claims

EXCEPT FOR:

1. CLAIMS ARISING FROM YOUR NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US FOR ROYALTY FEES, TECHNOLOGY FEES, BRAND FUND CONTRIBUTIONS, AND ANY OTHER AMOUNTS THAT WOULD ACCRUE FOR AN OPERATING CLUB UNDER THIS AGREEMENT;

2. OUR (AND CERTAIN OF OUR RELATED PARTIES') RIGHT TO SEEK INDEMNIFICATION FROM YOU FOR THIRD-PARTY CLAIMS AS PROVIDED IN THIS AGREEMENT; AND

3. OUR RIGHTS IF YOU FAIL TO COMPLY WITH YOUR OBLIGATIONS UNDER AN AREA DEVELOPMENT AGREEMENT (IF APPLICABLE),

ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN US AND YOU WILL BE BARRED UNLESS AN ARBITRATION OR JUDICIAL PROCEEDING, AS PERMITTED, IS COMMENCED IN THE APPROPRIATE FORUM WITHIN TWO (2) YEARS FROM THE DATE ON WHICH THE VIOLATION, ACT, OR CONDUCT GIVING RISE TO THE CLAIM OCCURS, REGARDLESS OF WHEN THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIM. HOWEVER, IF THE TIME PERIOD FOR BRINGING AN ACTION UNDER ANY APPLICABLE STATE OR FEDERAL STATUTE OF LIMITATIONS IS SHORTER THAN THESE TWO (2) YEARS, WE AND YOU EXPRESSLY ACKNOWLEDGE AND AGREE THAT THE SHORTER STATUTE OF LIMITATIONS WILL APPLY.

(M) Construction

1. The preambles and exhibits are part of this Agreement, which, together with any riders or addenda signed at the same time as this Agreement and together with the Operations Manual and Brand Standards, constitutes our and your entire agreement and supersedes all prior and contemporaneous oral or written agreements and understandings between us and you relating to this Agreement's subject matter. There are no other oral or written representations, warranties, understandings, or agreements between us and you relating to this Agreement's subject matter. Notwithstanding the foregoing, nothing in this Agreement disclaims or requires you to waive reliance on any representation we made in the franchise disclosure document (including its exhibits and amendments) we delivered to you or your representative. Any policies we adopt and implement from time to time to guide our decision-making are subject to change, are not a part of this Agreement, and do not bind us. Except as provided in Sections 20(E) and 21(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.

2. We and you have negotiated this Agreement's terms and agree that neither may claim the existence of an implied covenant of good faith and fair dealing to contravene or limit any express written term or provision of this Agreement.

3. Headings of sections and paragraphs in this Agreement are for convenience only and do not define, limit, or construe the contents of those sections or paragraphs.

4. References in this Agreement to "we," "us," and "our," with respect to all of our rights and all your obligations to us under this Agreement, include any of our affiliates with whom you deal. "**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. If two or more persons are at any time the owners of the rights under this Agreement and/or the Club, whether as partners or joint venturers, their representations, warranties, obligations, and liabilities to us will be joint and several. "**Owner**" means any person holding a direct or indirect ownership interest (whether of record, beneficial, or otherwise) or voting rights in you (or your owner or a transferee of this Agreement and the Club or any interest in you), including any person who has a direct or indirect interest in you (or your owner or a transferee), this Agreement, or the Club or any other direct or indirect 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.

5. References to a "**controlling ownership interest**" in you or one of your owners (if an Entity) mean the percent of voting shares or other voting rights resulting from dividing one hundred percent (100%) of the ownership interests by the number of owners. In the case of a proposed transfer of an ownership interest in you or one of your owners, whether a "controlling ownership interest" is involved must be determined both immediately before and immediately after the proposed transfer to see if a "controlling ownership interest" will be transferred (because of the number of owners before the proposed transfer) or will be deemed to have been transferred (because of the number of owners after the proposed transfer).

6. "**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 mean calendar days and not business days. The term "**Club**" includes all assets of the HAVEN Club you operate under this Agreement, including its physical structure and revenue and income. "**Include**," "**including**," and words of similar import will be interpreted to mean "including, but not limited to" and "including, without limitation," and the terms following such words will be interpreted as examples, and not an exhaustive list, of the appropriate subject matter.

7. This Agreement will become valid and enforceable only upon its full execution by you and us, although we and you need not be signatories to the same original, facsimile, or electronically-transmitted counterpart of this Agreement. A scanned copy of an originally-signed signature page that is sent as a .pdf by email or a signature page bearing an electronically/digitally captured signature and transmitted electronically will be deemed an original.

(N) The Exercise of Our Business Judgment

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 according to our business judgment, to vary Brand Standards or other aspects of the Franchise System for any franchisee. You have no right to require us to grant you a similar variation or accommodation.

We have the right to develop, operate, and change the Franchise System in any manner this Agreement does not specifically prohibit. Whenever this Agreement reserves our right to take or withhold an action, or to grant or decline to grant you the right to take or omit an action, we have the right, except as this Agreement specifically provides, to make our decision or exercise our rights based on information then available to us and our judgment of what is best for us, HAVEN Club franchisees generally, or the Franchise System when we make our decision, whether or not we could have made other reasonable or even arguably preferable alternative decisions and whether or not our decision promotes our financial or other individual interest.

22. Compliance with Anti-Terrorism Laws

You and your owners agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws (defined below). In connection with that compliance, you and your owners certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your owners otherwise are not in violation of, any Anti-Terrorism Law. "**Anti-Terrorism Laws**" means Executive Order 13224 issued by the President of the United States and all other present and future Laws, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by you or your owners, or any blocking of your or your owners' assets under the Anti-Terrorism Laws, constitutes good cause for immediate termination of this Agreement, as provided in Section 18 above.

23. Notices and Payments

All acceptances, approvals, requests, notices, and reports required or permitted under this Agreement will not be effective unless in writing and delivered to the party entitled to receive them in accordance with this Section 23. All such acceptances, approvals, requests, notices, and reports will be deemed delivered at the time delivered by hand; or one (1) business day after deposit with a nationally-recognized commercial courier service for next business day delivery; or three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid; and must be addressed to the party to be notified at its most current principal business address of which the notifying party has been notified and/or, with respect to any approvals and notices we send you or your owners, at the Club's address. Payments and certain information and reports you must send us under this Agreement will be deemed delivered on any of the applicable dates described above or, if earlier, when we actually receive them electronically (all payments, information, and reports must be received on or before their due dates in the form and manner specified in this Agreement). As of the Effective Date of this Agreement, notices should be addressed to the following addresses unless and until a different address has been designated by written notice to the other party:

To us: HAVEN FRANCHISING, LLC
82 Valley Road
Middletown, Rhode Island 02842
Attn: President

Notices to you and your owners: _____

_____

_____

24. 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 have the right to utilize e-mail for such communications. You authorize e-mail transmission to you during the Term by us and our employees, vendors, and affiliates ("**Official Senders**"). You further agree that: (a) Official Senders are authorized to send e-mails to your Managing Owner, Operating Principal, and other supervisory employees whom you occasionally authorize to communicate with us; (b) you will cause your officers, directors, Operating Principal, and supervisory employees to consent to Official Senders' transmission of e-mails to them; (c) you will require such persons not to opt out of or otherwise ask to no longer receive e-mails from Official Senders while such persons work for or are associated with you; and (d) you will not opt out of or otherwise ask to no longer receive e-mails from Official Senders during the Term. The consent given in this Section 24 will not apply to the provision of formal notices by either party under Section 23 of this Agreement using e-mail unless the parties otherwise agree in a written document manually signed by both parties.

25. No Waiver or Disclaimer of Reliance in Certain States

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

> No statement, questionnaire, or acknowledgement 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 our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement, to be effective as of the date set forth next to our signature below.

HAVEN FRANCHISING, LLC, a Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

**Effective Date

FRANCHISEE

_____

[Name]

By:_____

Name:_____

Title:_____

Date:_____

EXHIBIT A

TO THE HAVEN FRANCHISING, LLC FRANCHISE AGREEMENT

BASIC TERMS

1. The non-exclusive Site Selection Area is described as follows: _____ _____ _____ (see attached map, if applicable). The Site Selection Area is simply the geographical area within which you will look for the Club's site. It will not determine the size or description of the Area of Protection.

2. The Club's physical address is _____. If you have not found and secured the Club's site as of the Effective Date, we and you will identify the Club's physical address in the blank above after you find and secure the site.

3. The Club's Area of Protection is described as follows: _____ (see attached map, if applicable). If you have not found and secured the Club's site as of the Effective Date, we and you will define the Area of Protection in the blank above (and, if applicable, on the attached map) after you find and secure the site. If there is a conflict between the narrative description above and the attached map, the narrative description will control. (We have the right to modify the Area of Protection during the Franchise Agreement term if, with our prior written permission, which we have no obligation to grant, the Club relocates.)

HAVEN FRANCHISING, LLC, a
Rhode Island limited liability company

By: _____

Name: _____

Title: _____

Date: _____**

**Effective Date

FRANCHISEE

_____
[Name]

By: _____

Name: _____

Title: _____

Date: _____**

EXHIBIT B-1

TO THE HAVEN FRANCHISING, LLC
FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this _____ _____, 20___, by _____.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the "**Agreement**") on this date by **HAVEN FRANCHISING, LLC**, a Rhode Island limited liability company ("**Franchisor**"), each of the undersigned personally and unconditionally (a) guarantees to Franchisor and its successors and assigns, for the term of the Agreement (including, without limitation, any extensions of its term) and afterward as provided in the Agreement, that _____ ("**Franchisee**") will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement (including, without limitation, 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, without limitation, any amendments or modifications of the Agreement), including (i) monetary obligations, (ii) obligations to take or refrain from taking specific actions and to engage or refrain from engaging in specific activities, including, but not limited to, the non-competition, confidentiality, and transfer requirements, and (iii) the enforcement and other provisions in Sections 21, 22, and 23 of the Agreement, including the arbitration provision.

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 Franchisee and among other guarantors; (2) he or she will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon Franchisor's pursuit of any remedies against Franchisee or another person; (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence Franchisor may from time to time grant to Franchisee or to another person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including, without limitation, any release of other guarantors), none of which will in any way modify or amend this Guaranty, which will continue and be irrevocable during the term of the Agreement (including, without limitation, any extensions of its term) and afterward for so long as any performance is or might be owed under the Agreement by Franchisee or any of its owners and for so long as Franchisor has any cause of action against Franchisee or any of its owners; (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 Franchisee, and each of the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers; and (6) any Franchisee indebtedness to the undersigned, for whatever reason, whether currently existing or hereafter arising, will at all times be inferior and subordinate to any indebtedness owed by Franchisee to Franchisor or its affiliates.

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation which the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this Guaranty, for the express purpose that none

of the undersigned will be deemed a "creditor" of Franchisee under any applicable bankruptcy law with respect to Franchisee's obligations to Franchisor; (ii) acceptance and notice of acceptance by Franchisor 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 and legal or equitable defenses to which he or she may be entitled; and (iii) all rights to assert or plead any statute of limitations or other limitations period as to or relating to this Guaranty. The undersigned expressly acknowledges that the obligations under this Guaranty survive expiration or termination of the Agreement.

If Franchisor seeks to enforce this Guaranty in an arbitration, judicial, or other proceeding and prevails in that proceeding, Franchisor is entitled to recover its reasonable costs and expenses (including, but not limited to, attorneys' fees, arbitrators' fees, expert witness fees, costs of investigation and proof of facts, court costs, other arbitration or litigation expenses, and travel and living expenses) incurred in connection with the proceeding. If Franchisor is required to engage legal counsel in connection with the undersigned's failure to comply with this Guaranty, the undersigned must reimburse Franchisor for any of the above-listed costs and expenses Franchisor incurs, even if Franchisor does not commence a judicial or arbitration proceeding.

Subject to the arbitration obligations set forth in the Agreement 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 Franchisor and the undersigned, must be brought exclusively in the state or federal court of general jurisdiction in the state, and in (or closest to) the city, where Franchisor has its principal business address when the action is commenced, 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 Franchisor has the right to enforce this Guaranty and any arbitration orders and awards in the courts of the state or states in which he or she is domiciled. FRANCHISOR AND THE UNDERSIGNED IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY ANY OF THEM. EACH ACKNOWLEDGES THAT THEY MAKE THIS WAIVER KNOWINGLY, VOLUNTARILY, WITHOUT DURESS, AND ONLY AFTER CONSIDERATION OF THIS WAIVER'S RAMIFICATIONS.

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

GUARANTOR(S)	**PERCENTAGE OF OWNERSHIP IN FRANCHISEE**
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

EXHIBIT B-2

TO THE HAVEN FRANCHISING, LLC FRANCHISE AGREEMENT

OWNER'S UNDERTAKING OF NON-MONETARY OBLIGATIONS

THIS OWNER'S UNDERTAKING OF NON-MONETARY OBLIGATIONS is given this _____, 20____, by _____.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the "**Agreement**") on this date by **HAVEN FRANCHISING, LLC**, a Rhode Island limited liability company limited liability company ("**Franchisor**"), with _____, a _____**("Franchisee")**, each of the undersigned unconditionally agrees (a) to be personally bound by, and personally liable for his or her own breach of, Sections 3(E), 3(F), 6(G), 7(B), 7(E), 8, 9, 10, 11, 12, 13(C), 16, 17, 19 (except for Sections 19(A) and (G)), 20(B), 22, 23, and 24 of the Agreement, and (b) to be personally bound by Sections 2, 21(A), 21(B), 21(F), 21(G), 21(H), 21(I), 21(J), 21(K), 21(L), and 21(M) of the Agreement. None of the undersigned will be responsible for any of Franchisee's payment obligations under the Agreement.

The undersigned consents and agrees that this liability will not be contingent or conditioned upon Franchisor's pursuit of any remedies against Franchisee or another person and will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence Franchisor may from time to time grant to Franchisee or to another person, including, without limitation, the acceptance of any partial performance or the compromise or release of any claims, none of which will in any way modify or amend this Undertaking, which will continue and be irrevocable during the term of the Agreement (including, without limitation, any extensions of its term) and afterward for so long as any performance is or might be owed under the Agreement by Franchisee or its owners and for so long as Franchisor has any cause of action against Franchisee or any of its owners. This Undertaking 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 Franchisee, and 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 the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this Undertaking, for the express purpose that none of the undersigned will be deemed a "creditor" of Franchisee under any applicable bankruptcy law with respect to Franchisee's obligations to Franchisor; (ii) acceptance and notice of acceptance by Franchisor of his or her undertakings under this Undertaking, notice of non-performance of any obligations hereby assumed, protest and notice of default to any party with respect to the nonperformance of any obligations hereby assumed, and any other notices and legal or equitable defenses to which he or she may be entitled; and (iii) all rights to assert or plead any statute of limitations or other limitations period as to or relating to this Undertaking. The undersigned expressly acknowledges that the obligations under this Undertaking survive expiration or termination of the Agreement.

If Franchisor seeks to enforce this Undertaking in an arbitration, judicial, or other proceeding and prevails in that proceeding, Franchisor is entitled to recover its reasonable costs and expenses (including, but not limited to, attorneys' fees, arbitrators' fees, expert witness fees, costs of investigation and proof of facts, court costs, other arbitration or litigation expenses, and travel and living expenses) incurred in connection with the proceeding. If Franchisor is required to engage legal counsel in connection with the undersigned's failure to comply with this Undertaking, the undersigned must reimburse Franchisor for any of the above-listed costs and expenses Franchisor incurs, even if Franchisor does not commence a judicial or arbitration proceeding.

Subject to the arbitration obligations set forth in the Agreement and the provisions below, each of the undersigned agrees that all actions arising under this Undertaking or the Agreement, or otherwise as a result of the relationship between Franchisor and the undersigned, must be brought exclusively in the state or federal court of general jurisdiction in the state, and in (or closest to) the city, where Franchisor has its principal business address when the action is commenced, 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 Franchisor has the right to enforce this Undertaking and any arbitration orders and awards in the courts of the state or states in which he or she is domiciled. FRANCHISOR AND THE UNDERSIGNED IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY ANY OF THEM. EACH ACKNOWLEDGES THAT THEY MAKE THIS WAIVER KNOWINGLY, VOLUNTARILY, WITHOUT DURESS, AND ONLY AFTER CONSIDERATION OF THIS WAIVER'S RAMIFICATIONS.

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

_____
[Name]

_____
[Signature]

Date: _____

_____
[Name]

_____
[Signature]

Date: _____

EXHIBIT C

TO THE HAVEN FRANCHISING, LLC
FRANCHISE AGREEMENT

FRANCHISEE AND ITS OWNERS

Effective Date: This Exhibit C is current and complete as of _____

Form. Franchisee was incorporated or formed on _____, under the laws of the State of _____. Franchisee has not conducted business under any name other than Franchisee's corporate, limited liability company, or partnership name and (if applicable) _____. The following is a list of Franchisee's directors or managers (if applicable) and officers as of the effective date shown above:

Name	Position(s) Held

Owners. The following list includes the full name of each individual or entity that is one of Franchisee's direct or indirect owners and fully describes the nature of each owner's interest. If one or more of Franchisee's owners are entities, please identify each such entity as well as the direct and indirect owners of such entity (attach additional pages if necessary to reflect the complete ownership chain).

Owner's Name	Description of Interest

Managing Owner. Franchisee's Managing Owner is _____. His or her contact information for notice is _____.

Operating Principal. Franchisee's Operating Principal is _____. His or her contact information for notice is _____.

HAVEN FRANCHISING, LLC, a
Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

FRANCHISEE

_____
[Name]

By:_____

Name:_____

Title:_____

Date:_____**

EXHIBIT D

TO THE HAVEN FRANCHISING, LLC
FRANCHISE AGREEMENT

LEASE RIDER FOR HAVEN CLUB FRANCHISES

THIS LEASE RIDER is made and entered into _____ BY AND AMONG _____ (the "**Landlord**"), _____ (the "**Tenant**"), and **HAVEN FRANCHISING, LLC** ("**Franchisor**").

RECITALS:

(A) This Lease Rider supplements and forms part of the attached Lease Agreement between the Landlord and the Tenant dated_____ (the "**Lease**") for the premises situated at _____ (the Premises") to be used by the Tenant as a HAVEN Club. The term of the lease together with any renewal periods is no less than the initial ten (10) year term under the Franchise Agreement.

(B) This Lease Rider is entered into in connection with Franchisor's approval of the location of the Premises as a HAVEN Club and the grant of a franchise to Tenant pursuant to a Franchise Agreement dated _____ (the "**Franchise Agreement**").

(C) This Lease Rider is intended to provided Franchisor the opportunity to reserve the Premises as a HAVEN Club under the circumstances set out below and to assure the Landlord that Franchisor exercises the option set out below on the basis that any defaults of the Tenant under the Lease of the Premises on the terms, covenants and conditions contained in this Lease Rider.

(D) The Landlord agrees that Franchisor shall have the right but not the obligation to assume the Lease of the Premises on the terms, covenants and conditions contained in this Lease Rider.

THE PARTIES HEREBY AGREE:

1. UPON DEFAULT ON TENANT UNDER THE LEASE

The Landlord agrees to send to Franchisor copies of any Notice of Default that are given to the Tenant concurrently with the giving of such Notices to the Tenant. If the Tenant fails to cure any defaults within the period specified within the Notices, the Landlord shall promptly give to Franchisor further written Notice specifying the defaults that the Tenant has failed to cure. Franchisor shall have thirty (30) days following receipt of the second written Notice to exercise its right to enter a new Lease on the same terms as apply to this Lease Rider by written notice to the Landlord and the Tenant and in the event that Franchisor does exercise such right. Alternatively, Franchisor shall have thirty (30) days following receipt of the second written Notice to assign its right to enter a new Lease on the same terms to a qualified franchisee of Franchisor.

2. UPON TERMINATION OF THE FRANCHISE AGREEMENT

If the Franchise Agreement is terminated for any reason during the term of the Lease or any extension or renewal of the Lease, and if Franchisor shall desire to assume the Lease,

Franchisor shall promptly give the Landlord written notice to this effect. Within thirty (30) days after receipt of such notice the Landlord shall give Franchisor written notice specifying any defaults of the Tenant under the Lease and the provisions of clause 4.3 below shall apply.

3. UPON NON-RENEWAL OF THE LEASE TERM

If the Lease contains terms renewal or extension right(s) and if the Tenant allows the term to expire without exercising such right(s), the Landlord shall give Franchisor written notice to this effect and Franchisor shall have the option for thirty (30) days following receipt of such notice to exercise the Tenant's renewal or extension right(s) on the same terms and conditions as are contained in this Lease. If Franchisor elects to exercise such right(s) it shall notify the Landlord in writing whereupon the Landlord and Franchisor shall promptly execute and exchange an agreement whereby Franchisor assumes the Lease effective at the date of termination of any holding over period by the Tenant to the effect that such extension or renewal term shall have subtracted from it the number of days constituting such holding over period.

4. ADDITIONAL PROVISIONS

4.1. The Tenant agrees that termination of the Franchise Agreement shall be a default under the Lease. In the event of termination of the Franchise Agreement, or if the Tenant fails to timely cure any defaults under the Lease the Tenant shall within ten (10) days after written demand by Franchisor, assign all of its right, title and interest in and to the Lease to Franchisor. If the Tenant fails to do so within the said ten (10) days, the Tenant hereby designates Franchisor as its agent to execute any and all documents, agreements and to take all action as may be necessary or desirable to effect the assignment of the Lease and the relinquishment of any and all of the Tenant's rights thereunder. The Landlord hereby consents to such assignment subject to Franchisor executing an assumption of the Lease. The Tenant further agrees to promptly and peaceably vacate the Premises and to remove its personal property at the written request of Franchisor. Any property not so removed by the Tenant within ten (10) days following receipt of such written request shall be deemed abandoned by the Tenant and immediately and permanently relinquished to Franchisor.

4.2. The Tenant shall be and remain liable to the Landlord for all of its obligation under the Lease, notwithstanding any assumption of the Lease by Franchisor.

4.3. Franchisor may elect not to be bound by the terms of any amendment to the Lease executed by the Tenant without obtaining Franchisor's prior written approval to such amendment, which approval shall not be unreasonably withheld or delayed.

4.4. After Franchisor assumes the Tenant's interest under the Lease, Franchisor may, at any time, sublet the Premises to a HAVEN franchisee approved by Franchisor without having to obtain the prior written consent of the Landlord.

4.5. Other than as set forth in Section 4.4, after Franchisor assumes the Tenant's interest under the Lease, Franchisor, at any time, assign or sublet its interest under the Lease but only with the prior written consent of the Landlord and the usual provisions of the Lease concerning consent shall apply. Upon receipt by the Landlord of an assignment agreement pursuant to which the assignee agrees to assume the Lease and to observe the terms, conditions and agreements on the part of the tenant to be performed under the Lease, Franchisor shall thereupon be released from all

liability as tenant under the Lease from and after the date of assignment, without any need of a written acknowledgment of such release by the Landlord.

4.6. If the Lease or Franchise Agreement is terminated and Franchisor fails to exercise its option as described above the Tenant agrees upon written demand by Franchisor to deidentify the Premises as a HAVEN Club and to promptly remove signs, décor and other items which Franchisor reasonably request be removed as being distinctive and indicative of a HAVEN Club. Landlord hereby agrees that Franchisor may enter upon the Premises without being guilty of trespass or tort to effect de-identification if the Tenant fails to do so within ten (10) days after receipt of written demand from Franchisor, following termination of the Franchise Agreement or Lease. If Franchisor conducts such de-identification, Franchisor shall warrant the repair and/or cost of any damages caused in removing the items during de-identification.

4.7. BY EXECUTING THIS LEASE RIDER TO THE LEASE, FRANCHISOR DOES NOT ASSUME ANY LIABILITY WITH RESPECT TO THE PREMISES OR ANY OBLIGATION AS TENANT UNDER THE LEASE UNLESS AND UNTIL FRANCHISOR EXPRESSLY ASSUMES SUCH LIABILITY AND/OR OBLIGATION AS DESCRIBED ABOVE.

4.8. All notice pursuant to this Lease Rider shall be in writing and shall be personally delivered, sent by registered mail or reputable overnight delivery service or by other mean which afford the sender evidence of delivery or rejected delivery to the addresses described above or to such other address as any party to this Rider may, either by written notice, instruct that notices be given.

(Signature page follows)

EXECUTED by the parties as follows:

SIGNED by:

_____

Name: _____
As Landlord by its Director

In the presence of: _____

Name: _____

SIGNED by:

_____

Name: _____
As Tenant

In the presence of: _____

Name: _____

SIGNED by:

HAVEN FRANCHISING, LLC

_____

Name: _____
By its duly authorized officer

In the presence of: _____

Name: _____

EXHIBIT B
AREA DEVELOPMENT AGREEMENT

HAVEN FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

This Area Development Agreement (the "ADA") is made by and between **Haven Franchising, LLC**, a Rhode Island limited liability company whose principal business address is 82 Valley Road, Middletown, Rhode Island 02842 ("we," "us," or "our"), and _____, a(n) _____ ("you" or "your"). This ADA is effective as of the date we sign it, which is set forth next to our signature on the Signature Page at the end (the "Effective Date").

RECITALS

A. We and certain of our affiliates have created, designed, and developed a business concept that is a "one-stop-shop" for childcare, workspace, and fitness, offering high-quality, fully-licensed childcare for children five years old and younger, shared and private workspaces, and fitness for all members of the family in one facility.

B. We and such affiliates currently use, promote, and license certain trademarks, service marks, and other commercial symbols for this business concept, including "HAVEN™," and from time to time may create, use, and license new trademarks, service marks, and commercial symbols (collectively, the "Marks").

C. One of our affiliates currently owns all aspects of the HAVEN™ branded system and licenses that intellectual property to us for use in our franchise program for HAVEN™ Clubs ("HAVEN Clubs").

D. We offer and grant franchises to operate a HAVEN Club using HAVEN proprietary information, business systems and formats, curricula, programming, methods, procedures, designs, layouts, trade dress, standards, specifications, marketing programs and practices, and Marks, all of which we and our affiliates periodically may improve, further develop, and otherwise modify.

E. Simultaneously with signing this ADA, we and you (or your Approved Affiliate, as defined in Section 2 below) also are signing as of the Effective Date a franchise agreement (the "First Franchise Agreement") for the construction, development, and operation of the first HAVEN Club to be developed within the Territory (defined below). We and you are signing this ADA because you want the right to construct, develop, and operate multiple HAVEN Clubs within the Territory over a certain time period (besides the HAVEN Club covered by the First Franchise Agreement), and we are willing to grant you those development rights if you comply with this ADA's terms.

Now, therefore, in consideration of the mutual covenants, agreements, and obligations set forth in this ADA, we and you agree as follows:

1. Grant of Development Rights.

(a) Subject to your strict compliance with this ADA, we grant you the right (directly or through your Approved Affiliates) to construct, develop, and operate _____(_) new HAVEN Clubs (including the HAVEN Club covered by the First Franchise Agreement), according to the

mandatory development schedule described in Exhibit A to this ADA (the "Schedule"), within the geographic area described in Exhibit B (the "Territory").

(b) If you (and your Approved Affiliates, as applicable) are fully complying with all of your (and their) obligations under this ADA, the First Franchise Agreement, and all other franchise agreements then in effect between us and you (and your Approved Affiliates, as applicable) for the construction, development, and operation of HAVEN Clubs, then during this ADA's term only, we (and our affiliates) will not establish and operate, or grant to others the right to establish and operate, HAVEN Clubs that have their physical locations within the Territory.

(c) The location exclusivity described in clause (b) above is the only restriction on our (and our affiliates') activities within the Territory during this ADA'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 and throughout the Territory, including, without limitation, the types of activities in which we and our affiliates reserve the right to engage (in a HAVEN Club's "Area of Protection") under Section 3.D of the First Franchise Agreement. After this ADA expires or is terminated (regardless of the reason for termination), we and our affiliates have the right, without any restrictions whatsoever, to:

(i) establish and operate, and grant to others the right to establish and operate, HAVEN Clubs having their physical locations within the Territory, subject only to your (or an Approved Affiliate's) rights within an Area of Protection under a franchise agreement with us then in effect; and

(ii) continue to engage, and grant to others the right to engage, in any other activities we (and our affiliates) desire within and throughout the Territory.

YOU ACKNOWLEDGE AND AGREE THAT TIME IS OF THE ESSENCE UNDER THIS ADA. YOUR RIGHTS UNDER THIS ADA ARE SUBJECT TO TERMINATION (WITHOUT ANY CURE OPPORTUNITY) IF YOU DO NOT COMPLY STRICTLY WITH THE DEVELOPMENT OBLIGATIONS PROVIDED IN THE SCHEDULE. WE HAVE THE RIGHT TO ENFORCE THIS ADA STRICTLY.

2. <u>Development Obligations.</u>

(a) To maintain your rights under this ADA, you (and/or your Approved Affiliates) must, by the deadlines specified in the Schedule, (i) pay us a Site Development Assistance Fee for each HAVEN Club required to be developed within the Territory pursuant to this ADA, (ii) find an acceptable site for each such HAVEN Club, (iii) sign an acceptable lease or otherwise secure the real estate for each such Club, and then (iv) construct, develop, and open for business each such Club.

(b) If you or your owners establish a new legal entity to construct, develop, and operate one or more of the HAVEN Clubs required to be developed pursuant to this ADA, and either (i) you own 100% of that legal entity or (ii) that legal entity's ownership is completely identical to your ownership, that legal entity automatically will be considered an "Approved Affiliate" under this ADA. However, if you do not own 100% of that new legal entity or that legal entity's ownership is not completely identical to your ownership, you first must seek our approval for that new entity to be permitted to construct, develop, and operate the proposed HAVEN Club as an

Approved Affiliate. We have the right to refuse any such request if you and/or your owners do not (1) own and control at least two-thirds (67%) of the new entity's ownership interests and (2) have the authority to exercise voting and management control of the HAVEN Club proposed to be owned by the new entity.

(c) You (and/or your Approved Affiliates) will operate each HAVEN Club under a separate franchise agreement (and related documents) with us. The franchise agreement (and related documents, including Guaranty and Assumption of Obligations) that you and your owners (or your Approved Affiliate and its owners) must sign for each HAVEN Club to be constructed and developed pursuant to this ADA will be our then-current form of franchise agreement (and related documents, including Guaranty and Assumption of Obligations), any or all terms of which may differ substantially and materially from any or all terms contained in the First Franchise Agreement. However:

(i) the initial franchise fee for the second and each subsequent HAVEN Club to be developed pursuant to this ADA will be seventy-five percent (75%) of our then-current standard initial franchise fee for a HAVEN Club franchise; and

(ii) the Royalty specified under our then-current form of franchise agreement will (if greater than the Royalty specified in the First Franchise Agreement) be modified for the initial franchise term of each subsequent HAVEN Club to be constructed and developed pursuant to this ADA to be the same as the Royalty specified in the First Franchise Agreement if you (and your Approved Affiliates) are not then in default under this ADA, the First Franchise Agreement, or any other franchise agreement then in effect between us and you (and your Approved Affiliates) for HAVEN Clubs. If you (and your Approved Affiliates) are then in default under this ADA, the First Franchise Agreement, or any other franchise agreement then in effect between us and you (and your Approved Affiliates) for HAVEN Clubs, then the Royalty will remain as stated in our then-current form of franchise agreement and will not be changed.

(d) Despite any contrary provision contained in the First Franchise Agreement or newly-signed franchise agreements, your (and your Approved Affiliates') HAVEN Clubs within the Territory must be open and operating by the dates specified in the Schedule. To retain your rights under this ADA, each HAVEN Club constructed, developed, and opened pursuant to this ADA must operate continuously throughout this ADA's term in full compliance with its franchise agreement.

(e) You acknowledge that the estimated expenses and investment requirements set forth in Items 6 and 7 of our Franchise Disclosure Document are subject to increases over time, and future HAVEN Clubs likely will involve greater initial investment and operating-capital requirements than those stated in the Franchise Disclosure Document provided to you before you signed this ADA. You must open all HAVEN Clubs in compliance with the Schedule, regardless of (i) the requirement of a greater investment, (ii) the financial condition or performance of your previous HAVEN Clubs, or (iii) any other circumstances, financial or otherwise. However, we are not obligated to execute any of the franchise agreements contemplated by this ADA if you have not complied with each and every condition in this ADA or otherwise do not meet our then-current requirements.

3. Subfranchising and Sublicensing Rights.

This ADA does not give you any right to franchise, license, subfranchise, or sublicense others to construct, develop, and operate HAVEN Clubs. Only you (and/or your Approved Affiliates) have the right to construct, develop, and open HAVEN Clubs pursuant to this ADA. This ADA also does not give you (or your Approved Affiliates) any independent right to use the HAVEN™ trademark or the other Marks. The right to use the Marks is granted only under a franchise agreement signed directly with us. This ADA only grants you potential development rights if you fully comply with its terms.

4. Development Fee.

As consideration for the development rights we grant you under this ADA, you must pay us a total of _____ Dollars ($ _____) (the "Development Fee") when you sign this ADA. The Development Fee consists of (a) the Fifty-Five Thousand Dollar ($55,000) initial franchise fee due under the First Franchise Agreement, plus (b) deposits equaling fifty-percent (50%) of the current initial franchise fees due for all additional HAVEN Clubs you have committed under this ADA to construct, develop, and operate after the first HAVEN Club. This ADA will not be effective, and you will have no development rights, until we receive the Development Fee. The Development Fee is:

(i) consideration for the rights we grant you in this ADA and for reserving the Territory for you to the exclusion of others while you are in compliance with this ADA;

(ii) fully earned by us when we and you sign this ADA; and

(iii) not refundable under any circumstances, even if you do not comply or attempt to comply with the Schedule and we then terminate this ADA for that reason. However, each time you (or your Approved Affiliate) sign a franchise agreement for the next HAVEN Club to be constructed and developed within the Territory, we will apply the deposit related to that HAVEN Club (which is part of the Development Fee) toward the initial franchise fee due for that HAVEN Club (leaving only the balance of the then-current initial franchise fee due at signing).

5. Grant of Franchises.

(a) You must send us a separate application for each HAVEN Club that you (or your Approved Affiliate) desire to construct and develop within the Territory. You must locate, evaluate, and select the Club's site. You must give us all information and materials we request to assess each proposed Club site. We will not search for or select the site for you. In granting you development rights under this ADA, we are relying on your knowledge of the real estate market in the Territory and your ability to locate and access sites. We have the right (but no obligation) to designate a real estate broker you must use to search for potential sites for your HAVEN Clubs.

(b) We will give you our then-current criteria for HAVEN Club sites (including, without limitation, population density and other demographic characteristics, visibility, traffic flow, competition, accessibility, parking, ingress and egress, size, and other physical and commercial characteristics) to help in the site-selection process. We will not unreasonably

withhold site approval if, in our and our affiliates' experience and based on the factors identified above, the proposed site is not inconsistent with sites that we and our affiliates regard as favorable or that otherwise have been successful sites in the past for HAVEN Clubs. However, we have the absolute right to reject any site not meeting our criteria or to require you to acknowledge in writing that a site you have chosen, while acceptable to us, is not recommended due to its incompatibility with certain factors bearing on a site's suitability as a location for a HAVEN Club.

We will consider your potential sites for each HAVEN Club to be constructed and developed under this ADA and will visit the Territory periodically to review potential sites that you identify. You must pay us a nonrefundable Thirty Thousand Dollar ($30,000) Site Development Assistance Fee on or before the date designated in the Schedule for each HAVEN Club proposed to be constructed and developed under this ADA. The Site Development Assistance Fee covers the costs we expect to incur for, among other things, researching the demographic, geographic, and other aspects of the market area in which you plan to develop the particular HAVEN Club and reviewing and analyzing one or more proposed sites for that Club (including traveling to and from the Territory). We have the right to condition our approval of a proposed site, or a proposed site visit, on your first sending us complete site reports and other materials (including, without limitation, photographs and digital recordings) we request. We agree to use reasonable efforts to review and accept (or not accept) sites you propose within thirty (30) days after we receive all requested information and materials. You have no right to proceed with a site that we have not accepted.

(c) You also must send us for our written approval, which we will not unreasonably withhold, any lease, sublease, or other document that will govern your occupancy and lawful possession of each HAVEN Club site before you sign it. You have no right to sign any lease, sublease, or other document that we have not accepted in writing. We have the right (but no obligation) to guide you in the leasing process but will not negotiate the lease, sublease, or other document for you or provide any legal advice.

(d) If we accept the proposed site and you (or your Approved Affiliate) have gained lawful possession of the site, but you (or your Approved Affiliate) have not yet signed a franchise agreement for that HAVEN Club, you agree within the time period we specify to sign (or cause your Approved Affiliate to sign) a separate franchise agreement (and related documents, including Guaranty and Assumption of Obligations) for that HAVEN Club and to pay us the balance of the initial franchise fee due. If you (or your Approved Affiliate) fail to do so, or cannot obtain lawful possession of the proposed site, we have the right to withdraw our approval of the proposed site and exercise any of our other rights under this ADA. After you and your owners (or your Approved Affiliate and its owners) sign the franchise agreement (and related documents), its terms and conditions will control the construction, development, and operation of the HAVEN Club (except that the required opening date is governed exclusively by the Schedule in this ADA, as provided in Section 2(d) above).

(e) In addition to our rights with respect to proposed HAVEN Club sites, we have the right to delay your (and your Approved Affiliates') construction, development, and/or opening of additional HAVEN Clubs within the Territory for the time period we deem best if we believe in our sole judgment, when you submit your application for another HAVEN Club, or after you (or your Approved Affiliate) have constructed and developed but not yet opened a particular HAVEN Club, that you (or your Approved Affiliate) are not yet operationally, managerially, or otherwise

prepared (no matter the reason) to construct, develop, open, and/or operate the additional HAVEN Club in full compliance with our standards and specifications. We have the right to delay additional development and/or a HAVEN Club's opening 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).

6. Term.

This ADA's term begins on the Effective Date and ends on the date when (a) you (or your Approved Affiliate) open for business the final HAVEN Club to be constructed and developed under the Schedule, or (b) this ADA otherwise is terminated, but in any event this ADA's term will end no later than 18 months following last date scheduled for the development of a HAVEN Club.

7. Termination.

We have the right at any time to terminate this ADA and your rights under this ADA to develop HAVEN Clubs within the Territory, such termination to be effective upon our delivery to you of written notice of termination, if:

(a) you fail either to meet any deadline under the Schedule or to satisfy any other obligation under this ADA, which defaults you have no right to cure; or

(b) the First Franchise Agreement or another franchise agreement between us and you (or your Approved Affiliate) for a HAVEN Club is terminated by us in compliance with its terms or by you (or your Approved Affiliate) for any (or no) reason; or

(c) we have delivered a formal written notice of default to you (or your Approved Affiliate) under the First Franchise Agreement or another franchise agreement between us and you (or your Approved Affiliate) for a HAVEN Club, and you (or your Approved Affiliate) fail to cure that default within the required timeframe; or

(d) you (or your Approved Affiliate), without our prior written approval, cease operating any HAVEN Club.

No portion of the Development Fee is refundable upon termination of this ADA or under any other circumstances. If we terminate this ADA solely because you fail to meet any deadline under the Schedule, we will keep the full Development Fee but otherwise will not seek to recover damages from you due solely to such failure.

Termination of this ADA under any of clauses (a), (b), (c), or (d) above is not deemed to be the termination of any franchise rights because this ADA grants you no separate franchise rights. Franchise rights arise only under franchise agreements signed directly with us. While you will lose all further rights to develop HAVEN Clubs within the Territory if this ADA is terminated, termination of this ADA does not affect any franchise rights previously granted under any then-effective individual franchise agreements.

8. Assignment.

(a) Your development rights under this ADA are not assignable at all. This means 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 this ADA, a transfer of a controlling ownership interest in you or in an entity with a controlling ownership interest in you, or any other event attempting to assign the development rights. An assignment (direct or indirect) of only a non-controlling ownership interest in you is permitted (and would not be deemed to be a transfer of your development rights). References to a "controlling ownership interest" in you or one of your owners (if an entity) mean the percent of voting shares or other voting rights resulting from dividing one hundred percent (100%) of the ownership interests by the number of owners. In the case of a proposed transfer of an ownership interest in you or one of your owners, whether a "controlling ownership interest" is involved must be determined both immediately before and immediately after the proposed transfer to see if a "controlling ownership interest" will be transferred (because of the number of owners before the proposed transfer) or will be deemed to have been transferred (because of the number of owners after the proposed transfer).

(b) We have the right to change our ownership or form and/or assign this ADA to a third party without restriction. Specifically and without limiting the foregoing, you agree that we have the right to sell our assets (including this ADA), the Marks, or the HAVEN™ Club franchise system to a third party; offer our ownership interests privately or publicly; merge, acquire other business entities, or be acquired by another business entity; and/or undertake a refinancing, recapitalization, leveraged buyout, securitization, or other economic or financial restructuring.

9. Representations and Warranties.

You and your owners, jointly and severally, represent, warrant, and covenant to us that your execution and delivery of, and performance of your obligations under, this ADA have not violated and will not violate (a) any other agreement or commitment to which you or they are a party or by which you or they are otherwise bound, or (b) the rights of, or duties owed to, any third party.

10. Indemnity.

To the maximum extent permitted by law, you and your owners, jointly and severally, agree to indemnify, defend, and forever hold harmless us and our parent and other affiliated entities, and our and their respective officers, directors, owners, principals, employees, agents, representatives, successors, and assigns (collectively, the "**Haven Parties**"), against, and to reimburse the Haven Parties for, any losses, liabilities, expenses, or damages (actual or consequential), including, without limitation, reasonable attorneys', attorney assistants', accountants', and expert witness fees, collection costs, costs of investigation and proof of facts, court costs, and other litigation and travel and living expenses, which the Haven Parties suffer directly or indirectly arising from or with respect to (a) any breach or alleged breach by you or your owners of any representation or warranty set forth in this ADA, or (b) any claim or allegation by any third party that our signing this ADA with you or granting you the development rights, or any related activities, violate any law or any rights of, or duty owed to, such third party. This indemnification obligation is in addition to the indemnification obligations currently referenced in Section 11 below.

11. Incorporation of Other Terms.

Sections 9, 12, 20, 21, 23, and 24 of the First Franchise Agreement, entitled "Confidential Information," "Exclusive Relationship," "Relationship of the Parties; Indemnification," "Enforcement," "Notices and Payments," and "Electronic Mail," respectively, including, without limitation, the arbitration obligations under Section 21(F) of the First Franchise Agreement, are incorporated by reference in this ADA and will govern all aspects of this ADA and our and your relationship as if fully restated within the text of this ADA (whether or not the First Franchise Agreement is terminated before this ADA expires or is terminated).

This ADA and all exhibits to this ADA constitute the entire agreement between the parties with respect to its subject matter and supersede any and all prior negotiations, understandings, representations, and agreements with respect to its subject matter. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

12. No Waiver or Disclaimer of Reliance in Certain States.

The following provision applies only to developers and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

> No statement, questionnaire, or acknowledgement 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 our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

In Witness Whereof, we and you have signed and delivered this ADA, to be effective as of the Effective Date set forth next to our signature below.

HAVEN FRANCHISING, LLC, a Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

**Effective Date

FRANCHISEE

_____

[Name]

By:_____

Name:_____

Title:_____

Date:_____**

EXHIBIT A

TO HAVEN FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

DEVELOPMENT SCHEDULE

You agree to construct, develop, and open <_____ (___)> HAVEN Clubs in the Territory, including the HAVEN Club that is the subject of the First Franchise Agreement, according to the following Schedule:

Club Number	Date by which You Must Pay Site Development Assistance Fee (Deadline)	Date by which You Must Identify an Acceptable Club Site (Deadline)	Date by which You Must Sign Lease for or otherwise Secure the Acceptable Club Site (Deadline)	Date by which Club Must Open for Business at Acceptable Site (Opening Deadline)	Minimum Cumulative Number of Franchised HAVEN Clubs to be Open and Operating in Territory No Later Than the Opening Deadline
1	Paid Concurrently with signing of this Agreement and First Franchise Agreement				1
2					2
3					3
4					4
5					5

[Signature Page Follows]

HAVEN FRANCHISING, LLC, a
Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

**Effective Date

DEVELOPER

_____
[Name]

By:_____

Name:_____

Title:_____

Date:_____**

EXHIBIT B

TO HAVEN FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

DESCRIPTION AND MAP OF SITE SELECTION AREA (attached, if applicable)

(If there is any inconsistency between a narrative description and a pictorial identification of the Territory, the narrative description of the Territory will prevail.)

HAVEN FRANCHISING, LLC, a
Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

**Effective Date

DEVELOPER

_____
[Name]

By:_____

Name:_____

Title:_____

Date:_____**

EXHIBIT C

TO HAVEN FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

DEVELOPER AND ITS OWNERS

Effective Date: This Exhibit C is current and complete as of _____, 20___

Form. Developer was incorporated or formed on _____, 20__, under the laws of the State of _____. Developer has not conducted business under any name other than its corporate, limited liability company, or partnership name and (if applicable) _____. The following lists Developer's directors or managers (if applicable) and officers as of the effective date shown above:

Name	Position(s) Held

Owners. The following lists the full name of every person who or entity that is, as of the effective date shown above, one of Developer's direct or indirect owners and fully describes the nature of each owner's interest (attach additional pages if necessary):

Owner's Name	Description of Interest

[Signature Page Follows]

HAVEN FRANCHISING, LLC, a
Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

DEVELOPER

_____
[Name]

By:_____

Name:_____

Title:_____

Date:_____**

EXHIBIT C
FINANCIAL STATEMENTS

HAVEN FRANCHISING, LLC

FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024
(With Independent Auditor's Report Thereon)

DoerenMayhew
ASSURANCE

HAVEN FRANCHISING, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Member
Haven Franchising, LLC

Opinion

We have audited the financial statements of Haven Franchising, LLC, which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of earnings and member's equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Haven Franchising, LLC as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Haven Franchising, LLC's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 GAAS 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.

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits 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 Haven Franchising, 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 statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Haven Franchising, 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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Doeren Mayhew Assurance

Troy, Michigan
March 13, 2026

HAVEN FRANCHISING, LLC

BALANCE SHEETS
DECEMBER 31, 2025 AND 2024

Assets	**2025**	**2024**
Cash	$ 1,479,300	$ 515,263
Prepaid expenses and deposits	107,242	42,814
Intangible asset - architecture and design fees, net	96,022	29,000
Intangible asset - software development costs, net	41,667	9,908
Total assets	$ 1,724,231	$ 596,985
Liabilities and Member's Equity		
Accounts payable - trade	$ 78,914	$ 9,860
Other accrued liabilities	11,741	-
Total liabilities	90,655	9,860
Member's equity	1,633,576	587,125
Total liabilities and member's equity	$ 1,724,231	$ 596,985

See accompanying notes to financial statements

HAVEN FRANCHISING, LLC

STATEMENTS OF EARNINGS AND MEMBER'S EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
Revenues	$ -	$ -
Operating expenses	1,673,662	367,610
Net loss	(1,673,662)	(367,610)
Member's equity (deficit) - beginning	587,125	(60,255)
Cash contributions from member	2,750,000	1,025,000
Contributions (expenses paid on behalf of the Company)	150,127	29,990
Distributions (expenses paid on behalf of the member)	(180,014)	(40,000)
Member's equity - ending	$ 1,633,576	$ 587,125

See accompanying notes to financial statements

HAVEN FRANCHISING, LLC

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
Cash flows from operating activities		
Net loss	$ (1,673,662)	$ (367,610)
Adjustments		
Amortization	10,952	2,900
Decrease/(increase) in assets		
Prepaid expenses and deposits	(64,428)	(42,814)
Increase/(decrease) in liabilities		
Accounts payable	219,181	(34,118)
Other accrued liabilities	11,741	-
Total adjustments	177,446	(74,032)
Net cash used in operating activities	(1,496,216)	(441,642)
Cash flows from investing activities		
Acquisition of intangible asset - architecture and design fees	(73,300)	(29,000)
Acquisition of intangible asset - software development costs	(36,433)	-
Net cash used in investing activities	(109,733)	(29,000)
Cash flows from financing activities		
Contributions from member	2,750,000	1,025,000
Distributions to member (expenses paid on behalf of the member)	(180,014)	(40,000)
Net cash provided from financing activities	2,569,986	985,000
Net increase in cash	964,037	514,358
Cash - beginning	515,263	905
Cash - ending	$ 1,479,300	$ 515,263
Schedule of Noncash Financing Activities		
Noncash contributions from member (expenses paid on behalf of the Company)	$ 150,127	$ 29,990

See accompanying notes to financial statements

Note 1 – Nature of Business and Significant Accounting Policies

Nature of Business

Haven Franchising, LLC (the "Company") was formed on June 13, 2023 in the state of Rhode Island and is a wholly-owned subsidiary of The Haven Collection, Inc. (the "member"). The liability of the member of the Company is limited to the member's total capital contributions. The Company is located in Middletown, Rhode Island and is a franchisor for a one-stop-shop concept for a fully licensed childcare for children aged five years or younger, shared and private workspaces, and fitness for all members of a family in one facility.

As of December 31, 2025, the Company had executed one franchise agreement. No revenue has been recognized related to this agreement, as the franchise is located in a fee deferral state, which requires franchisors to defer collection of initial franchise fees until the franchise location commences operations. Accordingly, no initial franchise fee revenue has been recognized as of December 31, 2025. As of December 31, 2024, the Company had not executed any franchise agreements.

Cash

The Company places its temporary cash investments with a high credit quality financial institution. At times, the Company's cash balance may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit of $250,000. At December 31, 2025 and 2024, the Company's cash balance exceeded the FDIC limit by approximately $1,222,000 and $265,000, respectively.

Intangible Assets

Architecture and Design Fees

The Company capitalizes architecture and design fees incurred to develop prototype designs for future franchisees. These fees begin amortizing as the prototypes are placed in service and are amortized on a straight-line basis over the estimated useful life of five years. The Company reviews the carrying amount of architecture and design fees for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. No impairment losses were recognized during the years ended December 31, 2025 or 2024.

Software Development Costs

For software developed for internal use, the Company capitalizes costs incurred during the application development stage, which includes design, coding, and testing. Costs incurred during the preliminary project stage and post-implementation stages are expensed as incurred. Amortization of capitalized software costs begins when the software is ready for its intended use and is computed on a straight-line basis over the estimated useful life of five years. The Company reviews the carrying amount of capitalized software costs for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. No impairment losses were recognized during the years ended December 31, 2025 or 2024.

Continued

Intangible assets as of December 31, 2025 and 2024 are summarized as follows:

	2025	2024
Architecture and Design Fees		
Cost	$ 102,300	$ 29,000
Less: accumulated amortization	(6,278)	-
Unamortized cost	$ 96,022	$ 29,000
Software Development Costs		
Cost	$ 50,933	$ 14,500
Less: accumulated amortization	(9,266)	(4,592)
Unamortized cost	$ 41,667	$ 9,908

The Company recorded intangible asset amortization expense of $10,952 and $2,900 for the years ended December 31, 2025 and 2024, respectively. The amount of amortization expense to be incurred for intangible assets for the years succeeding December 31, 2025 are as follows:

2026	$ 30,647
2027	30,647
2028	28,955
2029	27,747
2030	19,693
Total	$ 137,689

Income Taxes

The Company is organized as a limited liability company. In accordance with the provisions of the Internal Revenue Code, a limited liability company is not subject to Federal income taxes and its income is included in its member's income tax return. Therefore, no provision has been made in the accompanying financial statements for Federal income taxes or deferred income taxes.

The Company's income tax filings are subject to audit by various taxing authorities. The open audit period is 2023 - 2025.

Continued

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Advertising

Advertising costs are expensed as incurred and amounted to $189,625 and $100,675 for the years ended December 31, 2025 and 2024, respectively.

Related Party Transactions

In the ordinary course of business, certain invoices relate to services that benefit both the member and the Company. These shared services may include administrative, professional, marketing, and other operating costs. Such invoices are paid by either the member or the Company and are allocated between the entities based on the relative benefit received.

When the member pays expenses on behalf of the Company, the amounts are treated as capital contributions. During the years ended December 31, 2025 and 2024, capital contributions related to expenses paid on behalf of the Company amounted to $150,127 and $29,990, respectively.

Conversely, when the Company pays expenses on behalf of the member, the amounts are treated as distributions. During the years ended December 31, 2025 and 2024, distributions related to expenses paid on behalf of the member amounted to $180,014 and $40,000, respectively.

Reclassification

Certain prior year amounts have been reclassified to conform to the current year presentation. These reclassifications had no effect on total net loss or member's equity.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including March 13, 2026, which is the date the financial statements were available to be issued.

Note 2 – Commitments

The Company has entered into an agreement with a vendor for public relations and digital services, requiring monthly payments of $26,400 through June 2026. The agreement automatically renews for successive one-year terms unless terminated by either party, and the monthly fee is subject to a 7% annual increase. Additionally, the Company has entered into an agreement with a vendor for interior design services, under which two installments of $11,700 each had not been invoiced as of December 31, 2025, as the related services had not yet been performed.

Continued

Note 3 – Uncertainty

The accompanying financial statements have been prepared assuming that the Company will continue operations. Because the Company is in the start-up phase of operations, net losses are expected to be incurred for the foreseeable future. The member has historically provided the necessary working capital to meet the Company's short-term obligations and the necessary capital to offset the net operating losses incurred by the Company. The member has pledged to continue its financial support, and management believes that these actions will enable the Company to continue its operations through March 13, 2027.

HAVEN FRANCHISING, LLC

FINANCIAL STATEMENTS

DECEMBER 31, 2023
(With Independent Auditor's Report Thereon)

DoerenMayhew

HAVEN FRANCHISING, LLC

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DoerenMayhew

305 West Big Beaver Road, Suite 200
Troy, Michigan 48084
248.244.3000 | doeren.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Member
Haven Franchising, LLC

Opinion

We have audited the financial statements of Haven Franchising, LLC, which comprise the balance sheet as of December 31, 2023, and the related statements of earnings and member's equity (deficit) and cash flows for the period June 13, 2023 (inception) through December 31, 2023, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Haven Franchising, LLC as of December 31, 2023, and the results of its operations and its cash flows for the period June 13, 2023 (inception) through December 31, 2023, 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Haven Franchising, 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 Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Haven Franchising, LLC's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 GAAS 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.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Haven Franchising, 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 statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Haven Franchising, 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.

Troy, Michigan
September 13, 2024

HAVEN FRANCHISING, LLC

BALANCE SHEET
DECEMBER 31, 2023

Assets

Cash	$	905
Intangible asset - software development costs, net		12,808
Total assets	$	13,713

Liabilities and Member's Deficit

Accounts payable - trade	$	73,968
Total liabilities		73,968
Member's deficit		(60,255)
Total liabilities and member's deficit	$	13,713

See accompanying notes to financial statements

HAVEN FRANCHISING, LLC

STATEMENT OF EARNINGS AND MEMBER'S EQUITY (DEFICIT)
PERIOD JUNE 13, 2023 (INCEPTION) THROUGH DECEMBER 31, 2023

Revenues	$ -
Operating expenses	110,274
Net loss	(110,274)
Member's equity - June 13, 2023	-
Accounts payable from member converted to equity	44,019
Contributions from member	6,000
Member's deficit - December 31, 2023	$ (60,255)

See accompanying notes to financial statements

HAVEN FRANCHISING, LLC

STATEMENT OF CASH FLOWS
PERIOD JUNE 13, 2023 (INCEPTION) THROUGH DECEMBER 31, 2023

Cash flows from operating activities		
Net loss	$	(110,274)
Adjustments		
Amortization		1,692
Increase/(decrease) in liabilities		
Accounts payable		103,487
Total adjustments		105,179
Net cash used in operating activities		(5,095)
Cash flows from financing activities		
Contributions from member		6,000
Net increase in cash		905
Cash - June 13, 2023		-
Cash - December 31, 2023	$	905
Schedule of Noncash Investing and Financing Activities		
Acquisition of intangible asset - software development costs financed through accounts payable - related party	$	14,500
Conversion of accounts payable - related party to member's equity	$	44,019

See accompanying notes to financial statements

Note 1 – Nature of Business and Significant Accounting Policies

Nature of Business

Haven Franchising, LLC (the "Company") was formed on June 13, 2023 in the state of Rhode Island and is a wholly-owned subsidiary of The Haven Collection, Inc. The liability of the member of the Company is limited to the member's total capital contributions. The Company is located in Middletown, Rhode Island and is a franchisor for a one-stop-shop concept for a fully licensed childcare for children aged five years or younger, shared and private workspaces, and fitness for all members of a family in one facility. The Company has not entered into any franchise agreements to date.

Cash

The Company places its temporary cash investments with a high credit quality financial institution. As of December 31, 2023, no amounts were in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit.

Intangible Asset - Software Development Costs

For software developed for internal use, the Company capitalizes costs incurred during the application development stage, which includes design, coding, and testing. Costs incurred during the preliminary project stage and post-implementation stages are expensed as incurred. Amortization of capitalized software costs begins when the software is ready for its intended use and is computed on a straight-line basis over the estimated useful life. The Company reviews the carrying amount of capitalized software costs for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. No impairment losses were recognized during the period June 13, 2023 (inception) through December 31, 2023.

The Company recorded amortization expense of $1,692 for the period June 13, 2023 (inception) through December 31, 2023. The amount of amortization expense to be incurred for the years succeeding December 31, 2023 are as follows:

2024	$	2,900
2025		2,900
2026		2,900
2027		2,900
2028		1,208
Total	$	12,808

Income Taxes

The Company is organized as a limited liability company. In accordance with the provisions of the Internal Revenue Code, a limited liability company is not subject to Federal income taxes and its income is included in its member's income tax return. Therefore, no provision has been made in the accompanying financial statements for Federal income taxes or deferred income taxes.

Continued

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including September 13, 2024, which is the date the financial statements were available to be issued.

Note 2 – Uncertainty

The accompanying financial statements have been prepared assuming that the Company will continue operations. Because the Company is in the start-up phase of operations, net losses are expected to be incurred for the foreseeable future. The member has historically provided the necessary working capital to meet the Company's short-term obligations and the necessary capital to offset the net operating losses incurred by the Company. The member has pledged to continue its financial support and management believes that these actions will enable the Company to continue its operations through September 13, 2025.

EXHIBIT D
LIST OF FRANCHISEES

Franchisees with Outlets Open

None

Franchisees with Franchise Agreements Signed but Outlet Not Opened

Owner	City	State	Phone
Joseph Smalzer and Kory Smalzer	Frankfort and Naperville	IL	708-655-5639

List of Former Franchisees as Of December 31, 2025

The following are franchisees who have been terminated, canceled, not renewed, or have otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who have not communicated with us within 10 weeks of the date of issuance of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

None

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

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Haven Franchise Operations Manual

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EXHIBIT F
LIST OF STATE FRANCHISE ADMINISTRATORS/ AGENTS FOR SERVICE OF PROCESS

STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the 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

Website: www.dfpi.ca.gov
Email: ask.DFPI@dfpi.ca.gov

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

Los Angeles

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

Sacramento

2101 Arena Boulevard
Sacramento, California 95834
(866) 275-2677

San Diego

1455 Frazee Road, Suite 315
San Diego, California 92108
(619) 525-4233

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94104-4428
(415) 972-8559

HAWAII

(for service of process)

Commissioner of Securities
Department of Commerce
and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

(for other matters)

Commissioner of Securities
Department of Commerce
and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS

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

INDIANA

(for service of process)

Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

(state agency)

Indiana Secretary of State
Securities Division
Room E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

MARYLAND

(for service of process)

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

(state agency)

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

MICHIGAN

Michigan Attorney General's Office
Consumer Protection Division
Attn: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48933
(517) 335-7567

MINNESOTA

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

NEW YORK

(for service of process)

Attention: New York Secretary of State
99 Washington Avenue
Albany, New York 12231
(518) 473-2492

(Administrator)

New York State Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8222

NORTH DAKOTA

(for service of process)

Insurance Commissioner
North Dakota Insurance & Securities
Department
600 East Boulevard Avenue, Suite 414
Bismarck, North Dakota 58505
(701) 328-4712

(state agency)

North Dakota Insurance & Securities
Department
600 East Boulevard Avenue, Suite 414
Bismarck, North Dakota 58505
(701) 328-2910

OREGON

Oregon Division of Financial Regulation
350 Winter Street NE, Suite 410
Salem, Oregon 97301
(503) 378-4140

RHODE ISLAND

Securities Division
Department of Business Regulations
1511 Pontiac Avenue
John O. Pastore Complex-Building 69-1
Cranston, Rhode Island 02920
(401) 462-9500

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA

(for service of process)

Clerk, State Corporation Commission
1300 East Main Street
First Floor
Richmond, Virginia 23219
(804) 371-9733

(for other matters)

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

WASHINGTON

(for service of process)

Securities Administrator
Washington State Dept. of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501
(360) 902-8760

(for other matters)

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

WISCONSIN

(for service of process)

Administrator, Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-2139

(state administrator)

Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-9555

EXHIBIT G
STATE-SPECIFIC ADDENDA AND RIDERS TO FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT

NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

> No statement, questionnaire, or acknowledgement 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 our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

ADDITIONAL DISCLOSURES FOR THE FRANCHISE DISCLOSURE DOCUMENT OF HAVEN FRANCHISING, LLC

The following are additional disclosures for the Franchise Disclosure Document of HAVEN FRANCHISING, 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 OFFERING CIRCULAR

2. Item 1 of the Disclosure Document is supplemented by the following: The licensing of childcare services in California regulated by the Community Care Licensing Division of the Department of Social Services of the State of California Health and Human Services Agency.

3. Item 3 of the Disclosure Document is supplemented by the following: Neither the franchisor nor any person identified in Item 2 of the Disclosure Document is subject to any current effective order of any national securities association or national securities exchange as defined in the Securities Exchange Act of 1934, U.S.C.A., 78a *et. seq.*, suspending or expelling such persons from membership in such association or exchange.

4. The following statements are added to Item 5 of the Franchise Disclosure Document:

> The Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business. For California franchisees who sign a development agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

5. **Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner of the Department of Financial Protection and Innovation.**

6. California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

7. The following statements are added to Item 17 of the Franchise Disclosure Document:

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

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

The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The franchise agreement requires binding arbitration. The arbitration will occur at (indicate sites) with the costs being borne by (explanation). Prospective franchisees 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.

The franchise agreement requires application of the laws of Rhode Island. This provision may not be enforceable under California law.

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

ILLINOIS

1. The following statements are added at the end of Item 17 of the Franchise Disclosure Document:

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois. Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

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.

HAVEN FRANCHISING, LLC, a Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

**Effective Date

FRANCHISEE

_____

[Name]

By:_____

Name:_____

Title:_____

Date:_____**

MARYLAND

1. Item 5 is amended to provide that based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens

2. The following language is added to the end of the "Summary" sections of Item 17(c), titled Requirements for franchisee to renew or extend, and Item 17(m), titled Conditions for franchisor approval of transfer:

> Any release required as a condition of renewal and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. The following language is added to the end of the "Summary" section of Item 17(h) of the Franchise Disclosure Document, titled "Cause" defined – non-curable defaults:

Termination upon insolvency might not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.), but we will enforce it to the extent enforceable.

4. The "Summary" section of Item 17(v) of the Franchise Disclosure Document, titled Choice of forum, is amended to read as follows:

   Subject to your arbitration obligation, and to the extent required by the Maryland Franchise Registration and Disclosure Law, you may bring an action in Maryland.

5. The "Summary" section of Item 17(w) of the Franchise Disclosure Document, titled Choice of law, is amended to read as follows:

   Rhode Island law governs except for Federal Arbitration Act, other federal law, and claims arising under the Maryland Franchise Registration and Disclosure Law.

6. The following language is added to the end of the charts in Item 17 of the Franchise Disclosure Document:

   You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after the grant of the franchise.

   No statement, questionnaire, or acknowledgement 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 our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

   7. No Experience: We have no experience operating a franchise of this nature, and we have almost no experience operating the type of business you will be operating as our franchisee. This franchise is likely a risk investment.

7. The following language is added to the end of Item 5:

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

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

FOR THE STATE OF MINNESOTA

1. Other Fees. The following statement is added to Item 6: Minnesota Statute 604.113 limits the charge for Nonpayment Due to "Insufficient Funds" to $30.

2. Trademarks. The following statement is added to Item 13: Notwithstanding the foregoing, we will indemnify you against liability to a third party resulting from claims that your use of a Mark infringes trademark rights of a third party; provided, that we will not indemnify against the consequences of your use of the Marks unless the use is in accordance with the requirements of the Franchise Agreement and the System.

3. Choice of Forum and Law/Jury Trial. The following statement is added to Item 17: Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial or requiring you to consent to liquidated damages, termination, penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or Franchise Agreement can abrogate or reduce (1) any of your rights as provided for in Minnesota Statutes, Chapter 80C, or (2) your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

4. General Release. The following statement is added to Item 17: Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 – 80C.22.

5. Notice of Termination/Transfer. The following statement is added to Item 17: With respect to franchises governed by Minnesota law, we will comply with Minnesota Statute § 80C.14, subdivisions 3, 4, and 5 which requires (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

6. Injunctive Relief. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rules 2860.4400J.

7. The provision of this Additional Disclosure shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota franchise statutes are met independently without reference to these Additional Disclosures.

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 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 with the franchise.

NEW YORK STATE ADDENDUM TO FDD (Rev April 2, 2024)

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 to be 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 thereunder shall remain in force; this proviso intends that the non- waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "Termination by 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--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the 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.

FOR THE STATE OF NORTH DAKOTA

Based upon the franchisor's financial condition, the Insurance Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

THE FOLLOWING PAGES IN THIS EXHIBIT ARE STATE-SPECIFIC RIDERS TO THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT

RIDER TO THE HAVEN FRANCHISING, LLC
FRANCHISE AGREEMENT AND
AREA DEVELOPMENT AGREEMENT
FOR USE IN CALIFORNIA

THIS RIDER is made by and between **HAVEN FRANCHISING, LLC,** a Rhode Island limited liability company whose principal business address is 82 Valley Road, Middletown, Rhode Island 02842 ("we," "us," or "our"), and _____, a(n) _____ ("you" or "your").

Payment of Initial Franchise/Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business.

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

IN WITNESS WHEREOF, the parties have executed and delivered this Rider, to be effective as of the date set forth next to our signature below.

HAVEN FRANCHISING, LLC, a
Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

**Effective Date

FRANCHISEE

_____
[Name]

By:_____

Name:_____

Title:_____

Date:_____**

RIDER TO THE HAVEN FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS

THIS RIDER is made by and between **HAVEN FRANCHISING, LLC,** a Rhode Island limited liability company whose principal business address is 82 Valley Road, Middletown, Rhode Island 02842 ("we," "us," or "our"), and _____, a(n) _____ ("you" or "your").

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois. Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

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

IN WITNESS WHEREOF, the parties have executed and delivered this Rider, to be effective as of the date set forth next to our signature below.

HAVEN FRANCHISING, LLC, a
Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

**Effective Date

FRANCHISEE

_____
[Name]

By:_____

Name:_____

Title:_____

Date:_____**

RIDER TO THE HAVEN FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN MARYLAND

THIS RIDER is made by and between **HAVEN FRANCHISING, LLC,** a Rhode Island limited liability company whose principal business address is 82 Valley Road, Middletown, Rhode Island 02842 ("we," "us," or "our"), and _____, a(n) _____ ("you" or "your").

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, _____ (the "Franchise Agreement"). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a Maryland resident, or (b) the HAVEN Club you will operate under the Franchise Agreement will be located in Maryland.

2. **ACKNOWLEDGMENTS**. Sections 2(8) through 2(14) of the Franchise Agreement are hereby deleted.

3. **RELEASES**. The following language is added at the end of Sections 4.A(6), 16.C(2)(i), 16.G, 17, and 19.F(3) of the Franchise Agreement:

   Pursuant to COMAR 02.02.08.16L, such a general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. **GOVERNING LAW**. The following language is added to the end of Section 21.G of the Franchise Agreement:

   However, to the extent required by applicable law, Maryland law will apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

5. **CONSENT TO JURISDICTION**. The following language is added at the end of Section 21.H of the Franchise Agreement:

   Notwithstanding the foregoing, and subject to your arbitration obligations, you may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

6. **LIMITATION OF CLAIMS**. The following sentence is added to the end of Section 21.L of the Franchise Agreement:

   , except that any and all claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the Franchise.

7. **REPRESENTATIONS**. The following language is added to the end of the Franchise Agreement:

   All representations requiring you to assent to a release, estoppel, or waiver of liability are not intended to nor shall they act as a release, estoppel, or waiver of

any liability incurred under the Maryland Franchise Registration and Disclosure Law.

8. **FEE DEFERRAL**. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider, to be effective as of the date set forth next to our signature below.

HAVEN FRANCHISING, LLC,
a Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

**Effective Date

FRANCHISEE

_____
[Name]

By:_____

Name:_____

Title:_____

Date:_____**

RIDER TO THE HAVEN FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA

THIS RIDER is made by and between **HAVEN FRANCHISING, LLC,** a Rhode Island limited liability company whose principal business address is 82 Valley Road, Middletown, Rhode Island 02842 ("we," "us," or "our"), and _____, a(n) _____ ("you" or "your").

1. **Other Fees**. The following statement is added to Item 6: Minnesota Statute 604.113 limits the charge for Nonpayment Due to "Insufficient Funds" to $30.

2. **Trademarks**. The following statement is added to Item 13: Notwithstanding the foregoing, we will indemnify you against liability to a third party resulting from claims that your use of a Mark infringes trademark rights of a third party; provided, that we will not indemnify against the consequences of your use of the Marks unless the use is in accordance with the requirements of the Franchise Agreement and the System.

3. **Choice of Forum and Law/Jury Trial**. The following statement is added to Item 17: Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial or requiring you to consent to liquidated damages, termination, penalties or judgment notes. In addition, nothing in the

Franchise Disclosure Document or Franchise Agreement can abrogate or reduce (1) any of your rights as provided for in Minnesota Statutes, Chapter 80C, or (2) your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

4. **General Release**. The following statement is added to Item 17: Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 – 80C.22.

5. **Notice of Termination/Transfer**. The following statement is added to Item 17: With respect to franchises governed by Minnesota law, we will comply with Minnesota Statute § 80C.14, subdivisions 3, 4, and 5 which requires (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

6. **Injunctive Relief.** The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rules 2860.4400J.

7. The provision of this Additional Disclosure shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota franchise statutes are met independently without reference to these Additional Disclosures.

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 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 with the franchise.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider, to be effective as of the date set forth next to our signature below.

HAVEN FRANCHISING, LLC,
a Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

**Effective Date

FRANCHISEE

_____
[Name]

By:_____

Name:_____

Title:_____

Date:_____**

RIDER TO THE HAVEN FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN NEW YORK

THIS RIDER is made by and between **HAVEN FRANCHISING, LLC,** a Rhode Island limited liability company whose principal business address is 82 Valley Road, Middletown, Rhode Island 02842 ("we," "us," or "our"), and _____, a(n) _____ ("you" or "your").

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, _____ (the "Franchise Agreement"). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a New York resident, or (b) the HAVEN Club you will operate under the Franchise Agreement will be located in New York.

2. **REQUIREMENTS FOR RENEWALS, EXTENTIONS, AND TRANSFERS:** . the Franchise Agreement is amended to provide the following: to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; this proviso intends that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

3. **TERMINATION**. the Franchise Agreement is amended to provide the following: you may terminate the agreement on any grounds available by law.

4. **CHOICE OF LAW**. The following language is added to the end of Section 21.G of the Franchise Agreement: 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.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider, to be effective as of the date set forth next to our signature below.

HAVEN FRANCHISING, LLC,
a Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

**Effective Date

FRANCHISEE

_____
[Name]

By:_____

Name:_____

Title:_____

Date:_____**

RIDER TO THE HAVEN FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN NORTH DAKOTA

THIS RIDER is made by and between **HAVEN FRANCHISING, LLC,** a Rhode Island limited liability company whose principal business address is 82 Valley Road, Middletown, Rhode Island 02842 ("we," "us," or "our"), and _____, a(n) _____ ("you" or "your").

BACKGROUND. We and you are parties to that certain Franchise Agreement dated _____, _____ (the "Franchise Agreement"). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a New York resident, or (b) the HAVEN Club you will operate under the Franchise Agreement will be located in New York.

1. **FEE DEFERRAL**. Based upon the franchisor's financial condition, the North Dakota Insurance Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider, to be effective as of the date set forth next to our signature below.

HAVEN FRANCHISING, LLC,
a Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

**Effective Date

FRANCHISEE

_____
[Name]

By:_____

Name:_____

Title:_____

Date:_____**

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, THE AREA DEVELOPMENT AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

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

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements

that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

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

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments.** 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.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. **Fee Deferral.** Based upon the franchisor's financial condition, The Washington Securities Division has required financial assurance. This requires us to defer payment of the initial franchise fee and other initial payments owed by franchisee to the franchisor until the franchisee has completed is pre-opening obligations under the franchise agreement and the Studio opens for business. In addition, the collection of all development fees and payments by area developers shall be prorated, with a portion of the development fee being collected after each unit opens.

20. **Liquidated Damages.** Notwithstanding in the Franchise Agreement to the contrary, any calculation for Liquidated Damages shall exclude the Brand Fund.

21. **Conditions for Approval of Transfer.** Notwithstanding anything in Section 16(C)2(g) of the Franchise Agreement to the contrary, it is not a requirement of the Franchisor that Franchise must use franchise brokers. As such, Section 16(C)2(g)(iii) shall not apply in the event Franchise locates a prospective buyer without the assistance of a franchise broker.

The undersigned parties do hereby acknowledge receipt of this Addendum.

Dated this _____ day of _____ 20_____.

_____	_____
Signature of Franchisor Representative	Signature of Franchisee Representative
_____	_____
Title of Franchisor Representative	Title of Franchisee Representative

VIRGINIA ADDENDUM TO THE FRANCHISE AGREEMENT, FRANCHISE REPRESENTATIONS, AND RELATED AGREEMENTS

THIS RIDER is made by and between **HAVEN FRANCHISING, LLC,** a Rhode Island limited liability company whose principal business address is 82 Valley Road, Middletown, Rhode Island 02842 ("we," "us," or "our"), and _____, a(n) _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated _____, _____ (the "Franchise Agreement"). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are domiciled in Washington, or (b) the HAVEN Club you will operate under the Franchise Agreement will be located or operated in Washington, or (c) any of the franchise offer or sales activity occurred in Washington.

2. **VIRGINIA LAW**. The following paragraphs are added to the end of the Franchise Agreement:

> Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider, to be effective as of the date set forth next to our signature below.

HAVEN FRANCHISING, LLC,
a Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

**Effective Date

FRANCHISEE

_____
[Name]

By:_____

Name:_____

Title:_____

Date:_____**

THE FOLLOWING PAGES IN THIS EXHIBIT ARE STATE-SPECIFIC RIDERS TO THE AREA DEVELOPMENT AGREEMENT

RIDER TO THE HAVEN FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT
FOR USE IN ILLINOIS

THIS RIDER is made by and between **HAVEN FRANCHISING, LLC,** a Rhode Island limited liability company whose principal business address is 82 Valley Road, Middletown, Rhode Island 02842 ("we," "us," or "our"), and _____, a(n) _____ ("you" or "your").

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois. Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

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

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the Effective Date of the Area Development Agreement.

HAVEN FRANCHISING, LLC,
a Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

DEVELOPER

_____
[Name]

By:_____

Name:_____

Title:_____

Date:_____**

RIDER TO THE HAVEN FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT
FOR USE IN MARYLAND

THIS RIDER is made by and between **HAVEN FRANCHISING, LLC,** a Rhode Island limited liability company whose principal business address is 82 Valley Road, Middletown, Rhode Island 02842 ("we," "us," or "our"), and _____, a(n) _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Area Development Agreement dated _____, _____ (the "Area Development Agreement"). We and you (or your affiliate) also are parties to that certain Franchise Agreement dated _____, _____ (the "Franchise Agreement") that is being signed concurrently with the Area Development Agreement. This Rider is annexed to and forms part of the Area Development Agreement. This Rider is being signed because (a) you are a Maryland resident, or (b) the Territory in which you will develop HAVEN Clubs will be located in Maryland.

2. **GOVERNING LAW**. The following sentence is added to the end of Section 21.G of the Franchise Agreement, as incorporated by reference in Section 11 of the Area Development Agreement:

   However, Maryland law will apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

3. **CONSENT TO JURISDICTION**. The following sentence is added to the end of Section 21.H of the Franchise Agreement, as incorporated by reference in Section 11 of the Area Development Agreement:

   You may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. **LIMITATION OF CLAIMS**. The following sentence is added to the end of Section 21.L of the Franchise Agreement, as incorporated by reference in Section 11 of the Area Development Agreement:

   However, you must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within three (3) years after we grant you the franchise.

5. **ACKNOWLEDGMENTS**. The following language is added as new Section 13 of the Area Development Agreement:

6. **ACKNOWLEDGMENTS**. All representations requiring you to assent to a release, estoppel, or waiver of liability are not intended to nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

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

under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

8.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the Effective Date of the Area Development Agreement.

HAVEN FRANCHISING, LLC,
a Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

DEVELOPER

_____
[Name]

By:_____

Name:_____

Title:_____

Date:_____**

RIDER TO THE HAVEN FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT
FOR USE IN MINNESOTA

THIS RIDER is made by and between **HAVEN FRANCHISING, LLC,** a Rhode Island limited liability company whose principal business address is 82 Valley Road, Middletown, Rhode Island 02842 ("we," "us," or "our"), and _____, a(n) _____ ("you" or "your").

9. **BACKGROUND**. We and you are parties to that certain Area Development Agreement dated _____, _____ (the "Area Development Agreement"). We and you (or your affiliate) also are parties to that certain Franchise Agreement dated _____, _____ (the "Franchise Agreement") that is being signed concurrently with the Area Development Agreement. This Rider is annexed to and forms part of the Area Development Agreement.

10. **Other Fees**. The following statement is added to Item 6: Minnesota Statute 604.113 limits the charge for Nonpayment Due to "Insufficient Funds" to $30.

11. **Trademarks**. The following statement is added to Item 13: Notwithstanding the foregoing, we will indemnify you against liability to a third party resulting from claims that your use of a Mark infringes trademark rights of a third party; provided, that we will

not indemnify against the consequences of your use of the Marks unless the use is in accordance with the requirements of the Franchise Agreement and the System.

12. **Choice of Forum and Law/Jury Trial**. The following statement is added to Item 17: Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial or requiring you to consent to liquidated damages, termination, penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or Franchise Agreement can abrogate or reduce (1) any of your rights as provided for in Minnesota Statutes, Chapter 80C, or (2) your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

13. **General Release**. The following statement is added to Item 17: Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 – 80C.22.

14. **Notice of Termination/Transfer**. The following statement is added to Item 17: With respect to franchises governed by Minnesota law, we will comply with Minnesota Statute § 80C.14, subdivisions 3, 4, and 5 which requires (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

15. **Injunctive Relief.** The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rules 2860.4400J.

16. The provision of this Additional Disclosure shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota franchise statutes are met independently without reference to these Additional Disclosures.

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

IN WITNESS WHEREOF, the parties have executed and delivered this Rider, to be effective as of the date set forth next to our signature below.

HAVEN FRANCHISING, LLC,
a Rhode Island limited liability company

FRANCHISEE

By:_____

_____

Name:_____

Title:_____

Date:_____**

**Effective Date

[Name]

By:_____

Name:_____

Title:_____

Date:_____**

NORTH DAKOTA ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT

THIS RIDER is made by and between **HAVEN FRANCHISING, LLC,** a Rhode Island limited liability company whose principal business address is 82 Valley Road, Middletown, Rhode Island 02842 ("we," "us," or "our"), and _____, a(n) _____ ("you" or "your").

BACKGROUND. We and you are parties to that certain Area Development Agreement dated _____, _____ (the "Area Development Agreement"). We and you (or your affiliate) also are parties to that certain Franchise Agreement dated _____, _____ (the "Franchise Agreement") that is being signed concurrently with the Area Development Agreement. This Rider is annexed to and forms part of the Area Development Agreement. This Rider is being signed because (a) you are domiciled in Washington, or (b) the Territory in which you will develop HAVEN Clubs will be located in Washington, or (c) any of the franchise offer or sales activity relating to the Area Development Agreement occurred in Washington.

1. **FEE DEFERRAL**. Based upon the franchisor's financial condition, the North Dakota Insurance Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider, to be effective as of the date set forth next to our signature below.

HAVEN FRANCHISING, LLC,
a Rhode Island limited liability company

By:_____

Name:_____

Title:_____

DEVELOPER

_____
[Name]

By:_____

Date:_____**

Name:_____

Title:_____

Date:_____**

VIRGINIA ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT

THIS RIDER is made by and between **HAVEN FRANCHISING, LLC,** a Rhode Island limited liability company whose principal business address is 82 Valley Road, Middletown, Rhode Island 02842 ("we," "us," or "our"), and _____, a(n) _____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Area Development Agreement dated _____, _____ (the "Area Development Agreement"). We and you (or your affiliate) also are parties to that certain Franchise Agreement dated _____, _____ (the "Franchise Agreement") that is being signed concurrently with the Area Development Agreement. This Rider is annexed to and forms part of the Area Development Agreement. This Rider is being signed because (a) you are domiciled in Washington, or (b) the Territory in which you will develop HAVEN Clubs will be located in Washington, or (c) any of the franchise offer or sales activity relating to the Area Development Agreement occurred in Washington.

2. **VIRGINIA LAW**. The following paragraphs are added to the end of the Area Development Agreement:

> Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the development agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider, to be effective as of the date set forth next to our signature below.

HAVEN FRANCHISING, LLC,
a Rhode Island limited liability company

By:_____

Name:_____

Title:_____

Date:_____**

DEVELOPER

_____
[Name]

By:_____

Name:_____

Title:_____

Date:_____**

EXHIBIT H
SAMPLE GENERAL RELEASE

HAVEN FRANCHISING, LLC

GRANT OF FRANCHISOR CONSENT AND RELEASE BY FRANCHISEE

Haven Franchising, LLC ("we," "us," or "our") and the undersigned franchisee, _____ ***[insert name of franchisee entity]*** ("you" or "your"), currently are parties to a Franchise Agreement dated _____ (the "Franchise Agreement") for the operation of a HAVEN Club located at _____. You have asked us to _____ ***[insert relevant detail]*** (the "Action"). We currently have no obligation under the Franchise Agreement or otherwise to take the Action, or we have the right under the Franchise Agreement to condition our approval on your and your owners signing a release of claims. We are willing to take the Action if you and your owners give us the release and covenant not to sue provided below in this document. You and your owners are willing to give us the release and covenant not to sue provided below in consideration for our willingness to take the Action.

Consistent with the previous introduction, you, on behalf of yourself and your successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, owners, managers, directors, officers, principals, employees, and affiliated entities (collectively, the "Releasing Parties"), hereby forever release and discharge us and any and all of our affiliated entities, and all of our and their respective current and former officers, directors, owners, managers, principals, employees, agents, representatives, successors, and assigns (collectively, the "Haven Parties") from any and all claims, damages, demands, debts, causes of action, suits, duties, liabilities, costs, and expenses of any nature and kind, whether presently known or unknown, vested or contingent, suspected or unsuspected (all such matters, collectively, "Claims"), that you and any other Releasing Party now have, ever had, or, but for this Consent, hereafter would or could have against any Haven Party arising out of or related in any way to (1) the Haven Parties' performance of or failure to perform their obligations under the Franchise Agreement before the date of your signature below, (2) our offer and grant to you of your Haven Club franchise, or (3) your and the other Releasing Parties' relationship, from the beginning of time to the date of your signature below, with any of the Haven Parties.

The released Claims include, but are not limited to, any Claim alleging violation of any deceptive or unfair trade practices laws, franchise laws, business opportunity laws, or other local, municipal, state, federal, or other laws, statutes, rules, or regulations. You and the other Releasing Parties acknowledge that you and they might after the date of the signatures below discover facts different from, or in addition to, those facts currently known to you and them, or which you and they now believe to be true, with respect to the Claims released by this document. You and the other Releasing Parties nevertheless agree that the release set forth in this document has been negotiated and agreed on despite such acknowledgement and despite any federal or state statute or common law principle providing that a general release does not extend to claims which are not known to exist at the time of execution.

You and the other Releasing Parties further covenant not to sue any Haven Party on any Claim released by this paragraph and represent that you and they have not assigned any Claim 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 owners likewise grant to us the release and covenant not to sue provided above.

****

If the HAVEN Club is located in Washington or you are a resident of Washington, the following shall apply:

> This Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

HAVEN FRANCHISING, LLC

By:_____

Title:_____

Date:_____

_____

[Name of Franchisee]

By:_____

Title:_____

Date:_____

_____

[Name of Owner]

_____

[Signature and Date]

EXHIBIT I
FRANCHISEE REPRESENTATIONS

(To be used in all states other than California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin)

HAVEN FRANCHISING, LLC

FRANCHISEE REPRESENTATIONS

DO NOT SIGN THIS FRANCHISEE REPRESENTATIONS IF THE FRANCHISE IS TO BE OPERATED IN, OR YOU ARE A RESIDENT OF, CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

Do not sign this Franchisee Representations if you are a resident of Maryland or the business is to be operated in Maryland.

Important Instructions: Haven Franchising, LLC ("we," "us," or "our") and you are preparing to sign a Franchise Agreement for the construction, development, and operation of a HAVEN™ Club (the "Club") and, if applicable, an Area Development Agreement for the construction, development, and operation of multiple HAVEN™ Clubs. This document's purpose is to determine whether any statements or promises were made to you that do not appear in or are inconsistent with our franchise documents and/or that may be untrue, inaccurate, or misleading. We also want to be sure that you understand certain terms of the agreements you will sign and their ramifications. Please review each of the following statements carefully and do not sign this document if it contains anything you think might be untrue. If you sign this document, you are confirming the truth of what it says. We will take actions in reliance on the truth of what it says.

Name of Prospective Franchisee: _____
(the "Franchisee")

Each of the undersigned represents that all of the following statements are true:

1. Each of the undersigned has independently investigated us, our affiliates, the Franchise System (as that term is used in our Franchise Agreement), the risks, burdens, and nature of the business that Franchisee will conduct under the Franchise Agreement, the Club, the location for the Club (if already selected), and the Club's market area.

***Insert initials into the following blank to confirm this statement: ___**

2. Each of the undersigned understands that the business Franchisee will conduct under the Franchise Agreement involves risk, and any success or failure will be substantially influenced by Franchisee's ability and efforts, the viability of the Club's location, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms, and other economic and business factors.

***Insert initials into the following blank to confirm this statement: ___**

3. Each of the undersigned understands that we previously signed, and in the future have the right to sign, franchise and other agreements with provisions different from the provisions of the Franchise Agreement for the Club.

***Insert initials into the following blank to confirm this statement: ___**

4. If we unilaterally made material changes in Franchisee's final, ready-to-be signed copies of the Franchise Agreement, Area Development Agreement, and related documents (other than as a

result of our negotiations with Franchisee), Franchisee has had possession of those documents for at least seven (7) calendar days before signing them and has had ample opportunity to consult with its, his, or her attorneys, accountants, and other advisors concerning those documents.

***Insert initials into the following blank to confirm this statement: ___**

5. Franchisee has received our franchise disclosure document ("FDD") at least 14 calendar days before signing the Franchise Agreement and Area Development Agreement, or paying any consideration to us or our affiliate in connection with this franchise, and has had ample opportunity to consult with its, his, or her attorneys, accountants, and other advisors concerning the FDD.

***Insert initials into the following blank to confirm this statement: ___**

6. Except as provided in Item 19 of our FDD, we and our affiliates and agents have made no representation, warranty, promise, guaranty, prediction, projection, or other statement, and given no information, as to the future, past, likely, or possible income, sales volume, or profitability, expected or otherwise, of the Club or any other business, except: (None, unless something is filled-in here or provided on additional sheets)___

_____

_____

_____

_____

***Insert initials into the following blank to confirm this statement: ___**

7. Each of the undersigned understands that:

    7.1. Except as provided in Item 19 of our FDD, we do not authorize our affiliates, or our or their respective officers, directors, employees, or agents, to furnish any oral or written representation, warranty, promise, guaranty, prediction, projection, or other statement or information concerning actual or potential income, sales volume, or profitability, either generally or of any HAVEN™ Club.

***Insert initials into the following blank to confirm this statement: ___**

8. Before signing the Franchise Agreement, Area Development Agreement, and any related documents, the undersigned Franchisee has had ample opportunity: (a) to discuss the Franchise Agreement, Area Development Agreement, any related document, and the business Franchisee will conduct with its, his, or her own attorneys, accountants, and real estate and other advisors; (b) to contact our existing franchisees; and (c) to investigate all statements and information made or given by us or our affiliates, or our or their respective officers, directors, employees, and agents, relating to the Franchise System, the Club, and any other subject.

***Insert initials into the following blank to confirm this statement: ___**

9. Each of the undersigned understands that the Franchise Agreement licenses certain rights for one, and only one, HAVEN™ Club, located only at the location now specified (or to be

specified) in the Franchise Agreement, and that, except as may be provided in the Franchise Agreement or a signed Area Development Agreement with us, no "exclusive," "expansion," "protected," "non-encroachable," or other territorial rights, rights of first refusal, or rights of any other kind are granted or have been promised concerning the structure in which the Club is located, the contiguous or any other market area of the Club, or any other existing or potential HAVEN™ Club or geographic territory.

***Insert initials into the following blank to confirm this statement: ___**

10. Each of the undersigned has confirmed that no employee or agent of ours or our affiliates, or other person speaking on our behalf, has made any statement, promise, or agreement concerning the advertising, marketing, training, support service, or assistance we will furnish to Franchisee that is contrary to, or different from, the information contained in the FDD and the Franchise Agreement.

***Insert initials into the following blank to confirm this statement: ___**

11. Each of the undersigned understands that we and our affiliates have the right to sell or transfer our assets, our trademarks, and/or the HAVEN™ Club Franchise System outright to a third party; go public; engage in a private placement of some or all of our and our affiliates' securities; merge, acquire other companies, or be acquired by another company; and/or undertake a refinancing, a recapitalization, a securitization, a leveraged buy-out, or other economic or financial restructuring.

***Insert initials into the following blank to confirm this statement: ___**

12. The only state(s) in which each of the undersigned is a resident is (are): _____ _____ ___

***Insert initials into the following blank to confirm this statement: ___**

13. Each of the undersigned understands the importance of the Club's location. The undersigned and Franchisee have had, or will have, ample opportunity and the means to investigate, review, and analyze independently the Club's location, the building in which it is contained, the market area and all other facts relevant to the selection of a site for a HAVEN™ Club, and the lease documents for such location.

***Insert initials into the following blank to confirm this statement: ___**

14. Each of the undersigned understands that neither our approval or selection of any location nor our negotiation or approval of any lease implies or constitutes any warranty, representation, guarantee, prediction, or projection that the location will be profitable or successful or that the lease is on favorable terms. It often is the case that leases are available only on very tough terms.

***Insert initials into the following blank to confirm this statement: ___**

15. Each of the undersigned understands that site selection is a difficult and risky proposition. We and our affiliates have not given (and will not give) any warranty, promise, guaranty, prediction, projection, or other statement or information regarding a location's prospects for

success, nearby tenants or other attributes, or the form or contents of any lease. Franchisee will have any lease reviewed by its, his, or her own attorney and other advisors.

***Insert initials into the following blank to confirm this statement: ___**

16. The covenants and restrictions concerning competition contained in the Franchise Agreement and Area Development Agreement will not impose an undue hardship on the undersigned or Franchisee. Each of them has other considerable skills, abilities, opportunities, and experience in other matters and of a general nature enabling each of them to derive income that is satisfactory to them from other endeavors.

***Insert initials into the following blank to confirm this statement: ___**

17. There is no fiduciary or confidential relationship between us and the undersigned or between us and Franchisee. Each of the undersigned expects us to deal, and will act as if we are dealing, with it, him, or her at arm's length and in our own best interests.

***Insert initials into the following blank to confirm this statement: ___**

18. We have advised the undersigned and Franchisee to consult with their own advisors on the legal, financial, and other aspects of the Franchise Agreement, the Area Development Agreement, this document, the Club, any lease or sublease for the premises, and the business contemplated. Each of the undersigned has either consulted with such advisors or deliberately declined to do so.

***Insert initials into the following blank to confirm this statement: ___**

19. Neither we or our affiliates, nor any of our or our affiliates' employees or agents, have provided the undersigned or Franchisee with services or advice that is legal, accounting, or other professional services or advice.

***Insert initials into the following blank to confirm this statement: ___**

20. The statements made in this document supplement and are cumulative to statements, warranties, and representations made in other documents, such as the Franchise Agreement and Area Development Agreement. The statements made in this document or the Franchise Agreement and Area Development Agreement are made separately and independently. They are not intended to be, and will not be, construed as modifying or limiting each other.

***Insert initials into the following blank to confirm this statement: ___**

21. Each of the undersigned understands that, in the franchise relationship, we and Franchisee will be independent contractors. Nothing is intended to make either Franchisee or us (or any affiliate of ours) a general or special agent, joint venturer, partner, or employee of the other for any purpose. We (and our affiliates) will not exercise direct or indirect control over the Club's personnel except to the extent any indirect control is related to our legitimate interest in protecting the quality of products, service, or the HAVEN™ Club brand. We (and our affiliates) will not share or codetermine the terms and conditions of employment of the Club's employees or affect matters relating to the employment relationship between Franchisee and the Club's employees, such as employee selection, training, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and

working conditions. We (and our affiliates) will not be the employer or joint employer of the Club's employees.

***Insert initials into the following blank to confirm this statement: ___**

22. The President of the United States of America has issued Executive Order 13224 (the "Executive Order") prohibiting transactions with terrorists and terrorist organizations, and the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the "Anti-Terrorism Measures"). We therefore require certain certifications that the parties with whom we deal are not directly or indirectly involved in terrorism. For that reason, the undersigned and Franchisee hereby certify that neither they nor any of their employees, agents, or representatives, nor any other person or entity associated with Franchisee, is: (a) a person or entity listed in the Annex to the Executive Order; (b) a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism; (c) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or (d) owned or controlled by terrorists or sponsors of terrorism. The undersigned and Franchisee further covenant that neither they nor any of their employees, agents, or representatives, nor any other person or entity associated with them, will during the term of the Franchise Agreement become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure.

***Insert initials into the following blank to confirm this statement: ___**

FRANCHISEE:

[_____]

By: _____
Signature

Print Name: _____

Title: _____

Date: _____

Owners/executives of the Franchisee legal entity must sign below individually

_____	_____
(Signature)	(Signature)
_____	_____
(Name Printed)	(Name Printed)
_____	_____
(Date)	(Date)

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	April 23, 2026
Illinois	March 18, 2026
Maryland	*Pending*
Minnesota	April 3, 2026
New York	April 13, 2026
North Dakota	March 18, 2026
Rhode Island	March 19, 2026
South Dakota	March 18, 2026
Virginia	*Pending*
Washington	March 24, 2026
Wisconsin	March 18, 2026

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 Haven Franchising, 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.

Applicable state laws in (a) Michigan requires us to provide you the disclosure document at least 10 business 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 and (b) New York and Rhode Island require us to provide you the disclosure document at the earlier of the first personal meeting or 10 business 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.

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

The franchisor is Haven Franchising, LLC, located at 82 Valley Road, Middletown, Rhode Island 02842, (401) 239-9549.

Issuance date: March 16, 2026, as amended April 23, 2026

The franchise sellers for this offering are Brittany Riley, Morgan Everson, Jeff Kurtzman, Kim Hodges, John Collins, and Haley DeSousa at Haven Franchising, LLC, 82 Valley Road, Middletown, Rhode Island 02842. Their contact number is (401) 239- 9549.

We authorize the respective state agents identified on Exhibit F to receive service of process for us in the particular states. I received a disclosure document from Haven Franchising, LLC issued as of March 16, 2026, as amended April 23, 2026, that included the following Exhibits:

A. Franchise Agreement
B. Area Development Agreement
C. Financial Statements
D. List of Franchisees
E. Operations Manual Table of Contents
F. List of State Agencies/Agents for Service of Process
G. State-Specific Addenda / Riders to Franchise Agreement and Area Development Agreement
H. Sample General Release
I. Franchisee Representations

_____ _____

Date Prospective Franchisee [Print Name]

_____

Prospective Franchisee [Signature]

(Date, sign, and return to us at our address above or by emailing a scanned copy of the signed and dated Receipt to info@havenfranchising.com.

RECEIPT

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B. Development Rights Franchise Agreement
C. Financial Statements
D. List of Franchisees
E. Operations Manual Table of Contents
F. List of State Agencies/Agents for Service of Process
G. State-Specific Addenda / Riders to Franchise Agreement and Area Development Agreement
H. Sample General Release
I. Franchisee Representations

_____ _____

Date Prospective Franchisee [Print Name]

_____

Prospective Franchisee [Signature]

(Date, Sign, and Keep for Your Own Records)