FRANCHISE DISCLOSURE DOCUMENT

Project LeanNation.
Eat Clean. Live Lean.

Project Lean Nation Franchising, Inc.
14 Franklin Street, Suite 1403, Rochester, New York 14604
Phone number: (585) 705-8887
E-Mail: tim@projectleannation.com
Website: www.projectleannation.com

Project Lean Nation Franchising, Inc. offers franchises for the operation of a Project LeanNation business that is the establishment, development and operation of facilities offering innovative healthy prepared meals that focus on the principles of advanced nutrition available for retail and subscription and business methods. The total investment necessary to begin operation of a single Project LeanNation franchise ~~ranges from $237,500 - $354,000.~~is $260,150 - $396,650. This includes ~~an initial Franchise Fee in the amount of $60,000~~ $88,000 - $92,500 that must be paid to ~~us~~the franchisor or affiliate.

If you have been granted the right to open multiple franchises and entered into an Area Development Agreement with the Franchisor then the total investment necessary to begin operation of your Project LeanNation franchise ~~will range from $312,500 - $711,500 per location, and will include an initial Franchise Fee in the amount of $135,000 for three (3) franchise locations.~~is $335,150 - $686,650 per location. This includes $162,500 - $383,500 that must be paid to franchisor or affiliate. The minimum number of locations required to be opened under an Area Development Agreement is 3 locations.

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 government agency has verified the information contained in this document**.

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the franchisor at 14 Franklin Street, Suite 1403, Rochester, New York 14604 or by phone at (585) 705-8887.

The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or 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 (the "FTC"). You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 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: January ~~24, 2025~~19, 2026.

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration, and/or litigation only in New York. Out-of-State mediation, arbitration ~~and/~~or litigation may force you to accept a less favorable settlement for disputes. It may also cost ~~you~~ more to mediate, arbitrate, or litigate with the franchisor in New York than your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty ~~or~~, advertising fund, or 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.
3. **Financial Condition.** The Franchisor's financial condition, as reflected in its financial statements (see item 21), calls into question the Franchisor's financial ability to provide services and support to you.
4. **Short Operating History.** The Franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
5. **Sales Performance Required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

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6. Supplier Control. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor of they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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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EXHIBIT "A" State Agencies and Administrators
EXHIBIT "B" Franchisor's Agent for Service of Process
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EXHIBIT "K" Receipts

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise to be delivered together with the Franchise Disclosure Document.

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this Disclosure Document, "we", "us" and "the Company" mean Project Lean Nation Franchising, Inc. - the franchisor. "You" means the person who buys a Project LeanNation - the franchisee, and includes your partners if you are a partnership, your shareholders if you are a corporation, and your members if you are a limited liability company. Your "Location" means the location that you will operate if we grant you a Project LeanNation franchise.

Corporate Information - Franchisor

Project LeanNation Franchising, Inc. is a New York corporation formed on October 15, 2020. We maintain our principal place of business at 14 Franklin Street, Suite 1403, Rochester, New York 14604. We do not do business under any name other than "Project LeanNation Franchising, Inc." and our trade name, "Project LeanNation". Our agent for service of process is disclosed in Exhibit "B" to this Disclosure Document. If you purchase a Project LeanNation franchise, you will execute a franchise agreement with us (the "Franchise Agreement"), the form of which is attached to this Disclosure Document as Exhibit "C."

Business History

We began offering Project LeanNation franchises in ~~2021~~April 2023. We are not engaged in any business other than the offering of Project LeanNation franchises, except for operating company stores for same. We have never offered franchises in any other line of business.

Our Parents, Affiliates and Predecessors

We do not have any parent companies, affiliates or predecessors other than the following:

(1) Lean Life Manufacturing, Inc. – Lean Life Manufacturing, Inc. is a New York corporation formed on August 5, 2016, with its principal address at 900 Jefferson Road, Rochester, New York 14623. It is partially owned by Tim Dougherty (Our sole shareholder) and is used as the manufacturer of our prepackaged meals. -Lean Life Manufacturing, Inc. has not offered any franchises in this business or any other lines of business.

(2) Project ~~LeanNation~~Lean Nation, Inc. – Project Lean Nation, Inc. is a New York corporation formed on July 3, 2012, with its principal address at 1900 South Clinton Avenue, Rochester, NY 14618. It is owned in the majority by Tim Dougherty (Our sole shareholder) and currently operates a Project LeanNation location in Rochester, New York, which it has operating since its formation, and licenses the tradename Project LeanNation to us. Project Lean Nation, Inc. has not offered any franchises in this business or any other lines of business.

Description of Franchised Business

We grant franchises to operate locations offering health consultations and healthy prepared meals both retail and as a subscription service under the "Project LeanNation" name (the "System"). We offer franchises to franchisees that operate preexisting healthy prepared meals businesses as well as franchisees that have no prior experience in operating a healthy prepared meal business. We will show you how to operate a healthy prepared meal business that provides a variety of goods, such as health consultations, a variety of plans for prepared foods, protein bars, protein shakes and apparel for use in the Location utilizing the System (your "Franchised Business"). Some of this information will be provided by us during the initial training program. We will grant you a sublicense to use certain trademarks, service marks, logos and trade

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names, including the Project LeanNation name (collectively, the "Marks") in connection with the operation of your Franchised Business. The operational aspects of a Project LeanNation franchise are contained within the confidential Operating Manual (the "Manual"). You will operate your Project LeanNation franchise as an independent business using the Marks, the System, the Project LeanNation name, as well as the support, guidance and other methods and materials provided or developed by us. You will offer and provide Project LeanNation goods/services to the general public under the terms and conditions contained within the Franchise Agreement and the Manual. You may offer no other goods or services in conjunction with the System or the Marks without our prior written approval.

Market and Competition

The market for healthy prepared meals currently exists. If you operate a Project LeanNation franchise, your competition will primarily consist of other local and national brands that offer the same or similar goods and services, including healthy prepared meals that are affiliated with other national franchise systems. You will also compete with independent retail locations or subscription services that offer healthy prepared meals and individuals that operate retail locations or subscription services for healthy prepared meals on their own behalf. Sales are not seasonal.

Laws and Regulations

You must comply with all federal, state and local laws and regulations relating to the operation of your Franchised Business. Most states have a regulatory agency that regulates the activities of restaurants, and you must comply with any rules or regulations issued by such regulatory agencies. There may be other federal, state and/or local laws or regulations pertaining to your Franchised Business, including, but not limited to food safety laws, with which you must comply. You may wish to investigate these laws before buying a Project LeanNation franchise.

ITEM 2. BUSINESS EXPERIENCE

Franchisor – Project Lean Nation Franchising, Inc.

Tim Dougherty: President and Chief Executive Officer and Director

Tim Dougherty has been the President and sole shareholder in Project Lean Nation Franchising, Inc. since October 15, 2020. Mr. Dougherty has been the President and majority shareholder in Project Lean Nation, Inc. since July 3, 2012. Mr. Dougherty has been the Treasurer and a shareholder in Lean Life Manufacturing, Inc. since August 5, 2016.

Chris Kennedy: Vice President of Operations

Chris Kennedy has been the Vice President of Operations from February 2023 until present. ~~He is committed to driving the operational success and growth of Project LeanNation franchises in current markets. As Vice President of Operations, Chris focuses on critically evaluating and improving the business model to enhance profitability and efficiency across the network. He strengthens training and support systems to ensure franchisees are well-prepared for success while maintaining compliance with franchise standards. His efforts center on leveraging PLN's mission to create growth and consistency across all locations.~~ From 2022 – Present Chris has also been a principal at CK Consulting Strategies, and from 2019 to 2022 he worked at Subway World Headquarters as a Sr. Director of Non-Traditional Business / New Business Development.

Leslie Dougherty: Director of Unit Operations

Leslie Dougherty was an Operations Manager for Project LeanNation from May 2016 until October 15, 2020 and a Director of Unit Operations from October 15, 2020 until present. ~~Leslie provides operational support and business coaching to facilitate business management and planning, measurement of key performance indicators, annual goal setting, and problem remediation.~~

Brandon Hudson: Director of Growth Technology

Brandon Hudson has served as the Director of Growth Technology from January 2022 until present. ~~He focuses on leveraging innovative technological solutions to promote superior client and franchise partner experiences. His role involves leading, managing, and advancing systems that drive efficiency, enhance engagement, and support growth for both partners and clients. Brandon is committed to implementing cutting-edge tools and platforms that align with Project LeanNation's mission to streamline operations and uphold the brand's standards of excellence.~~ From February 2021 to February 2023 Brandon was an Engineering Lead, for GrowthCloud at Emerging 1, Inc. D/B/A Emerge, and from March 2020 to February 2021 he was Head of Product at CurAegis Technologies.

Pete Eodice: Marketing Coordinator

Pete Eodice has served as the Marketing Coordinator from December 2023 until present. ~~He is responsible for the development and execution of marketing strategies and campaign distribution to the Project LeanNation community and franchise partners. Pete's unique role involves further developing the aspirational voice of the PLN brand, crafting communications that inspire and inform. His goal is to deliver messages that reflect PLN's values and emphasize the commitment to helping members achieve their goals, creating a meaningful impact across the network.~~ Prior to working at Project LeanNation Pete worked as a marketing coordinator for Tango Charlie Apparel from 2020 to 2023.

Matthew Noto: Director of Finance & Compliance

Matthew Noto has been the Director of Finance and Compliance from January 2022 until present. ~~He specializes in providing individualized financial clarity to franchise partners while aiming to enhance profitability and sustainability across the Project LeanNation system. His expertise lies in analyzing system economics, generating valuable reports, and supporting decision-making processes. Matthew ensures compliance with the Franchise Disclosure Document (FDD) and Franchise Agreement (FA), striving to create long-term financial stability for franchisees and the communities they serve.~~ Prior to working at Project LeanNation Matt worked at Project LeanNation Rochester, Inc as a key lead from August 2021 to August 2023. Prior to that Matthew worked at Bryant Accounting Services as a CPA from May 2019 until August 2021.

Jake Torcello: Director of Product Innovation

Jake Torcello has been the Director of Product Innovation from October 2020 until present. ~~He leads innovation, development, and execution for all Project LeanNation products. As the Director of Product Innovation, Jake oversees meal ideation, manufacturing, sourcing, packaging, client services, and the national supply chain and logistics. His role focuses on delivering exceptional products that empower franchise partners and their teams to serve clients confidently. Jake's dedication ensures that PLN's meals~~

~~its core offering – are consistently of the highest quality to drive member success. Jake is also an owner of one of our approved suppliers Lean Life Manufacturing, Inc.~~ Jake is also an owner of one of our approved suppliers Lean Life Manufacturing, Inc.

Keri Waydelis: Opening Specialist

Keri Waydelis has been our Opening Specialist from September 2024 until present. Prior to working at Project LeanNation she was the general manager of the restaurant Bitter Honey from February 2021 until September 2024. She was also a manger of the pub Ziggy's from November 2022 until Present.

Franchise Broker - Limitless Franchise Growth, LLC

Limitless Franchise Growth, LLC is an Arizona limited liability company that started providing franchise broker and consulting services to Franchisor in December 2024. Limitless provides sales, promotional, marketing and advertising services to franchisor.

Neither the Franchisor, nor any person or franchise broker disclosed in this Item 2 is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

ITEM 3. LITIGATION

Commonwealth of Virginia, ex rel. State Corporate Commission v. Project Lean Nation Franchising, Inc. ~~Litigation – Franchisor~~

~~No litigation is required to be disclosed in this Disclosure Document.~~
Case No. SEC-2025-00025. The Corporate Commission alleged that Franchisor sold a franchise location within the state of Virginia prior to the completion of the Virginia franchise registration and failed to provide the franchisee with a cleared franchise disclosure document in conjunction with the sale of such franchise location. A final settlement order was entered into between the parties and filed on September 26, 2025 in which Franchisor neither admitted nor denied the Commission's allegations.

ITEM 4. BANKRUPTCY

Bankruptcy - Franchisor

No ~~person previously identified in Items 1 or 2 of this Disclosure Document (who is associated with us) has been involved as a debtor in proceedings under the U. S. Bankruptcy Code~~bankruptcies are required to be disclosed in this Item.

ITEM 5. INITIAL FEES

Franchise Fee. Under the Franchise Agreement, you will pay a nonrefundable Initial Franchise Fee to Project Lean Nation Franchising, Inc. of $60,000 for your first Project LeanNation Location. The Initial Franchise Fee is payable in a lump sum when the Franchise Agreement is signed. The Initial Franchise Fee shall be used by us for general operating expenses. The Initial Franchise Fee is uniform for all Franchisees purchasing a single Franchise through this Franchise Disclosure Document. We have no intention, now or in the future, of reducing the Initial Franchise Fee for any prospective Franchisee, except through

participation in our Area Development Program, although we reserve the right to do so in our sole discretion on a case-by-case basis. We reserve the right to reduce the Initial Franchise Fee for our affiliates. Except as provided for below, the Initial Franchise Fee is not refundable under any circumstances.

You must open the location for business no later than nine (9) months after the Franchise Agreement is signed. If you fail to open a location within the required time period, we may terminate the Franchise Agreement or, at our election, may eliminate any designated Territory protection afforded in the Franchise Agreement.

Franchise Fee for Area Development Programs. The minimum number of franchise rights for franchise locations you can obtain as part of our Area Development Program is three (3).Your Franchise Fee for the Franchised Locations under the Area Development program will depend on the number of Locations you commit to develop and open within the Development Area, and is calculated as follows: (i) $45,000 per Location if you agree to open and operate between three and five Locations; (ii) $40,000 per Location if you agree to open and operate between six and nine Locations; and (iii) $35,000 per Location if you agree to open and operate 10 or more Locations. This Area Development Franchise Fee is nonrefundable. The full Franchise Fee for the Franchised Locations under the Area Development Program is due at the time of signing the Area Development Agreement.

Estimated Initial Inventory Amount. Pursuant to Section 8.3 of the Franchise Agreement, you are required to maintain a certain minimum level of inventory at your Location. We estimate that you will spend between $~~2,000 – $3~~500 - $1,000 on initial supplies of forms, corporate identification materials, and uniforms that you will purchase from Project Lean Nation Franchising, Inc. or other approved sources.

We also estimate that you will spend between $~~6~~10,000 - $~~8~~14,000 to cover the opening inventory needs for the first month of operation. The opening inventory must be purchased from us or an Affiliate. Opening inventory reflects the cost of consumable inventory items such as food products, paper goods, etc… necessary on opening day. At the time your Franchised Business opens, you must stock and display where applicable the initial inventory of products, accessories, equipment, and supplies required by us in the Operations Manual(s) or otherwise in writing. You must then stock and maintain all types of products in quantities sufficient to meet reasonably anticipated customer demand. The Initial inventory and opening inventory costs are nonrefundable.

Site Development Fee. Under the Franchise Agreement you will pay a non-recurring and non-refundable Site Development Fee of $17,500 per site to Project Lean Nation Franchising, Inc. The Site Development Fee is payable in a lump sum when the Franchise Agreement is signed. The Site Development Fee covers the real estate and construction advisory and project management support provided through our franchise system, including assistance with market analysis and site selection, coordination of competitive bidding processes, general contractor selection, vendor coordination and equipment orders, and brokerage services provided by our designated supplier, as described in Item 11. The Site Development Fee is not refundable under any circumstances.

ITEM 6. OTHER FEES

The table below describes fees and payments that are payable to us, or imposed by us on behalf of a third party, relating to the operation of your business, after you pay the initial franchise fee:

TYPE OF FEE (Note 1)	AMOUNT	DUE DATE	REMARKS

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Royalty Fees	7% of Gross Sales	Due on the 5th of the month by Electronic Funds Transfer for the preceding month.	See Franchise Agreement for complete definition of Royalty Fee.
Technology Fee	$350	Due on the 1st of the month by Electronic Funds Transfer for the preceding month. Will begin on the 1st of the month prior to the community activation phase in prelaunch.	
Local Advertising and Advertising Fund Fee	Local: 1% of gross sales per year. Advertising Fund: 2% of gross sales per month	As incurred Advertising Fund: Due on the 5th of the month by Electronic Funds Transfer for the preceding month.	You are required to make local advertising expenditures as required by Article 13.3 of the Franchise Agreement. You determine the form and media, subject to our prior approval. You are required to pay a contribution required by Article 6.3 of the Franchise Agreement.
~~Technology Fee~~	~~$350~~	~~Due on the 1st of the month by Electronic Funds Transfer for the preceding month, beginning on the 1st of the month following your opening date.~~	

~~(1) All royalties and fees are due by the 5th of the month following the close of the month.~~

~~(2) All fees are imposed by and are payable to Project Lean Nation Franchising, Inc. All fees are non-refundable.~~

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~~Name of Fee~~	~~Amount~~	~~Due Date~~	~~Remarks~~
Advertising Deficiency	Amount of Local Advertising Deficiency	Immediately upon demand	If you fail to make local advertising expenditures, we may spend the minimum required amount on your behalf and you will reimburse us for those expenditures.
Payments for supplies ~~or~~, menu management updates, product purchases, and inventory	$10,000 -$60,000. Varies depending upon need, payments for inventory are based on volume need to supply need, typically it is approximately 50% of revenue	As and when due. Paid to us or approved third party approved suppliers.	All payments to us are made by EFT.

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Renewal Fee	20% of the then current Initial Franchise Fee (but not to exceed $15,000)	Prior to renewal	Payable when, and if, you renew your Franchise Agreement. There other conditions to renew (see item 17(c) of this Disclosure Document).
Transfer/ Assignment Fee	25% of the then current Initial Franchise Fee (but not to exceed $15,000)	Prior to consummation of the transfer or sale	Payable when, and if, you transfer or sell your Franchise. There other conditions to transfer (see item 17(l)-17(n) of this Disclosure Document).
Late Payment Fees	Up to the highest rate permitted by law but no more than 26.82% per annum plus $50 per occurrence	Immediately on demand	Payable if any of your payments to us are late.
Insufficient Funds Fee	$100 per occurrence	Immediately on demand	Payable if any of your payments to us are not honored by your financial institution.
Late Report Fee	$100 per occurrence	Immediately on demand	We may require you to pay us $100 each time you fail to submit to us any required reports or information.
Audit Expenses	~~Will vary with circumstances. Payable only if our audit shows an understatement of at least 5% of Gross Sales.~~Actual cost of audit, plus attorney's fees and related expenses incurred	Immediately on demand	If you understate Gross Sales by 5% or more, you must reimburse us for our actual costs incurred in conducting the audit, including, without limitation, attorney's fees, accountant's fees, travel expenses, and compensation for our employees.
Training Fees for additional employees, managers and general managers	$200 per employee per day	As and when due. Paid to us or approved third party approved suppliers.	You are responsible for all travel, room and board, and salary expense.
Optional on-going training for self or other employees	~~Reasonable Training Fee and~~$200 per employee per day, plus expenses	As and when due. Paid to us or approved third party approved suppliers.	You are responsible for all travel, room and board, and salary expense.
Annual Conference or Conferences (if any)	~~Cost of the conferences~~$100-$150 per person, plus travel expenses	A minimum of thirty days prior to the annual conference.	You are responsible for all travel, room and board, and salary expense. If we require you to attend a conference or other meeting, you may have to pay a fee.
Annual Inspection fee	$450-$1,000	Once per year as invoiced	See Note 3
Additional Training and inspections due to Failure to Maintain Standards	~~Will vary depending on the circumstances~~$400 per day per trainer, plus travel expenses	As incurred	See Note 3

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Counseling and Advisory Services	~~Will vary depending on the circumstances~~$100-$200 per hour	As incurred	See Note 4
Financial Health Program Fee	$500 initial set-up fee and $450 per month thereafter	As incurred	See Note 5
Indemnification and Defense	~~Will vary under the circumstances~~Reimbursement of actual damages and costs incurred	As incurred	You must reimburse us if we are held liable for damages or other relief related to the operation of your business
Replacement of Operations Manual(s)	$500.00 plus shipping costs	Within 15 days of invoice.	Franchisee must pay Franchisor a fee of $500.00 plus all shipping expenses, or such lesser amount as Franchisor may charge in Franchisor's sole and absolute discretion. If the loss, in Franchisor's reasonable opinion, is attributable to the Franchisee's breach of the Franchise Agreement, Franchisor may also elect to terminate the Franchise Agreement.
~~Payments for supplies, menu management updates, inventory or product purchases~~	~~Will vary under the circumstances~~	~~As incurred~~	~~All payments to us are made by EFT.~~

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The following notes, accompany the Item 6 Disclosures

Except as we indicate in the item six chart, you make all payments to us, and payments are not refundable.

NOTE 1. Unless this Franchise Disclosure Document specifically provides otherwise, all fees are imposed by and payable to us and are non-refundable. See Item 8 of this Franchise Disclosure Document for information concerning your obligation to purchase products from our affiliates, or us or under our specifications or standards. See Item 9 of this Franchise Disclosure Document for information concerning your principal obligations under the Franchise Agreement.

NOTE 2. "Gross Sales" for any period means the entire amount of sales or revenue whether for cash, credit, charge, barter, time basis or otherwise, with respect to the operation of the Franchised Business and all other receipts whatsoever from all business conducted upon or originating from within or outside the Territory. The performance of services or the sale of goods is considered "revenue" when services have been completed or goods provided to entitle the Franchisee to payment for those services or goods. Gross Sales will not include:

i) any government tax, provided the amount of the tax is added to the selling price, the amount is expressly charged to the customer, a specific record is made at the time of

each sale of the amount of the tax, and the tax is paid over to the appropriate taxing authority;

ii) receipts which arise from the disposition of damaged, obsolete or otherwise unusable fixed assets;

iii) the amount of refunds, allowances or discounts to customers (including coupon sales) up to 5% of the Gross Sales, provided the related sales have previously been included in Gross Sales; and

iv) uncollectible or uncollected receivables.

NOTE 3. We have a right to inspect your store for compliance, and if we notify you in writing that you have failed to maintain standards at the store and fail to cure the failure within 10 days, we have the right to assign trainers to your store, and you have to reimburse us for the trainer's salaries, travel, living expenses, and other related expenses. You will pay an annual inspection fee, and a reasonable fee for any additional inspections required as a result of your failure to comply to standards at the original inspection.

NOTE 4. Normally, there is no fee for these services, which are provided by telephone or at our offices, unless you require unusual, extensive, or extraordinary assistance. If so, we have the right to charge you a reasonable fee.

NOTE 5. Financial Health Program Fees. There is a $500 initial set-up fee to establish the Franchisee's accounting systems prior to opening, thereafter there is a continuing $450 monthly fee. The monthly fee includes ongoing bookkeeping and transaction categorization, monthly financial reports and statements, and financial coaching, as well as other services as specifically set forth in the Operations Manual.

NOTE 6. Other Charges and Service Fees. The Project LeanNation System is developing and there may be other charges and service fees that may be assessed to you by either us or vendors in connection with the existing components of the Project LeanNation System or the addition of modified or new components to the Project LeanNation system. You must pay all other charges and service fees in a timely manner.

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NOTE ~~6~~7. Insurance Policies. We define the types and minimum insurance coverage that you must carry. We make no representation that the coverage will be sufficient for your business or purposes. You need to evaluate if your business requires greater coverage or other types of insurance. Our minimum, mandatory insurance requirements are:

a. employer's liability and workers' compensation insurance as designated by law;

b. comprehensive general liability insurance covering the operation of the Franchised Business in an amount not less than $1,000,000.00;

c. property coverage to the amount of the full insurable value of all of the Franchisee's property of every kind on an "all risks" basis, including coverage for conventional loss due an insured peril;

d. errors and omissions insurance;

e. business interruption insurance;

f. liability insurance covering malicious acts of the Franchisee and the agents and employees of the Franchisee, including acts of sexual harassment or assault, and other forms of abusive or improper conduct;

g. owned and non-owned motor vehicle coverage;

h. personal injury coverage in an amount not less than $1,000,000.

i. Workers' compensation insurance, or a similar policy if the Franchisees business is located in a non-subscriber state, covering all of its employees as is required by law; and

j. Comprehensive crime and blanket employee dishonesty insurance in an amount of not less than $25,000.

In the event that the Franchisor has arranged for the provision of any such insurance through a carrier common to franchisees of the System, then the Franchisee will procure all required coverage from that carrier or like insurance coverage from an insurance company with an A or better rating from A.M. Best.

Franchisee agrees that Franchisor shall be named as an additional insured under each of the foregoing insurance policies. Prior to the opening of the retail store location and, thereafter, at least 30 days prior to the expiration of any such policy or policies, Franchisee shall deliver to Franchisor certificates of insurance evidencing the proper coverage with limits not less than those required hereunder, and all such certificates shall expressly contain endorsements requiring the insurance company to give Franchisor at least 30 days written notice in the event of material alteration to termination, non-renewal, or cancellation of, the coverage's evidenced by such certificates.

Franchisee is to give Franchisor notice of any claim filed under such policy within 30 days after the filing of such claim where it may reasonably in the best interest of the Franchisor to be aware of such claim.

We may periodically modify, all minimum amounts to reflect inflation, general industry standards or our future experience with claims. For additional conditions applicable to mandatory insurance, see Article 14 of the Franchise Agreement.

ITEM 7. ESTIMATED INITIAL INVESTMENT

ESTIMATED INITIAL INVESTMENT FOR A SINGLE LOCATION

Item Description	Estimated Cost	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee for single location (see Note 1)	$60,000	Lump Sum	Upon signing the Franchise Agreement	Us
Real Estate Rent – 1ST Month	$3,000 - $~~5,000~~6,500 (See Note 2)	As arranged	As arranged	Landlord
Security Deposit(s) (See Note 4)	$0 - $~~5,000~~6,500	As arranged	As arranged	Landlord, utilities, govt. agencies
Leasehold Improvements (gross amount) (See Note 3)	$~~50~~60,000-$~~100~~125,000	As Arranged	Prior to Opening	Landlord, Contractors

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Real Estate Project ManagementSite Development Fee (See Note 13)	$10,00017,500	As Arranged	Prior to Opening Upon signing the Franchise Agreement	Approved Supplier/ContractorUs
Construction Project Management FeeFurnishings, Fixtures, and Decorating (See Note 14) 5)	$0 - $102,500 - $6,000	As Arranged	Prior to Opening	SuppliersApproved Supplier/Contractor
Furnishings, Fixtures, and DecoratingSignage (See Note 56)	$45,000 - $610,000	As Arranged	Prior to Opening	Us, Suppliers or Contractors
SignageTraining Expenses (See Note 67)	$51,000 - $102,000	As Arrangedarranged	Prior to OpeningAs Arranged	Us or Hotel, Restaurant Airlines (Service Providers)Suppliers
TrainingEquipment and supplies acquired locally (See Note 7)8)	$147,000 - $2-$62,000	As arranged with supplier	As Arrangedper terms of purchase	Approved SupplierHotel, Restaurant Airlines (Service Providers)
Computer System/POSEquipment and supplies acquired locally (See Note 8)	$47,000-$67,000$1,300	As arranged with supplier	As per terms of purchase	Approved Supplier
Initial Inventory, supplies, packaging, uniforms and corporate identity materials (See Note 9)Computer System/POS	$2,000-$3500- $1,000	As arranged with supplierLump Sum	As per terms of purchaseinvoice	Us and/or Approved Supplier
Initial Inventory, supplies, packaging, uniforms and corporate identity materials (Seeinventory of products for resale (see Note 910)	$210,000- $3-$14,000	Lump Sumsum	As per terms of invoice	Us and/or Approved Supplier
SBA fees and other financing costs (See note 11)Initial inventory of products for resale (see Note 10)	$6,000-$80 - $10,000	Lump sum	As per terms of invoiceAgreement	Us and/or Bank or financing sourceApproved Supplier
Additional Operating funds/Working Capital – 3 months (See Note 14)SBA fees and other financing costs (See note 11)	$0 - $1025,000 - $35,000	Lump sumsums	As per terms of Agreementneeded	Bank or financing sourceVarious
Additional Operating funds 3 months (See Note 15)Professional Fees	$256,000-$15,000	Lump sumsAs Arranged	Prior to Opening and OngoingAs needed	Your Accountants, Lawyers, Real Estate Broker, ArchitectVarious
Pre-Opening Marketing Professional Fees	$4,000-$10,000$17,500	As Arranged	As IncurredPrior to Opening and Ongoing	Approved SupplierYour Accountants,

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				~~Lawyers, Real Estate Broker, Architect~~
Business Licenses/Permits~~Pre-Opening Marketing~~	$~~1~~5500-$2,000	As ~~Arranged~~Required	As Incurred	~~Us and/or Approved Supplier~~Required Agencies
~~Business Licenses~~Technology Fee which includes licensing PLN Storefront and Square POS	~~$500-$1,000~~$350 per month	As ~~Required~~Arranged	Due on the 1st of the month by Electronic Funds Transfer for the preceding month. Will begin on the 1st of the month prior to the community activation phase in prelaunch.~~As Incurred~~	~~Required Agencies~~ Us
Insurance (See Note 12)	$3,000 - $45,000	As Arranged	As Incurred	Insurance Providers
Total Estimated Initial Investment (See Notes)	~~$237,500 - $354,000~~$260,150- $396,650			

ESTIMATED INITIAL INVESTMENT PER LOCATION UNDER FRANCHISE DEVELOPMENT AGREEMENT:

Item Description	Estimated Cost	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee under Area Development Agreement (see Note 1)	~~$135,000 (for 3 locations) - $350,000 (for 10 locations)~~$135,000 - $350,000 ($45,000 per Location if you agree to open and operate between three and five Locations; $40,000 per Location if you agree to open and operate between six and nine Locations; and $35,000 per Location if you agree to open and operate 10 or more Locations.)	Lump Sum	Upon signing the Franchise Agreement	Us
Real Estate Rent – 1ST Month	$3,000 - $~~5,000~~6,500 (See Note 2)	As arranged	As arranged	Landlord
Security Deposit(s) (See Note 4)	$0 - $~~5,000~~6,500	As arranged	As arranged	Landlord, utilities, govt. agencies
Leasehold Improvements (gross amount) (See Note 3)	$~~50~~60,000-$~~100~~125,000	As Arranged	Prior to Opening	Landlord, Contractors
~~Real Estate Project Management~~Site Development Fee (See Note 13)	$~~10,000 - $77~~17,500 ~~($10,000 for 1st location $7,500 each for every additional location)~~	As Arranged	~~Prior to Opening~~ Upon signing the Franchise Agreement	~~Approved Supplier/Contractor~~Us
~~Construction Project Management Fee (See Note 14)~~	~~$0 - $10,000~~	~~As Arranged~~	~~Prior to Opening~~	~~Approved Supplier/Contractor~~

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Furnishings, Fixtures, and Decorating (See Note 5)	$~~4,000~~2,500 - $6,000	As Arranged	Prior to Opening	~~Us,~~ Suppliers ~~or Contractors~~
Signage (See Note 6)	$5,000- $10,000	As Arranged	Prior to Opening	~~Us or~~ Suppliers
Training Expenses (See Note 7)	$1,000 - $2,000	As arranged	As Arranged	Hotel, Restaurant Airlines (Service Providers)
Equipment and supplies acquired locally (See Note 8)	$47,000- $~~67~~62,000	As arranged with supplier	As per terms of purchase	Approved Supplier
Computer System/POS	$~~2,000- $3,000~~1,300	As arranged with supplier	As per terms of purchase	Approved Supplier
Initial Inventory, supplies, packaging, uniforms and corporate identity materials (See Note 9)	$~~2,000- $3~~500- $1,000	Lump Sum	As per terms of invoice	~~Us and/or~~ Approved Supplier
Initial inventory of products for resale (see Note 10)	$~~6~~10,000-$~~8~~14,000	Lump sum	As per terms of invoice	~~Us and/or~~ Approved Supplier
SBA fees and other financing costs (See note 11)	$0 - $10,000	Lump sum	As per terms of Agreement	Bank or financing source
Additional Operating funds/Working Capital – 3 months (See Note ~~15~~14)	$25,000-$35,000	Lump sums	As needed	Various
Professional Fees	$~~4~~6,000-$~~10~~15,000	As Arranged	Prior to Opening and Ongoing	Your Accountants, Lawyers, Real Estate Broker, Architect
Pre-Opening Marketing	$~~15,000~~17,500	As Arranged	As Incurred	~~Us and/or~~ Approved Supplier
Business Licenses/Permits	$500-$~~1~~2,000	As Required	As Incurred	Required Agencies
Insurance (See Note 12)	$3,000 - $~~4~~5,000	As Arranged	As Incurred	Insurance Providers
Technology Fee which includes licensing PLN Storefront and Square POS	$350 per month	As Arranged	Due on the 1st of the month by Electronic Funds Transfer for the preceding month. Will begin on the 1st of the month prior to the community activation phase in prelaunch.	Us
Total Estimated Initial Investment (See Notes)	**~~$312,500 - $711,500~~$335,150- $686,650**			

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The following Notes Accompany Item 7 Disclosures

All payments in Item 7 are non-refundable, except as we note below or if you arrange otherwise with a third party in writing.

NOTE 1. Initial Franchise Fee. The initial franchise fee for a single location is $60,000 and includes the loan of our Operations Manual(s) and initial training for you and one additional individual having responsibility for the day-to-day operations of your Franchised Business. See Item 5 of this Disclosure Document for additional information about the Initial Training Program. Except as otherwise expressly stated, the Initial Franchise Fee is not refundable under any circumstances.

Initial Franchise Fee for Additional Locations under the Area Development Program. If you are acquiring franchise rights ~~for three (3) locations~~ as part of our Area Development Program, the total initial franchise fee ~~is $135~~will depend on the number of Locations you commit to develop and open within the Development Area, and is calculated as follows: (i) $45,000~~.00~~ per Location if you agree to open and operate between three and five Locations; (ii) $40,000 per Location if you agree to open and operate between six and nine Locations; and (iii) $35,000 per Location if you agree to open and operate 10 or more Locations. The minimum number of required Locations under an Area Development Agreement is 3 Locations.

Other Initial Fees. Under the Franchise Agreement, we will provide you with assistance in opening the stores and training your employees. Although we do not intend to charge for this assistance, we reserve the right to charge you for extraordinary travel and living expenses incurred by our employees providing this assistance. In the event you request additional opening assistance or training, and we agree to provide you with such assistance, you may be required to reimburse us for all costs and expenses we incur in connection with providing you this additional assistance, including, without limitation, wages, overhead and travel and living expenses of our employees providing the assistance. Any charges you incur in these circumstances will be in addition to the Initial Franchise Fee and development fee.

NOTE 2. Real Estate Rent. These figures presume that you will be leasing the store premises and only represent rent for one month. We are unable to estimate the total cost purchasing suitable premises for your store or the amount of any down payment that would be required. Rent will vary depending upon the size, the premises, the site condition, its location, demand for the site, build-out requirements and construction or other allowances from the landlord, and the requirements of individual landlords. These figures are based upon our experience in our current open markets. These figures may vary considerably in other parts of the United States. Regardless of whether you lease or purchase a store premises, a typical Project LeanNation facility occupies approximately 1,000 to 1,600 square feet of space. A Project LeanNation store may be either a freestanding building or an in-line retail plaza space, but in any event, the store requires ample parking, good visibility, and availability of prominent signage. Improvements include electrical, carpentry, floor covering, painting, and contractors' fees. We estimate rental rates to vary from $1.87 per square foot per month ($23 per square foot per year) to $4.00 per square foot per month ($48 per square foot per year), depending on different regions of the country. If a landlord is 'paying' for (Tenant Improvement Allowance (TIA))some of the site improvements to the lease space, they may be amortizing that expense in the form of additional rent. Payments will be made directly to the landlord pursuant to the terms of the lease. The retail site is subject to our approval, we do not charge for our expenses associated with providing that approval. You should consult with your own attorney regarding the lease and related matters.

NOTE 3. Leasehold Improvements. This amount is net of any tenant improvement allowance that may be offered by the landlord. The cost of leasehold improvements will vary widely depending upon the size and condition of the premises, whether or not there are any existing and comparable leasehold improvements in the premises, the extent, and the quality of improvements desired by you over and above our minimum requirements, landlord's cash contribution to the cost of the improvements, and the like.

NOTE 4. Security Deposit(s). Your lessor may require a security deposit before you take possession of the premises. This deposit may or may not be refundable. These items also include utility deposits and payments, equipment rental deposits, sales tax deposits and telephone company deposits, electric and other energy company deposits for 4 months before opening; cleaning and maintenance including the cost of janitorial services and a general maintenance contract for regular maintenance or repairs to plumbing; heating, ventilating and air-conditioning equipment; appliances; and garbage removal.

NOTE 5. Furnishings. A complete listing will be provided together with a list of approved suppliers.

NOTE 6. Signage. This includes external and internal signage for your Location. The cost of your exterior sign will vary depending upon the size, color and backlit channel letters of the sign and other specifications as may be required by us, the Operations Manual(s), the property owner, or any local ordinances. All signage is subject to our approval.

NOTE 7. Training. We provide initial training at no charge for 2 individuals, but you must arrange and pay for all food, lodging, and salary expenses for your people attending the Initial Training Program. Costs vary depending the distance traveled and the type of lodging. The amount shown does not include the cost of transportation. See item 11 of this Disclosure Document for description of the Initial Training Program. All people attending a training program must sign a confidentiality agreement.

NOTE 8. Equipment and Supplies Acquired Locally. The equipment and supplies include, by way of example and not limitation, point of sale system, office supplies, cabinets, refrigerator, blenders, freezer, cooler, etc. We will provide you a list of items to obtain locally.

NOTE 9. Initial Inventory, Supplies, Packaging, Uniforms, and Corporate Identification Materials. This item includes initial supplies of forms, corporate identification materials, and uniforms. You will need these items to get you started, and based on demand you will need to replenish from Project Lean Nation Franchising, Inc. or other approved sources.

NOTE 10. Initial inventory of products for resale. We estimate that this amount will be sufficient to cover inventory needs for the first week of operation. Opening inventory reflects the cost of consumable inventory items such as food products, paper goods, etc… necessary on opening day. These items must be replenished as consumed. At the time your Franchised Business opens, you must stock and display where applicable the initial inventory of products, accessories, equipment, and supplies required by us in the Operations Manual(s) or otherwise in writing. You must then stock and maintain all types of products in quantities sufficient to meet reasonably anticipated customer demand.

NOTE 11. SBA Fees & Other Financing Costs. We provide no assistance with any of these items, other than under certain circumstances where we may provide introductions to SBA or other approved sources. You should check with your legal and business advisers if you need any of the services.

NOTE 12. Insurance Costs. This figure is an estimate of the annual cost of maintaining the minimum insurance required by the Franchise Agreement. Your costs may be higher or lower depending on location, your personal history, and other variable factors.

NOTE 13. ~~**Real Estate Project Management Fee.** The Real Estate Project Management Fee covers the real estate project management, site selection, and brokerage services that our designated supplier will provide to you, as described in Item 11. You must use a real estate project manager (the "**Real Estate Project Manager**") that we designate to manage and lead real estate brokerage services, site selection counseling, and other assistance that the Real Estate Project Manager considers necessary and appropriate, which may include, in the Real Estate Project Manager's sole discretion, on-site evaluations. If you enter into a Development Agreement with us, the Real Estate Project Management Fee for the first Site in your Development Schedule will be $10,000 and the Real Estate Project Management Fee for each additional Site in your Development Schedule will be $7,500, which must be paid to our designated supplier at the time you execute a Franchise Agreement for each additional Site in your Development Schedule~~**Site Development Fee.** The Site Development Fee covers the real estate and construction advisory and project management support provided through our franchise system, including assistance with market analysis and site selection, coordination of competitive bidding processes, general contractor selection, vendor coordination and equipment orders, and brokerage services provided by our designated supplier, as described in Item 11.

We will designate a Real Estate & ~~**NOTE 14. Construction Project Management Fee.** This estimate includes fees paid to the~~ Construction Project Manager to provide ~~construction~~ these services as part of our franchise system. You are required to use the designated Real Estate & Construction Project Manager. The Real Estate & Construction Project Manager provides advisory, coordination, and project management services~~, including management of competitive bidding processes, management and oversight of your general contractor,~~ only and ~~management of vendors and orders. This estimate also includes any travel~~ does not guarantee the identification, acquisition, approval, or suitability of any site; lease or purchase terms; construction costs ~~related to your Project Manager visiting your site for surveying or supervision over local contractors and~~; construction ~~suppliers during any stage of the design and construction process~~schedules; or the performance of landlords, contractors, brokers, architects, engineers, or other third parties.

The Site Development Fee is $17,500 per Site and is payable at the time you execute a Franchise Agreement for each Site.

~~NOTE 15.~~**NOTE 14. Additional Operating Funds.** Franchise disclosure laws require us to include an estimate of all costs and expenses to operate the Franchise Business during the "initial phase" of your business, which is defined as the period of three months following the opening of the Franchised Business, or a longer period if reasonable. We are not aware of any established longer reasonable period for the food service business so our disclosures cover the period through the end of 3 months after opening your Project LeanNation Franchise Business.

The additional funds that we estimate you will need may vary considerably among our Franchisees based on a variety of factors, including the number of employees you choose to hire and the salaries and other benefits you choose to pay (excluding any salary paid to you), the extent that you will be actively involved in your business operations, other miscellaneous expenses and working capital. These figures are estimates based on our past business experience of three months of fixed operating expenses that franchisees have

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incurred such as rent, utilities, insurance, etc. We cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors such as how closely you follow our methods and procedures, your management skill, experience, business knowledge, business acumen, credit rating, local competition, local economic conditions including rent, the local market for our product, prevailing wage rate, and the actual sales levels that you reach during the initial three month period. All of these expenses are paid to third parties.

The additional funds category is not the only source of cash, but is in addition to the cash flow from operations. You should allow for all of these fees and expenses when you make your own calculations of the additional funds that you will need as working capital.

The additional funds category does not include any allowance for payments made to a bank or financing company on any loan that you may obtain to finance the cost of purchasing the Franchise or other developmental related costs. As we disclose in Item 10, we do not offer direct or indirect financing for initial investment expenses.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To ensure a uniform image and uniform quality of products and services throughout the Project LeanNation System, you must purchase all products, supplies, services, equipment, furnishings, merchandise, employee uniforms, goods, fixtures, inventory, food and beverage products, packaging, and other items used, sold, displayed, or distributed in your stores or events or used in your Franchised Business in compliance with our standards and specifications contained in the Operations Manual or otherwise communicated to you by us in writing. We estimate that over 90% of your total purchases and leases (in relation to all purchases and leases to be made by the franchisee) for both (a) establishing the business and (b) operating the business, shall be required to be made from an approved supplier. Currently our approved suppliers are as follows: Lean Life Manufacturing, Inc., Nuts.com, 1st Phorm, Europa Sports, US Foods, Love Grace Foods, BPI Supplements, RISE Services, JL Marketing, and Palmers. A current list of all approved suppliers is available in Storefront, our trusted customer relationship management software. Tim Dougherty the President and Sole Shareholder of Project Lean Nation Franchising, Inc.. also owns an interest in Lean Life Manufacturing, Inc. You must also adhere to our standards and specifications for the construction and design of the Location, including the hiring of an approved Real Estate ~~Project Manager and an approved~~& Construction Project Manager.

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Uniformity among the Project LeanNation Franchises ensures consistency in the quality of the products and services that you provide to customers and strengthens customer confidence in the Project LeanNation system, name, and brand. We explain all of these specifications in the Operations Manual(s). We may, at any time, change, delete, add to, modify, or revise any of our standards and specifications, at our discretion, as frequently as we believe necessary through written supplements to the operations manual. These changes, deletions, additions, or modifications, which will be uniform for all Franchisees, may require additional expenditures by you. The Operations Manual or other guidelines issued by us also contain specifications for insurance, fixtures, furnishings, equipment, and supplies and exterior and interior signs. In some cases, we specify the items that you must use, sell or obtain by brand name or model number.

We will notify you of the names of recommended suppliers through supplements to the Operations Manual(s) or otherwise in writing. We or an affiliated company may be the only recommended vendor for Supplies including our turnkey services and opening inventory and supplies. Franchisor and/or an affiliate may profit from your purchase of Supplies from either us or a supplier to you by:

(i) Selling these items to you at a markup over our or an affiliate's cost of acquiring these items;
(ii) Receiving rebates, commissions, marketing allowances or other payments from suppliers that supply us and/or you.

Request for Supplier Approval. If you wish to purchase any item from a supplier (manufacturer or distributor) we have not previously approved or an item that does not comply with our standards and specifications, you must first submit a written request for approval. We will establish a procedure for submitting such requests. We will require the proposed supplier to provide us with certain financial and operational information and other information regarding the supplier and the items to be approved. In addition, the proposed supplier must permit our representatives to inspect their facilities (i.e. business offices and/or manufacturing facilities, as applicable). Before we approve a supplier, we will evaluate the economic terms of a possible relationship and ensure that the proposed supplier meets our requirements. We reserve the right, at our option, and at the proposed supplier's expense, to inspect or re-inspect the facilities, and materials of any supplier, at any time.

The proposed supplier or you must pay, in advance, a fee not to exceed the reasonable cost of evaluation, testing, and inspections we undertake. We will, within thirty (30) business days after we receive the completed request and after we complete any evaluation and inspection or testing, notify you in writing of our approval or disapproval of the proposed supplier or item. You must not offer for sale or sell any of the proposed supplier's products or any other product that does not meet our standards or specifications until you receive our written approval of the proposed supplier or item. Our failure to send you written notice by the end of the supplier evaluation signifies that we disapprove the proposed item and or supplier.

We may revoke our approval of particular goods or services, or of the supplier that supplies them, if we determine, in our sole discretion, that they no longer meet our standards or specifications. If you receive a written notice of revocation from us, you must stop selling disapproved products after depletion of your current inventory and/or stop purchasing from the disapproved supplier. Any changes or additions to purchasing standards or procedures are made in writing through supplements to the Operations Manual(s) or other written guidelines. We may modify our specifications, recommended suppliers and purchasing procedures at our discretion and you must promptly conform to all changes at your sole expense. We may terminate your Franchise if you purchase or use unapproved products, or purchase approved Supplies, inventory and/or services from unapproved suppliers.

We may, but are not required to, negotiate purchase arrangements with suppliers (including price terms) for your benefit. Currently, no designated suppliers make any payments to us from any franchisee purchases.

During the fiscal year ~~2024~~2025, we received $ ~~1,544,031.00~~2,117,086 in total revenue. We received $~~0~~ 35,300.00 in revenue from Franchisee purchases from designated or approved suppliers, which is ~~0~~1.67% of our total revenue in ~~2024~~2025. Our affiliate Lean Life Manufacturing, Inc. derived $ ~~7,236,131.85~~8,234,888 in revenue from franchisee required purchases in ~~2024~~2025. Except as otherwise disclosed in this Item 8 you do not receive any material benefits for using designated, approved or recommended suppliers. There are no purchasing cooperatives although we reserve the right to establish one or more purchasing cooperatives in the future.

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 other items in this Disclosure Document.

OBLIGATION	ARTICLE IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
a. Site selection and acquisition/lease	Sections 5.1-5.2 Schedule 2	Items 8 & 11
b. Pre-opening purchases/leases	Sections 5.3-5.~~5~~7, 8.3, 9.3 Schedule 2	Items 8 & 11
c. Site development and other pre opening requirements	Section 5.3 & 5.4	Items 8 & 11
d. Initial and ongoing training	Sections 7.2, 9.4-9.6	Items 8 & 11
e. Opening	Sections 5.~~6~~7	Item 11
f. Fees	Sections 6.1-6.~~5~~7	Items 5 & 6
g. Compliance with standards and policies/Operating Manuals	Sections 11.1-11.4, 16.1-16.2	Item 8
h. Trademarks and proprietary information	Sections 1.2, 10.1-10.4	Item 13
i. Restrictions on products/services offered	Section 8.2	Item 8
j. ~~Client service requirements~~Standards of Service and Reputation	Sections 8.4-8.5	Item 8
k. ~~Territorial development~~ Territory and Development Agreement	~~Section 8.11~~ Schedule 5 & Schedule 6 to the Franchise Agreement	Item 12
l. Ongoing product/service purchases	Section 8.2	Item 8
m. Maintenance, appearance and remodeling requirements	Sections 8.1, 8.6, 9.20	Item 8
n. Insurance	Sections 14.1-14.4	Items 7 & 8
o. ~~Advertising~~Advertising (Franchisor is not required to spend any amount on advertising within the area or territory where the franchisee is located)	Sections 9.11, 9.14, 13.1-13.8	Items 8 &11
p. Indemnification	Section 19.2	Item 14
q. Owner's participation/ management/staffing	Sections 8.8-8.9	Item 15
r. Records/reports	Sections 12.1-12.7	Item 11
s. Inspections/audits	Sections 7.4, 9.12, 12.7	Item 16
t. Transfer	Sections 9.19, 15.1-15.9	Item 17
u. Renewal	Section 4.2	Item 17
v. Post-termination obligations	Section 18.1	Item 17
w. Non-competition covenants	Section 9.17 Schedule 4	Items 14 & 17
x. Dispute resolution	Section 19.14	Item 17
y. Personal Guaranty	Sections 20.1-20.7 Schedule 3	Items 15 & 17
z. Confidential Information	Section 9.16 Schedule 4	Items 14 & 17

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ITEM 10. FINANCING

We do not offer direct or indirect financing. ~~We do not guarantee any of your notes, leases or other obligations. We are unable to estimate whether you will be able to obtain financing for any or all of your investment or the terms of any financing. We reserve the right to offer financing or assist Franchisees in obtaining financing in the future.~~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 ~~under the Franchise Agreement, or any other agreement.~~. All citations of Article numbers under this Item 11 are references to the Franchise Agreement unless otherwise noted.

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Before you open your Franchised Business:

1. We will license you the Marks necessary to commence your Franchised Business (See Franchise Agreement, Article 3.1.)

2. We do not choose the site, but may give you support and guidance and must approve the Location. (See Franchise Agreement, Article 5.1)

3. We will provide you with written specifications for certain of the goods and services you must purchase to establish your Franchised Business, as well as a written list of approved, designated and/or recommended suppliers for purposes of acquiring these goods and services (Franchise Agreement, Article 8.2). See Item 8 of this Disclosure Document for additional information regarding your purchase of these goods and services.

4. We may provide you with a set of specifications for a prototype Project LeanNation location (to be modified to fit your Location), together with standard décor and interior layout and mandatory equipment lists. We must approve the site and construction plans and specifications. (See Franchise Agreement, Article 5.~~3~~4)

5. We may provide you with a list of approved designers or architects from whom you must obtain the architectural design layout for the Location at your expense. (See Franchise Agreement, Article 5.~~3~~4)

6. We will provide you with general advice regarding construction matters in response to your specific questions during the build-out of your Project LeanNation Location. (See Franchise Agreement, Article 5.~~3~~4)

7. We will loan you one (1) copy of the Operations Manual(s~~)~~), which consists of 125 pages, for the duration of the term of your Franchise Agreement (Franchise Agreement, Article 7.1). The Operations Manual will contain, among other things, mandatory and suggested specifications, standards, and procedures pertaining to the goods and services you will provide in connection with your Franchised Business (Franchise Agreement, Article 11.1). The Operations Manual(s) are confidential and remains our property and you must return it

5. We will maintain the Project LeanNation website www.projectleannation.com. (See Franchise Agreement, Article 9.14)

6. Also, we may conduct an annual convention of our Franchisees to address subjects relevant to the Franchise System, which may, but not necessarily will, include; proprietary products, customer relations, personnel administration, advertising programs, inventory control practices, and cash control systems. If held, we may use the annual convention to offer continuing or advanced level training instruction. If we conduct an annual convention, we will determine its length and place and the persons who should attend in addition to you. If we conduct an annual convention, we currently expect to hold it at or near our headquarters in Rochester, New York, although we may choose to hold it elsewhere. We will charge you a registration fee to attend the annual meeting, and you must pay the travel expenses (transportation, hotel, meals, etc.) unless these expenses are part of a package deal that we are able to put together. You will also be responsible for salary for yourself and your staff who attend the meeting with you. (See Franchise Agreement, Article 9.6)

7. In addition to our initial training program that we periodically repeat, we will occasionally offer advanced and refresher training at our headquarters or another location designated by us. For these additional training programs, we charge a reasonable per-person training fee. We may increase or decrease our training fees at any time. (See Franchise Agreement, Article 9.5)

8. We will review your requests to use or sell non-proprietary goods and/or services not already approved as long as the request procedure is followed. (See Franchise Agreement, Article 8.2)

9. We or our designee will periodically visit your Franchised Business to inspect your operations, observe and interview your employees and review your books and records (including data stored on your computer systems) in order to verify your compliance with the Franchise Agreement and Operations Manual. (See Franchise Agreement, Article 9.13)

10. We will administer and supervise various customer loyalty, gift certificate, and other customer maintenance programs. (See Franchise Agreement, Article 8.4(n))

Franchisor does not deliver or install any equipment, signs, fixtures, opening inventory or supplies.

Computer hardware and software. You will be required to purchase and install a computerized cash collection and data processing system with a caster or printer required point-of-sale software and internet access through a reputable internet service provider. ~~The backbone of our system will be~~We estate the cost of such equipment and software will be $2,000 -$3,000. The cost of licensing PLN Storefront and Square POS is included in the monthly Technology Fee. The backbone of our system will be the computer network with your computer needs being as follows:

1. 1 -2 laptops with high speed internet access
2. All-in-one printer/scanner/copier/fax machine
3. Square POS system

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4. Apple iPad
5. Square POS System Printer
6. Receipt Printer
7. Cash Drawer

The maintenance, repair or upgrade requirements or the annual cost to you of any optional or required maintenance, support, upgrades or updates, hardware, computer network maintenance and other software upgrades are your responsibility and must be done in a timely manner.

We will publish the specifications (including the necessary components) into our Operations Manual(s). You will be expected to purchase and install the system as specified. We envision that we or a designated service provider will provide technical support for the system and we reserve the right to charge a fee for this support. You will be required to use the system, among other things, to post all product and service sales, keep inventory control, post sales tax, refunds, and credits, and maintain customer information. You will be required to maintain the system in good working order at all times, and to upgrade or update the system during the term of the Franchise Agreement as we may reasonably require in order to meet then current standards and specifications. There are no limitations on the frequency and cost of this obligation. If we require the system to be accessible by us via modem or otherwise, we will have the right at any time to poll your system to retrieve and compile information concerning your Franchised Business. In other words, we will have independent access to your sales information and data produced by your system.

Real Estate & Construction Project Management Services. We will designate a Real Estate & Construction Project Manager that you must contract with to manage and lead real estate brokerage services, and construction project management services, such as market analysis and site selection counseling, architectural, engineering, and design services, and other assistance that the Real Estate & Construction Project Manager considers necessary and appropriate, which may include, in the Real Estate & Construction Project Manager's sole discretion, on-site evaluations. The Real Estate & Construction Project Manager may engage third-partyparties to work on your behalf, including but not limited to, real estate brokers to work on your behalf to identify sites for your location in the geographic area of interest., designers, architects, and engineers to adapt our standard plans and specifications for the exterior and interior design and layout, fixtures, furnishings, signs, Trade Dress, and equipment for the Location. We will review the plans developed by the Real Estate & Construction Project Manager, which we must approve prior to their submission to permitting. We do not intend to own and lease sites to you. You may not engage other real estate brokers, project managers, architects, engineers, or designers without our written approval. If you identify a site in the geographic area of interest on your own that is reasonably suited for the conduct of the location and is consistent with any site selection guidelines that we may provide, before entering into any lease or purchase agreement for the site, you must submit a site proposal package describing details about the proposed site and provide any other information that we reasonably require. We will make available to the Real Estate & Construction Project Manager a set of prototype plans and specifications (not for construction) for the Location and for the exterior and interior design and layout.

Site Selection. We will review each site that the Real Estate Project Manager, broker or you identify and determine whether to accept it using our proprietary site selection assistance criteria, which may include evaluations of the proposed site by third-party site selection assistance software. We will conduct such on-site evaluation as we consider necessary and appropriate as part of our evaluation. We are not required to complete our review within a certain period of time. In addition to certain demographic characteristics, we

also consider the following factors in accepting a Location: site visibility, zoning, parking, competition, neighboring tenants, accessibility, population density, and adjusted gross income.

While we will provide assistance and guidance, it is solely your responsibility to select a suitable site for the Location. ~~**OUR ACCEPTANCE OF A PROPOSED SITE IS NOT A WARRANTY OR REPRESENTATION OF ANY KIND AS TO THE POTENTIAL SUCCESS OR PROFITABILITY OF YOUR LOCATION.**~~

You must secure a site that we have accepted by signing a site lease or purchase agreement within 90 days after the effective date of your Franchise Agreement (the "Site Acquisition Deadline"). We may extend this Site Acquisition Deadline by up to 90 days in our sole discretion, and we may require you to execute a general release as a condition of us agreeing to grant such extension. If we have accepted a site for your Location and you are unable or unwilling to acquire such site or an alternative site that we accept by the Site Acquisition Deadline or you are unable to identify a site for your Location that we accept by the Site Acquisition Deadline, we may terminate the Franchise Agreement.

Approval of Site Lease or Purchase Agreement. Before you make a binding commitment to purchase, lease, or sublease a site, we must approve in writing the proposed lease or purchase agreement or any letter of intent between you and the third-party seller or lessor. If you lease the site, unless we waive the requirement in writing, you must arrange for the execution of the Lease Rider in the form that is attached as Schedule 2 to the Franchise Agreement in Exhibit C of this Disclosure Document. If you lease the premises, you along with the landlord, will also be required to enter into a lease addendum and sign a Power of Attorney for the Lease in the form attached as Schedule "2" to the Franchise Agreement, which includes, among other things, a provision that permits you to assign your interest in the site to us when your Franchise Agreement expires or terminates. We strongly encourage you to engage an attorney to review your lease or purchase agreement for the site that we have accepted and to supply us with reasonable documentation in connection with such review, including a lease abstract and confirmation that the terms in the agreement reflect the terms in any letter of intent between you and the third party seller or lessor. We will not provide you with any legal advice with respect to your lease or purchase of the site. Our review of the lease is for our benefit and is not intended to supplement or replace any review by a real estate attorney engaged on your behalf. You are strongly encouraged to engage competent legal counsel to assist in the review and negotiation of your site lease.

~~**Construction Project Management Services.** We will designate a Construction Project Manager that you must contract with to provide construction project management services, including architectural, engineering, and design services. We will make available to the Construction Project Manager a set of prototype plans and specifications (not for construction) for the Location and for the exterior and interior design and layout. The Construction Project Manager will engage designers, architects, and engineers to adapt for the site our standard plans and specifications for the exterior and interior design and layout, fixtures, furnishings, signs, Trade Dress, and equipment for the Location. We will review the plans developed by the Construction Project Manager, which we must approve prior to their submission to permitting. You may not engage any project managers, architects, engineers, or designers other than the Construction Project Manager and those selected by the Construction Project Manager without our prior written consent.~~

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Start-up time. We expect that you will open your Franchised Business within six to nine months after you sign the Franchise Agreement. The factors that affect this timing are financing, building permits, construction and remodeling, zoning, local ordinance issues, and the delayed installation of equipment, fixtures, and signs. If you do not commence operation of the Franchised Business within nine months after

the effective date of the Franchise Agreement we may either (i) terminate the Franchise Agreement; or (ii) if it is through no fault of Franchisee, that the Location has not opened within the nine (9) month period, Franchisor may agree in writing to provide Franchisee with an additional three (3) months to open its Location if Franchisee (a) has already secured an approved premises for its Location, and (b) is otherwise making diligent and continuous efforts to buildout and otherwise prepare its Location for opening throughout the nine (9) month period following the Effective Date. Franchisor reserves the right to charge Franchisee a fee of $2,500 as a condition to granting any extension under this Section

Conventions and Meetings. Although we are not obligated under the Franchise Agreement, we may hold periodic conferences, management meetings, or refresher courses to discuss sales techniques, personal training, bookkeeping, accounting, inventory control, and the like. These conventions will be held at our Rochester, New York headquarters location or such other place we may designate. We may charge you a fee to attend these conventions or meetings. You will be required to pay your own travel and accommodation expenses. (See Franchise Agreement, Article 9.6)

Electronic Fund Transfer. We may require you to pay all fees under the Franchise Agreement by automatic bank draft or other reasonable means necessary to ensure we receive payment of the fees. You will be required to comply with any of our payment instructions, including executing any forms that grant us the right to debit your account on a monthly basis for payment of royalty and advertising fees and other fees to be paid to us under the Franchise Agreement. (See Franchise Agreement, Article 6.~~5~~7)

Training Program

Prior to the opening of your Project LeanNation business to the public, you are required to successfully complete an Initial Training Program. It will be of such duration and at such time and place and with whatever curriculum and such manner of instruction as we designate. Currently the initial training is to be at least five days. It is understood that, if we are requested to train additional employees after the Initial Training Program, the Franchisee may be required to pay reasonable compensation for any services performed by the Franchisor in the course of such training. Compensation for these additional services will be determined by the Franchisor in its sole discretion. It is understood that the Franchisor will pay no compensation for services performed by the Franchisee and any trainees in the course of training. The Franchisee will pay all expenses incurred by the Franchisee and its Trainees in connection with and during such training including but not limited to transportation and lodging.

In addition to any other training provided for in this Agreement, we will, from time to time, furnish you with information, instructions, techniques, data, instructional materials, forms and other products and services related thereto, that may be developed in connection with the operation of a Project LeanNation Franchise. We reserve the right to incorporate such information, techniques, instructions, systems, materials, and advice into our Manual(s), and upon your being advised, you are required to conduct the operations of the Franchised Business in accordance with such systems and techniques specified by the Franchisor.

After the Franchisee has opened the Franchised Business to the public, and at a time to be determined by us at our sole discretion, we will visit your Franchised Business for rendering advice, consultation, and additional training with respect to the Franchised Business, its operation and performance in compliance with the Manual(s). You may reasonably request additional on-site visits from us for the purposes of rendering of additional advice, consultation or training and you agree to reimburse us for the actual time expended and the actual expenses incurred by us for these additional visits.

Below is a description of our Initial Training Program as of the date of this Disclosure Document. Training programs are subject to change. Our procedures and processes may change as well. We will train the Franchisee and up to two individuals having responsibility for the day-to-day operations of the Franchised Business. Initial training consists of 2 portions; the first portion is approximately ~~two days~~37.5 hours and includes both online training and onsite training will occur at our facility in Rochester, New York or at another facility that we will designate. The second portion is approximately 3 days and will occur as on-site training conducted at the franchisee's location. See item seven of this Franchise Disclosure Document for discussion of costs and expenses associated with the initial training program. (See Franchise Agreement, Article 9.4)

Initial Training Program

Courses	Instructional Materials	Hours	Instructor
~~Franchisee Onboard~~Built to Lead – Culture, Coaching, and Consistency at Scale	~~Learning Management System~~PLN Academy (Online)	~~1~~6	~~LMS~~PLN Academy & Our ~~Staff's~~Staff's Support
~~Brand Definition~~The PLN Standard – Where Culture, Systems, and Mission Align	~~Learning Management System~~PLN Academy (Online)	~~1~~6	~~LMS~~PLN Academy & Our ~~Staff's~~Staff's Support
~~Leadership Training~~ Financial Foundations – Lead the Numbers Before They Lead You	~~Learning Management System~~PLN Academy (Online)	~~4~~1	~~LMS~~PLN Academy & Our Staff's Support
~~Production Onboard~~Founding Member Formula – Train Team to Engage, Connect and Convert	~~Learning Management System~~PLN Academy (Online)	1.5	~~LMS~~PLN Academy & Our ~~Staff's~~Staff's Support
~~Communications Strategy~~Grand Opening Blueprint – From Momentum to Mastery	~~Learning Management System~~PLN Academy (Online)	~~1~~0.5	~~LMS~~PLN Academy & Our ~~Staff's~~Staff's Support
~~Community Activation Process~~Into to PLN – Mission, Mindset, and Daily Leadership	~~Learning Management System~~PLN Academy (Online)	~~1~~0.5	~~LMS~~PLN Academy & Our ~~Staff's~~Staff's Support
~~Community Partner Blueprint~~Launch Ready – On-site Training for Culture and Execution	~~Learning Management System~~PLN Academy (Online)	~~1~~0.5	~~LMS~~PLN Academy & Our ~~Staff's~~Staff's Support
~~Community Re-Activation~~Mastering Production Partnership – Forecast, Order, Receive, and Grow with Confidence	~~Learning Management System~~PLN Academy (Online)	1	~~LMS~~PLN Academy & Our ~~Staff's~~Staff's Support
~~PLN Storefront~~Mission Ready – HQ Training for Operational Leadership	~~Learning Management System~~PLN Academy (Online)	1	~~LMS~~PLN Academy & Our ~~Staff's~~Staff's Support
~~Team Development~~Operational Clarity – Define Your Leadership Model Before You Open	~~Learning Management System~~PLN Academy (Online)	1	~~LMS~~PLN Academy & Our ~~Staff's~~Staff's Support
~~Staff Onboard Strategy~~PLN Operating System – Powered by	~~Learning Management System~~PLN Academy (Online)	~~1~~0.5	~~LMS~~PLN Academy & Our ~~Staff's~~Staff's

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Traction			Support
~~Nutritional Foundations~~Performance Ready – Leading Beyond Opening Day	~~Learning Management System~~PLN Academy (Online)	~~1~~0.5	~~LMS~~PLN Academy & Our ~~Staff's~~Staff's Support
~~Supplement Education~~Pre-Sale Playbook – Equip Teams to Activate, Follow Up, and Fill the Roster	~~Learning Management System~~PLN Academy (Online)	1.5	~~LMS~~PLN Academy & Our ~~Staff's~~Staff's Support
~~PLN Client App Tutorials~~Soft-Open Blueprint – Engage, Convert, Pressure-Test Before Launch	~~Learning Management System~~PLN Academy (Online)	1	~~LMS~~PLN Academy & Our ~~Staff's~~Staff's Support
~~Consultation Strategy~~The On-Ramp – Your First Move Toward Launch	~~Learning Management System~~PLN Academy (Online)	1	~~LMS~~PLN Academy & Our ~~Staff's~~Staff's Support
~~On Site~~Mission Ready – HQ Training ~~Process~~On Site	~~Operations Manual~~Headquarters (Onsite)	~~12~~16	~~Unit Operations/ Trainer~~Training Staff
~~Daily Method Of Operation~~	~~Learning Management System~~	~~1~~	~~LMS & Our Staff's Support~~
~~First Fulfillment Strategy~~	~~Learning Management System~~	~~1~~	~~LMS & Our Staff's Support~~
~~Grand Opening Process~~	~~Learning Management System~~	~~1~~	~~LMS & Our Staff's Support~~
~~Menu Transition Strategy~~	~~Learning Management System~~	~~1~~	~~LMS & Our Staff's Support~~
~~Cybersecurity Awareness~~	~~Learning Management System~~	~~1~~	~~LMS & Our Staff's Support~~

Leslie Dougherty, who is disclosed in Item 2 of this Disclosure Document, oversees the entire franchise training program and will serve as your primary training representative.

The training materials will consist of the Manual. You will not be charged an additional fee for any of the training materials. The Initial Trainees must complete the initial training program before your Location and Franchised Business is opened for business (Franchise Agreement, Article 9.4). Your Location must be opened for business within nine months after signing the Franchise Agreement. If you fail to open your business and complete the initial training program within this period of time, we have the right to terminate your Franchise Agreement (Franchise Agreement, Article 5.~~6~~7).

The training programs will be conducted within 30 days of your targeted store opening date.

We provide initial training at no charge for the Franchisee, and up to 2 individuals, but you must arrange and pay for all food, lodging, and salary expenses for your people attending the Initial Training Program. Costs vary depending the distance traveled and the type of lodging.

We intend to periodically offer advanced and refresher training programs and may require personnel that we designate to attend specific training programs. As the need develops, we may offer special training if we introduce new or proprietary goods and services, or programs, or to address particular aspects of the Project LeanNation System. We may require that you and other personnel that we designate attend specific additional training programs. See Item 6 regarding training fees for additional training classes.

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Required Training for Failure to maintain the Minimum Gross Sales Quota. If Franchise fails to meet the Minimum Monthly Gross Sales Quota as set forth in Section 8.11 of the Franchise Agreement, then we may require you to undertake at your sole expense, an additional mandatory corrective training program.

Advertising and Promotion Fund. We will provide advertising materials and services to you through an advertising fund we have established and control (the "Fund"). You are required to participate in the Fund by contributing at least two percent (2%) of the Locations gross sales per month to the Fund. Your contribution will be determined using the previous months' Gross Sales. For example, if Franchisee's Gross Sales were $20,000 for the previous month, and the advertising fund contribution was 2%, then its monthly advertising contribution for the next month would be $400 ($20,000 x 0.02 = $400.00 for the month). The fee may be increased with the agreement of the majority of the Franchisees. All payments by you to the Fund will be maintained in an account separate from any other monies of the Franchisor. There is no fiduciary or trust relationship created by our administering the Fund. We may defer or reduce a Franchisee's contribution. Affiliate owned franchise locations are required to participate in the advertising fund at the same rate as other franchisees. Although the Fund is intended to be of perpetual duration, the Franchisor reserves the right to terminate or change the Fund. The Fund will not be terminated, however, until all monies in the Fund have been spent for advertising and/or promotional purposes.

We will use the proceeds of the Fund for the creation of local franchise advertising, and local public relations, promotion campaigns, advertising media purchases, and promotions in order to foster and promote goodwill, public recognition, and loyalty to the System and to the Franchised Business. It is understood and agreed that we will allocate advertising funds as we consider appropriate~~.~~, there is no advertising council composed of franchisees. Any advertising program or campaign we develop may include dissemination of advertising through print, radio, television, point-of-purchase materials, or other media. This coverage may be local in scope. We may employ an advertising agency or other agency to assist in the development, production, and dissemination of advertising materials, or we may hire personnel to perform these functions. We undertake no obligation in administering the Fund to ensure that you will benefit directly or pro rata from the Fund and the advertising and marketing derived from it. (See Franchise Agreement, Article 13.4).

No part of the Fund will be used by us to defray any of our general operating expenses. We may charge all costs of the formulation, development, and placement of advertising and promotional materials to the Fund. These costs will include the proportionate share of our employees who devote time and render services for advertising and promotion or the administration of the Fund and its programs. In any fiscal year, we may spend more or less than the aggregate of contributions to the advertising Fund in that year. The Advertising fund may borrow from third party lenders to cover deficits, and any lenders will receive interest on the borrowed funds. Any amounts that remain in the Fund at the end of the fiscal year will be applied toward the next year's expenses. We assume no liability or obligations to you or any Franchisee for collecting amounts due to the Fund or to administering or maintaining the Fund. If we prepare financial statements for the Fund, we will make them available to you. We will not use funds from the Fund for advertising that is principally a solicitation for the sale of Franchises. (See Franchise Agreement, Article 13.4)

~~Although the Fund is intended to be of perpetual duration, the Franchisor reserves the right to terminate or change the Fund participation amount. The Fund will not be terminated, however, until all monies in the Fund have been spent for advertising and/or promotional purposes or returned to the contributors in proportion to their respective contributions during a pre-determined period.~~

We can establish a cooperative in your marketing area and require you to participate. As of the date of this circular, there are currently no advertising cooperatives.

You must participate in any promotional and advertising programs that we establish.

No advertising or promotion may be conducted by you over the internet, without our express prior written consent, which we can withhold for any or no reason. (See Franchise Agreement, Article 13.2)

We will direct and have complete control and discretion over all advertising programs, including the creative concepts, materials, endorsements and media used for the programs, and the placement and allocation of the programs (Franchise Agreement, Articles 9.11 and 13.2). All such advertising programs and materials developed by the Advertising Fund remain our sole property. We assume no direct or indirect liability or obligation to you with respect to the maintenance, direction or administration of the Advertising Fund. An unaudited financial statement of the operations of the Advertising Fund will be prepared periodically and made available to you upon request (Franchise Agreement, Article 13.4). We will also prepare on a periodic basis a statement of the then current number of franchisees and Franchisees in the system and a statement of your share of the costs and expenses of the Advertising Fund. You may obtain a copy of this information at any time by sending us a written request. The amounts spent in connection with administering the Advertising Fund for the fiscal year ~~2024~~2025 are described below.

Advertising Fund - Use of Funds		
Use	**Amount**	**Percentage**
Production	$~~25,698~~55,426.11	~~9.08~~17.01%
Media Placement	$~~151,584~~175,835.01	53.~~53~~97%
Administrative Expenses	$~~52936~~56,696.13	~~18.69~~17.40%
Other (Tradeshow; Public Relations; Technology)	$~~52944~~37,870.22	~~18.70~~11.62%
Total	**$~~283,161~~325,827.47**	**100%**

Operations Manual(s). Exhibit D to this Disclosure Document is a table of contents of our operations manual.

Opening Requirements

You may not begin operating your Franchised Business until the Initial Trainees have completed the initial training program, you have located and secured at least one open Location and you have complied with your other pre-opening obligations (Franchise Agreement, Articles 7.2 & 5.1). We anticipate that a typical Project LeanNation Franchisee will open his or her office within 9 months after execution of the Franchise Agreement. Some of the factors that may affect this time are identification of a suitable location, financing, the extent to which an existing location must be upgraded or remodeled, whether you are converting an existing business or starting a new business, delayed installation of equipment and fixtures, completion of training, obtaining insurance, and complying with local laws and regulations. Unless we agree to the contrary, your Franchised Business must be opened within 9 months after you sign the Franchise Agreement (Franchise Agreement, Article 5.~~6~~7). Your failure to open within the 9 month period constitutes an event of default under your Franchise Agreement (Franchise Agreement, Article 5.~~6~~7).

ITEM 12. TERRITORY

You will operate your Franchised Business at the Location. Once you have identified your Location and we accept the proposed site, we will designate the Designated Territory around the Location within which you will have certain protected rights. Your Designated Territory shall be exclusive and we will not

operate, or grant a license to a third-party to operate, during the term of your Franchise Agreement, a Location located within the Designated Territory, subject to our reservation of rights below.

Designated Territory

Your Designated Territory will typically contain a maximum of 50,000 people which will be approximately a two-mile radius around your Location, unless your Location is located in a major metropolitan downtown area or similarly situated/populated central business district (a "Central Business District"). If your Location is located in a Central Business District, your Designated Territory will typically contain up to 50,000 people but may be limited to a geographic area comprised of anywhere from a radius of two blocks to two miles around your Location, as we deem appropriate in our discretion. The size of your Designated Territory may vary from the territory granted to other franchisees based on the location and demographics surrounding your Location.

The boundaries of your Designated Territory may be described in terms of zip codes, streets, landmarks (both natural and man-made) or county lines, or otherwise delineated on a map. If we determine, in our discretion, to base your Designated Territory on population, then the sources we use to determine the population within your Designated Territory will be supplied by (a) the territory mapping software we determine to license or otherwise use, or (b) publicly available population information (such as data published by the U.S. Census Bureau or other governmental agencies and commercial sources).

As long as you are in compliance with your Franchise Agreement, including but not limited to the Minimum Gross Sales Quota as set forth in Section 8.11, your Designated Territory will be exclusive and neither we or any Affiliate will ~~not~~solicit orders from within your Designated Territory during the term of your Franchise Agreement, or operate, or grant a license to a third-party to operate~~, during the term of your Franchise Agreement,~~ a Location located within the Designated Territory, subject to our reservation of rights below. If you fail to meet the requirements of Section 8.11, or fail to comply with any other term of the Franchise Agreement, at Franchisor's discretion you may forfeit the exclusivity of your Designated Territory, or Franchisor may terminate your Franchise Agreement.

Except as expressly provided in the Franchise Agreement, you have no right to exclude, control or impose conditions on the location, operation or otherwise of present or future franchised business locations, using any of the other brands or Marks that we now, or in the future, may offer, and we may operate or license franchised business locations or distribution channels of any type, licensed, franchised or company-owned, regardless of their location or proximity to your Designated Territory and whether or not they provide services similar to those that you offer. You do not have any rights with respect to other and/or related businesses, products and/or services, in which we may be involved, now or in the future. Your Designated Territory will not be modified by us for any reason so long as you are not in default of your Franchise Agreement, except in cases where (a) your requested relocation of your Location is approved and you relocate, and/or (b) at the time of any requested renewal or proposed assignment of the Franchise, the population of the Designated Territory.

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Except for the right of first refusal pursuant to Section 3.4(ii) of the Franchise Agreement to open a franchised business location within an Institution, and except for any rights you may have to open additional franchised business locations under an Area Development Agreement if applicable, you have no other rights of first refusal or options to open additional franchised locations.

Relocation

We will approve the relocation of your franchised business if your lease for the franchised business location is terminated without fault on your part, or if the franchised business location is destroyed, condemned or otherwise rendered unusable, or if the franchised business location is expropriated or you otherwise lose possession of the franchised business location without fault on your part, or, if in our judgment, there is a change in the character or attributes of the franchised business location sufficiently detrimental to warrant its relocation, you will be entitled to relocate the franchised business to another location within the Designated Territory acceptable to us, provided that:

a. we have first given written consent to such relocation and to the new location;
b. you will develop the new location in the manner described in the Franchise Agreement or otherwise agreed, solely at your cost;
c. you are not in default of the terms of the Franchise Agreement or any other agreement between us and you;
d. you pay to us our full costs (including legal fees) of such relocation;
e. the new location would not materially negatively impact the revenues of any adjoining Project LeanNation location; and
f. you have obtained a release from the landlord of the former location and such other persons as it may reasonably require.

Rights Within and Outside the Designated Territory

While you and other locations will be able to provide the Approved Services to any potential client that visits or otherwise reaches out to your Location, you will not be permitted to actively solicit or recruit clients outside your Designated Territory, unless we provide our prior written consent.

You will not be permitted to advertise and promote your Location via advertising that is directed at those outside your Designated Territory without our prior written consent, including through channels of distribution such as the internet, catalog sales, telemarketing, or other forms of direct marketing, which we will not unreasonably withhold provided (a) the area you wish to advertise in is contiguous to your Designated Territory, and (b) that area has not been granted to any third party in connection with a Location (or Development Agreement) of any kind.

We may choose, in our sole discretion, to evaluate your Location for compliance with the System Standards using various methods (including, but not limited to, inspections, field service visits, surveillance camera monitoring, member comments/surveys, and secret shopper reports). You must meet minimum standards for cleanliness, equipment condition, repair and function, and customer service. Your employees, including independent contractors, must meet minimum standards for courteousness and customer service.

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Rights Reserved by Us

Currently, neither franchisor or any Affiliate operates, or has any plans to operate or franchise any business similar to the one being offered in this Franchise Disclosure Document. However, we reserve the right to operate such business in the future. Including, reserving the right to use other channels of distribution such as the internet, catalog sales, telemarketing, or other direct marketing within your Designated Territory when using any trademarks other than our current Principal trademark.

Development Agreement

The following ~~Mark~~Marks have been filed with the United States Patent and Trademark Office for federal registration by Project Lean Nation, Inc. and have been licensed to us for use. All necessary affidavits regarding the below ~~Mark~~Marks have been filed and no registration renewals have been required or filed:

MARK	~~SERIAL~~REGISTRATION NUMBER	REGISTRATION DATE	DATE PUBLISHED FOR OPPOSITION
Project LeanNation Eat Clean. Live Lean.	~~86737148~~5319894	October 31, 2017	August 15, 2017
Project LeanNation.	7514283	September 24, 2024	July 9, 2024

~~An application for the following Mark has been filed with the United States Patent and Trademark Office for federal registration by Project Lean Nation, Inc. on the basis of actual use, and is currently pending. Because this Mark is currently pending, we do not have a federal registration for our principal Trademark. Therefore, our trademark does not have many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.~~

~~MARK~~	~~SERIAL NUMBER~~	~~APPLICATION FILING DATE~~	~~APPLICATION STATUS~~
~~Project LeanNation.~~	~~98223065~~	~~October 13, 2023~~	~~Filed - September 24, 2024~~

We are not aware of any:

a. Currently effective material determinations of the patent and trademark office, the trademark trial and appeal Board, the trademark administrator of the state or any court;
b. pending infringement, opposition or cancellation proceedings; or
c. pending material litigation, involving any of the Marks.

There are no infringing or prior superior uses that we know of that could materially affect your use of the Marks in this state.

In connection with its business of licensing and regulating Project LeanNation Franchisees, the Franchisor has developed, used and continues to use and control the use of certain proprietary interests, logos, emblems, insignia, signage, instructional material, training courses, trademarks, service marks and trade names, including, but not limited to "Project LeanNation" and "Project LeanNation Eat Clean. Live Lean." which are trademarks that are either currently registered, or pending registration with the United States Trademarks offices, to identify the source of goods and services marketed under those trademarks to the public and to represent to the public high and uniform standards of quality and service (collectively the "Marks").

With respect to the Franchisee's use of the Marks pursuant to the license granted under the Franchise Agreement~~, the Franchisee agrees to comply with all of the conditions of use set out below.~~:

a. The Franchisee will use only the Marks designated by the Franchisor and will use them only in the manner required or authorized and permitted by the Franchisor.

b. The Franchisee will use the Marks only in connection with the license to operate the Franchised Business granted under the Franchise Agreement.

c. During the term and any renewal of this Agreement, the Franchisee will identify itself as a licensee and not the owner of the Marks and will make any necessary filings under federal, state, or provincial law and execute any documents considered necessary by the Franchisor for protection of the Marks to reflect such status. In addition, the Franchisee will identify as a licensee of the Marks on all invoices, checks, order forms, receipts, business stationery and contracts, as well as the display of a notice in such form and content and at such conspicuous locations at the premises of the Franchised Business as the Franchisor may designate in writing. For example, the notice may read: "123456, Inc., operating as Project LeanNation. Project LeanNation is a trademark of Project Lean Nation Franchising, Inc."

d. The Franchisee's right to use the Marks is limited to such uses as are authorized under this Agreement or in the Manual(s). Any unauthorized use of the Marks will constitute an infringement of the Franchisor's rights and is grounds for termination of the Franchise Agreement.

e. The Franchisee will not use the Marks to incur or secure any obligation or indebtedness.

f. The Franchisee will not use the Marks or any part of them as part of its corporate or other legal name.

The Franchisee will notify the Franchisor promptly of any claims or charges or any infringement or threatened infringement or piracy of any of the Marks, of any actual or intended common law passing off by reason of imitation or otherwise, as well as any other information that the Franchisee may have of any suspected infringement of the Marks. The Franchisee will take no action with regard to such matters without the prior written approval of the Franchisor, but will cooperate fully with the Franchisor in any such action. All decisions regarding action involving the protection and defense of the Marks will be solely in the discretion of the Franchisor.

~~The Franchisee expressly understands and acknowledges each of the matters set out below.~~

a. The Franchisor is the owner of the Marks and all goodwill associated with and symbolized by them.

b. The Marks are valid and serve to identify the System and those who are licensed to operate a Franchised Business in accordance with the System.

c. The Franchisee will not directly or indirectly contest the validity or the ownership of the Marks.

d. The Franchisee's use of the Marks pursuant to this Agreement does not give the Franchisee any ownership interest or other interest in or to the Marks.

e. The Franchisee will only use the Marks designated by Franchisor, and only in the manner authorized and permitted by Franchisor. Franchisee's right to use the Marks is limited to such uses as are authorized under the Franchise Agreement.

f. Any and all goodwill arising from the Franchisee's use of the Marks will accrue solely and exclusively to the Franchisor's benefit, provided that the Franchisee will enjoy and be entitled to the benefit of all other goodwill associated with the Franchised Business.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents or registered copyrights that are material to your Franchise and Franchisor has no pending patent applications.

We claim common law rights and copyright protection in a number of items you will use in the operation of your Franchised Business, including our operations manual(s), Franchise Agreement, specifications, architectural drawings, store designs, marketing techniques, supplier lists, expansion plans, licensed copyrighted materials we sublicense to you, and all present or future marketing, advertising or promotional materials that we create, all of which we collectively call the "Copyrighted Materials." We have not registered any of these Copyrighted Materials with the United States registrar of copyrights, although we may do so.

All materials or information of any kind that are designated confidential orally or in writing or which, under the circumstances surrounding disclosure, ought to be treated as confidential, are deemed confidential and all are loaned to you only under and during the term of the Franchise Agreement. All confidential materials in the information contained in them must be treated by you as confidential and you must use your best efforts to keep them confidential during the terms of the Franchise Agreement and thereafter as provided in the Agreement. This means you cannot make copies in any medium of any confidential information or use any confidential information outside the scope of the Franchise Agreement or disclose any confidential information to any third party or persons identify by us as not such that not having authorizations received disclosure of confidential information. You may disclose confidential information contained in the operations manual(s) only to your employees who have the business need to have access to the confidential information, but only if you first secure from them an agreement to maintain the confidentiality of the confidential information disclosed.

All copyrighted materials and confidential information are owned exclusively by us. Your right to use copyrighted materials and confidential information is derived solely from the Franchise Agreement and is limited to conduct of the business under any clients with the Franchise Agreement and all applicable specifications, standards, and operating procedures be prescribe during the term of the Franchise Agreement. Any unauthorized use of our operated materials or any unauthorized use or disclosure of confidential information will constitute an infringement of our rights and into the Copyrighted Materials and confidential information.

We may claim copyright protection in certain techniques we create, and many patents and /or processes and equipment we develop. If we do, we will notify you and, if the copyrights and patents are material to your obligations under the Franchise Agreement, we will authorize you to use them at no additional charge. Any modifications or improvements that you make to the Project LeanNation System will be deemed as works made for hire which shall be owned exclusively by us. We do not have to compensate you for your modifications or improvements.

You must promptly notify us of any unauthorized use of our Copyrighted Materials or any unauthorized use or disclosure of confidential information, including by your employees. You must notify us of any challenge to the right to use the ownership of any Copyrighted Materials and confidential information. We are not required to protect and defend our copyrights, although we intend to do so when such defense is in the best interest of the Project LeanNation System. We have the exclusive right to control the copyright litigation. We have the right to keep all sums obtained in settlement or as damages award in any proceeding or litigation without any obligation to share any portion of the settlement sums or damages award with you. And while we are not required to participate in your defense or to indemnify you for damages or expenses you incur if you are party to any administrative or judicial proceeding involving our confidential

information or other information in which we claim common law rights and copyright protection, we may reimburse you for your liability and reasonable cost in connection with defending our confidential information and other information in which we claim common law rights and copyright protection.

We will have the right at any time, on notice to you, to make additions to, deletions from, and changes in any item in which we claim common law copyright or registered copyright protection including the owner's manual. You must adopt and use all additions, deletions, and changes as we direct, at your expense.

Your spouse, and if you are not an individual, your shareholders, members, partners and managers, as applicable, and their spouses, must execute the personal covenants attached to the Franchise Agreement as Schedule 4 requiring them to comply with the confidentiality provisions of the Franchise Agreement, refrain from engaging in competing businesses, and refrain from soliciting our employees and employees of other Project LeanNation Franchisees.

We have the right to require your other employees who have access to our confidential information to execute a non-competition, non-solicitation and/or nondisclosure agreement and the form(s) prescribed by us from time to time. We have the right to take legal action against you if there has been an unauthorized use of our confidential information or trade secrets by you or one of your employees.

There is currently no litigation pending involving the Copyrighted Materials or confidential information. We do not know of any effective material determinations of the US copyright office or any court regarding any of the Copyrighted Materials or confidential information. There are no agreements in effect that significantly limit our right to use or license the Copyrighted Materials or confidential information.

We do not know of any superior rights or infringing uses that could materially affect your use of our confidential information or Copyrighted Materials.

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

Except in the case of special circumstances to be determined in the sole discretion of the Franchisor, the Franchisee will devote his, her, or its or a designated employee-manager's entire time, labor, skill, efforts, and attention to the honest, diligent, and faithful operation of the Franchised Business. Notwithstanding the foregoing, Franchisee or one of its designated employee-manager shall work in the Franchised Business an aggregate of not less than fifty-five (55) hours per week.

Management of Location

At all times, the Franchised Business and the Location will be under the direct, on-premises supervision of the Franchisee (or, if the Franchisee is a business entity, an equity holder in that entity holding at least a 10% equity interest in the entity) or under the direct, on-premises supervision of a fully-trained employee-manager who has successfully completed the initial training program, and has been approved in writing by the Franchisor.

Subject to applicable laws, the Franchisee will keep the Location open for business and staffed with trained employees during such hours as required by the lease for the Location and such additional hours of business as the Franchisor may require.

The Franchisee will at all times actively promote the products and services offered by the Franchised Business, and will use its best efforts to develop, cultivate, and expand the market for these products and services within the Territory.

We may require each of your owners holding at least a 10% equity interest in you or your Franchise business to personally guarantee your obligations to us under the Franchise Agreement. The guarantees will be in the form of the guarantee agreement attached as Schedule 3 to the Franchise Agreement.

Your spouse, and if you are not an individual, your shareholders, members, partners and managers, as applicable, and their spouses, must execute the personal covenants attached to the Franchise Agreement as Schedule 4 the Non-Disclosure Agreement, requiring them to comply with the confidentiality provisions of the Franchise Agreement, refrain from engaging in competing businesses, and refrain from soliciting our employees and employees of other Project LeanNation Franchisees.

Upon request by the Franchisor, the Franchisee will obtain from its employees and deliver to the Franchisor a Confidentiality agreement in the form provided by the Franchisor.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must conduct the business operated at your Location as required by the Operations Manual and the Franchise Agreement. We require that you sell and display at the Location only those types, brands and styles of products and services, and all such products and services as may be specified by the Franchisor. Without limiting the generality of this requirement, you will be required to purchase from us or from our designated vendors, at prevailing market rates, all equipment, supplies, materials, advertising and marketing and other Project LeanNation products. All products and services to be sold from or displayed at the Location will be purchased from us or our designated suppliers. You will comply with our requirements concerning the introduction of any new or different products or service for sale. We will have the right without notice to enter your Location and remove and dispose of any product or service which does not meet our standards and specifications, or which was obtained from any source other than designated suppliers, without liability or accountability for such entry or disposal to you of any nature or kind.

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

The following table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

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FRANCHISE RELATIONSHIP		
Provision	**Article in Franchise Agreement**	**Summary**
a. Length of the franchise term	Article 4.1	The Term is ten (10) years (the "Initial Term") commencing on the day on which this Agreement is signed by us and you. In the event that we and you desire to add additional Locations within the Area, we may require, as a condition of consent to granting such additional Location or Locations, that you enter into our then-current form of Franchise Agreement, the term of which shall coincide with the term of this Franchise Agreement.
b. Renewal or extension of the term	Article 4.2	Ten (10) year renewal, subject to specific conditions (see below), all of which must be met prior to renewal.
c. Requirements for you to renew or extend	Article 4.2	~~Written~~ The Franchisee may renew the license granted under this Agreement for additional ten (10) year periods (each a "Renewal Term"), subject to the following conditions, all of which must be met prior to renewal: written notice not less than twelve (12) months prior to the end of the initial term or renewal term of this Agreement; bring the Location up to then current image and standards; not be in default under the lease, sublease, Franchise Agreement or any other agreement with the Franchisor or its affiliates; have the right to remain in possession of the Location for the renewal term; have paid all amounts owed to Franchisor; sign ~~then current~~the then current franchise agreement which may have materially different terms and conditions from the original franchise agreement; deliver release of Franchisor and its affiliates, officers and directors; complete any required retraining; pay the required fee
d. Termination by you	None	None
e. Termination by us without cause	None	None
f. Termination by us with cause	Article 17	Franchisor can terminate only if you default as defined. A termination of your Area Development Agreement may result in a termination of your franchise agreement(s), and the termination of a franchise agreement(s) may result in the termination of your Area Development Agreement.
g. "Cause" defined - curable defaults	Article 17.3	You have 30 days to cure: termination of any employee, agent or contractor in violation of the Franchise Agreement; violation of any law, ordinance, rule, or regulation of a governmental agency; misuse of the Marks or using similar marks; failure to comply with the Operations Manual; transfer not completed with the required time frame; failure to submit required reports; failure to complete any mandatory training; failure to keep Location and equipment in good working order

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FRANCHISE RELATIONSHIP		
Provision	**Article in Franchise Agreement**	**Summary**
h. "Cause" defined - non-curable defaults	Article 17.2	Non-Curable Defaults: failure to enter into a lease or operate the Location within the required time period; failure to complete the pre-opening training; failure to cure curable defaults with the 30 days; you are convicted of a criminal offence; disclosure of trade secrets or confidential information; your dissolution, liquidation, bankruptcy or other procedures effecting creditors; sale of assets without consent; breach of lease or sublease; abandonment of the Location; transfer without consent; submit false statements; deceptive or unlawful acts; termination of any other agreement between you and the Franchisor; understatement of Gross Sales by more than 5%; non-submission of reports on time on 3 or more occasions; Location is a health or safety hazard; any three defaults within 24 months even if timely cured; non-payment of required funds within 5 days of receiving written notice.
i. Your obligations on termination/ non-renewal	Article 18	Obligations include: cease operations and use of names, Marks, and confidential information; de-identification and other modifications to the Location; pay all sums owed; return Operations Manual and all other Confidential Information; assign telephone number to Franchisor; cooperate with the sale of assets if required; execute all required documents for the termination
j. Assignment of contract by us	Article 15.1	No restriction on our right to assign.
k. "Transfer" by you – definition	Article 15.2	Includes: the sale or other transfer, sharing, or encumbrance of assets; the sale or other transfer, pledge, mortgage, or hypothecation of equity interests, including a change of control
l. Our approval of transfer by you	Article 15.3	Franchisor has the right to approve all transfers but will not unreasonably withhold approval
m. Conditions for our approval of transfer	Article 15.3	Receipt of all corporate documents; all monetary obligations paid to Franchisor, affiliates and suppliers; execution of a general release of Franchisor, its officers, directors, shareholders, and employees~~;~~ (the required general release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law); not be in default and discharge of all obligations under the Franchise Agreement and all other agreements between you and the Franchisor; you provide a criminal record statement for all principals and employees of the transferee; transferee to meet all required standards; transferees execution of the then current Franchise Agreement; transferees successful completion of all required training; personal guarantee of transferees principals; transferees payment of all required fees; transferee obtaining landlord consent (if necessary); compliance with bulk sales provisions; all Locations must be transferred together

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FRANCHISE RELATIONSHIP		
Provision	**Article in Franchise Agreement**	**Summary**
n. Our right of first refusal to acquire your business	Article 15.5	Franchisor has the right to match any offer for the Franchised Business
o. Our option to purchase your business	Article 19.5	In certain circumstances, Franchisor has the right to purchase your inventory, fixtures, equipment, or other assets at a certain price, a calculation of which is set out in the Franchise Agreement
p. Your death or disability	Article 15.6	Franchise may be transferred to your spouse, adult children, partner (if Franchisee is a partnership), shareholder (if the Franchisee is a corporation), or member (if the Franchisee is a company) if they meet the qualifications. If not, we may choose to purchase your assets and/or terminate your franchise
q. Non-competition covenants during the term of the franchise	Article 9.~~18~~17	No involvement in a competing or similar business anywhere
r. Non-competition covenants after the franchise is terminated or expires	Article 9.~~18~~17	No competing for 2 years within the Territory or 50 miles of the Radius of the Location or any other Franchised Business Operated under the System
s. Modification of the agreement	Article 16.1 & Article 16.2	None, except products, services, Operations Manual, Marks, and System are subject to change; may modify the Franchise Agreement if in a writing signed by the Franchisor, Franchisee, and the Guarantors
t. Integration/ merger clause	Article 22.10	Only the terms of the Franchise Agreement and associated Documents are binding (subject to state laws). Other promises may not be enforceable, any representations or promises made outside of the Franchise Disclosure Document and other agreements may not be enforceable.
u. ~~Choice~~Dispute Resolution by arbitration or mediation and choice of forum	Article 22.8	State of New York. Dispute resolution by arbitration or mediation. (subject to applicable state law).
v. Choice of Law	Article 22.8	State of New York law applies. (subject to applicable state law)

NOTES:

(1) These states have statutes which may supersede the Franchise Agreement in your relationship with the Franchisor, including the areas of termination and renewal of your Franchise: ARKANSAS [Stat. Section 4-72-201 to 7-72-210, 70-807], CALIFORNIA [Bus. & Prof. Code Sections 20000-20043], CONNECTICUT [Gen. Stat. Section 42-133e et seq.], DELAWARE [Code, Tit. 6, Ch. 25, Sections 2551-2556], HAWAII [Rev. Stat. Section 482E-1], ILLINOIS [ILCS, Ch. 815, Sections 705/1-705/44, 705/19 and 705/20], INDIANA [Stat. Section 23-2-2.7], IOWA [Code Sections 523H.1-523H.17], MARYLAND [Stat. Sections 14-201 to 14-233], MICHIGAN [Stat. Section 19.854(27)], MINNESOTA [Stat. Section 80C.14], MISSISSIPPI [Code Section 75-24-51 to 75-24-61], MISSOURI [Stat. Section 407.400 to 407.410 and 407.420], NEBRASKA [Rev. Stat. Section 87-401 to 87-410], NEW JERSEY [Stat. Section 56:10-1 to 56:10-12], RHODE ISLAND [Section 19-28.1-14], SOUTH DAKOTA [Codified Laws Section 37-5A-51], VIRGINIA [Code 13.1-557 to 13.1-574], WASHINGTON [Code Sections 19.100.180, 19.100.190], WISCONSIN [Stat. Section 135.01 to 135.07]]. These and other states may have court decisions that may supersede the provisions of the Franchise Agreement in your relationship with us including the areas of termination, a limitation on the post termination non-competition covenant and renewal of your Franchise. Provisions of your Franchise Agreement giving Project LeanNation the right to

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terminate in the event of your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Sec. 101, et seq.).

(2) Some states have statutes and court decisions that supersede the provisions of the Franchise Agreement in your relationship with us including a limitation on the post termination non-competition covenant.

(3) Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the Franchise.

(4) Article 17.2(g) of the Franchise Agreement, allowing for termination upon filing for bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.)

ITEM 18. PUBLIC FIGURES

We do not use any public figures to promote our franchise at this time but reserve the right to do so.

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.

As of September 30, ~~2024~~2025 there were ~~28~~34 Project LeanNation units operating. 1 franchise is affiliate-owned and ~~27~~33 are franchised locations. Of these ~~28~~34 locations, ~~21~~26 were operating for the full 12-month fiscal period ending September 30, 2024.

~~The chart~~Table 1 below represents historical information for the ~~19~~5 most recently opened franchised locations, Cortland, Chesterfield, Idaho Falls, Des Moines, and Morgantown. These locations are new locations that have been open less than a full 12-month period, this graph shows how a new location ramps-up based on the number of months each location has been open, starting with month one. It includes metrics for gross revenue, active members, weekly boxes fulfilled, weekly net retail, and new/reactivated members per month.

	Gross Revenue				
Store	**Month 1**	**Month 2**	**Month 3**	**Month 4**	**Month 5**
Cortland	$46,039.00	$74,397.00	$53,151.00	$51,356.00	$58,340.00
Chesterfield	$32,618.00	$26,895.00			
Idaho Falls	$42,045.00	$54,003.00			
Des Moines	$35,599.00				
Morgantown					
	Active Members				

	Founding Members	Month 2	Month 3	Month 4	Month 5
Cortland	151	153	150	147	152
Chesterfield	137	93			
Idaho Falls	207	227			
Des Moines	200				
Morgantown	241				
	Weekly Boxes Fulfilled				
	Month 1	**Month 2**	**Month 3**	**Month 4**	**Month 5**
Cortland	115	80	67	53	57
Chesterfield	78	38			
Idaho Falls	134	84			
Des Moines	122				
Morgantown					
	Weekly Net Retail Revenue				
	Month 1	**Month 2**	**Month 3**	**Month 4**	**Month 5**
Cortland	$6,278.00	$4,588.00	$4,523.00	$5,531.00	$4,892.00
Chesterfield	$3,441.14	$1,708.00			
Idaho Falls	$4,410.50	$2,479.00			
Des Moines	$2,681.50				
Morgantown					
	New/Re-Activated Members Per Month				
	Month 1	**Month 2**	**Month 3**	**Month 4**	**Month 5**
Cortland	80	17	22	23	21
Chesterfield	48	19			
Idaho Falls	106	34			
Des Moines	55				
Morgantown					

Table 2 below represents historical information for the 25 franchised units that were open and operating for the full the full 12-month period ending September 30, 20252024 and were operated by the same franchisee during that time (i.e. no franchised locations that were sold or transferred are included).

Table 2: Franchised Units

		All Units	Top Tier	Middle Tier	Bottom Tier
Number of Units in Tier		1925	2116%	5344%	2640%
Gross Revenue	Max	$1,827,013806,310	$1,827,013806,310	$774,045764,355	$430,955452,283
	Min	$205,084179,247	$926,046995,937	$437,901494,752	$205,084179,247
	Average	$687,421643,443	$1,330,202487,230	$613,655773	$320,730338,566
	Median	$613,707517,392	$1,283,873573,336	$624,515619,877	$321,832341,551
		All Units	**Top Tier**	**Middle Tier**	**Bottom Tier**
Subscription Revenue	Max	$1,267,056314,731	$1,267,056314,731	$581,124618,256	$292,859330,354
	Min	$145,157133,004	$486,873530,139	$332,241342,661	$145,157133,004
	Average	$487,557466,982	$906,0891,050,248	$454,726448,068	$218,392254,481
	Median	$455,772357,101	$935,2141,178,061	$466,882452,565	$220,361261,772
		All Units	**Top Tier**	**Middle Tier**	**Bottom Tier**
Retail Revenue	Max	$559,957550,653	$559,957550,653	$192,921218,187	$138,096121,929
	Min	$59,92746,243	$315,413300,468	$105,659116,008	$59,92746,243
	Average	$199,865176,461	$424,112436,982	$158,929165,705	$102,33784,084
	Median	$153,397145,310	$410,540448,403	$155,364152,091	$104,56777,124
		All Units	**Top Tier**	**Middle Tier**	**Bottom Tier**
Subscription Average Order Value	Max	$141.56162.35	$137.95142.35	$141.56145.69	$138.64162.35
	Min	$118.80114.13	$128.73127.76	$118.80114.13	$122.47120.80
	Average	$132.52136.88	$132.79136.53	$132.15134.81	$133.06139.30
	Median	$134.93139.58	$132.24138.01	$133.42136.49	$134.93140.46
		All Units	**Top Tier**	**Middle Tier**	**Bottom Tier**
Weekly Boxes Fulfilled	Max	181211	181211	96120	4154
	Min	2431	7485	5052	2431
	Average	7276	130161	6975	3342
	Median	6755	132175	68	3339

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		All Units	Top Tier	Middle Tier	Bottom Tier
Meals Per Box	Max	~~13.9~~14.5	~~13.9~~14.5	13.~~3~~5	~~13.9~~14.1
	Min	12.~~4~~6	13.~~0~~1	12.~~4~~6	12.6
	Average	13.~~1~~2	13.~~5~~6	~~12.9~~13.1	13.~~2~~1
	Median	13.~~0~~1	13.~~4~~3	~~12.9~~13.0	13.~~2~~1
		All Units	**Top Tier**	**Middle Tier**	**Bottom Tier**
Weekly Retail Revenue	Max	$10,~~768~~589	$10,~~768~~589	$~~3,710~~4,196	$2,~~656~~345
	Min	$~~1,152~~889	$~~6,066~~5,778	$2,~~032~~231	$~~1,152~~889
	Average	$3,~~844~~393	$8,~~156~~403	$3,~~056~~187	$1,~~968~~617
	Median	$2,~~950~~794	$~~7,895~~8,623	$2,~~988~~925	$~~2,011~~1,483
		All Units	**Top Tier**	**Middle Tier**	**Bottom Tier**
Retail Average Ticket Price	Max	$~~38.30~~56.06	$~~31.19~~24.67	$~~38.30~~31.75	$~~25.72~~56.06
	Min	$~~17.85~~16.64	$~~18.03~~19.99	$~~17.85~~16.64	$~~18~~23.53
	Average	$~~24.64~~26.61	$~~23.98~~22.78	$~~26.23~~25.19	$~~22.00~~29.69
	Median	$~~23.54~~25.07	$23.~~36~~24	$~~25.57~~24.84	$~~21.12~~26.47
		All Units	**Top Tier**	**Middle Tier**	**Bottom Tier**
Lifetime Value	Max	$1,844.91	$1,744.40	$1,844.91	$1,772.05
	Min	$815.77	$1,218.48	$1,076.58	$815.77
	Average	$1,391.86	$1,542.98	$1,432.80	$1,290.36
	Median	$1,410.47	$1,604.53	$1,430.57	$1,318.95
		All Units	**Top Tier**	**Middle Tier**	**Bottom Tier**
Fulfillment Rate	Max	42.74%	41.76%	41.14%	42.74%
	Min	26.15%	35.51%	26.15%	30.61%
	Average	36.21%	38.39%	36.57%	34.95%
	Median	37.52%	38.14%	38.41%	34.04%
		All Units	**Top Tier**	**Middle Tier**	**Bottom Tier**
Active Members	Max	593	593	334	174
	Min	84	224	129	84
	Average	208	423	209	122
	Median	171	436	183	110
		All Units	**Top Tier**	**Middle Tier**	**Bottom Tier**
New/Re-Activated	Max	85	85	36	25
	Min	12	28	14	12

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Subscribers Per Month	Average	27	57	25	16
	Median	23	57	26	15
		All Units	**Top Tier**	**Middle Tier**	**Bottom Tier**
Community Events	Max	216	216	194	162
	Min	9	86	9	9
	Average	85	159	86	55
	Median	70	167	80	44
		All Units	**Top Tier**	**Middle Tier**	**Bottom Tier**
Member Experience Score	Max	84.7	84.6	84.7	77.9
	Min	25.9	38.2	25.9	36.8
	Average	57.0	68.7	55.3	54.2
	Median	55.3	75.9	62.7	54.7
		All Units	**Top Tier**	**Middle Tier**	**Bottom Tier**
Referral Rate	Max	45.9%	45.9%	21.1%	31.9%
	Min	0.7%	15.4%	3.3%	0.7%
	Average	12.4%	28.0%	9.8%	9.1%
	Median	6.7%	25.3%	6.6%	5.4%
		All Units	**Top Tier**	**Middle Tier**	**Bottom Tier**
Billable Weeks	Max	13.9	13.9	13.6	12.7
	Min	4.6	8.2	7.1	4.6
	Average	9.7	11.6	10.4	8.1
	Median	9.5	12.2	10.5	8.1

Breakdown of Revenue	**Average**	**Meal Fulfillment**	**Average**
Subscription Percentage of Total Revenue	~~71~~73%	In Store Pickup	~~91.1~~89.2%
Retail Percentage of Total Revenue	~~29~~27%	Local Delivery	10.8~~.9~~%
Breakdown of Meal Types	**Average**	**Frequency of Orders**	**Average**
Lifestyle Meal Subscription Percentage	82.~~84~~%	Weekly	~~63.3~~52.2%
Athlete Meal Subscription Percentage	17.~~26~~%	Bi-Weekly	~~36.7~~47.8%

~~AVG Number of Subscribers~~	~~214.78 per location~~
~~AVG Number of New/Re-Activated Subscribers~~	~~29.86 per month per location~~
~~AVG Net Subscriber Growth~~	~~4.52 net subscribers per month per location~~

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Table 1 & 2 Definitions

"Gross Revenue" - Means the total revenue derived by each Project LeanNation store less sales tax, discounts, allowances and returns.

"Subscription Revenue" - Means the total revenue derived from recurring meal subscription plans, including weekly or biweekly plans by each Project LeanNation store less sales tax, discounts, allowances and returns.

"Retail Revenue" - Revenue derived from the sale of products outside of subscription services, including individual meals, shakes, supplements, and merchandise available for purchase. The calculation is based on retail sales after applying discounts and refunds.

"Subscription Average Order Value": The average dollar amount spent per subscription transaction, calculated by dividing total subscription revenue by the number of subscription transactions during the reporting period.

"Weekly Boxes Fulfilled": The average number of meal subscription plans fulfilled to members each week during the reporting period.

"Meals Per Box": The average number of individual meals included in each subscription box prepared for customers.

"~~Average~~ Weekly Retail Revenue": Weekly revenue derived from the sale of products outside of subscription services, including individual meals, shakes, supplements, and merchandise available for purchase. The calculation is based on retail sales after applying discounts and refunds.

"Average Retail Ticket Price": The average amount spent per retail transaction, calculated by dividing total retail revenue by the number of retail transactions during the reporting period.

"Lifetime Value" - Means the total accumulated revenue generated by a member over the full duration of their engagement with Project LeanNation, including all fulfilled subscription orders and qualifying retail purchases, less discounts, allowances, and returns.

"Fulfillment Rate" - Means the percentage of active members who receive a fulfilled subscription order during a given week for each Project LeanNation store, calculated by dividing the total number of fulfilled weekly boxes by the total number of active members in that period.

"Active Members" - Means the total number of individuals with an active subscription plan, either weekly or bi-weekly, defined as having at least one completed transaction during the applicable time period.

"New/Reactivated Subscribers per Month" - Means the average number of subscribers who either initiated a new subscription or reactivated a previously canceled or paused subscription during a given monthly period for each Project LeanNation store.

"Community Events" - Means the total number of local outreach events conducted by a Project LeanNation store within its designated territory, including pop-up and drop-in events at affiliate partner locations and in-reach events hosted inside the store.

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"Member Experience Score" - A comprehensive 100-point scoring system used by Project LeanNation to evaluate early-stage member engagement and retention within the first 30 days after sign-up, consisting of four equally weighted components: completion of an initial Consultation, completion of the first member check-in consultation, two follow-up calls conducted at the end of week one and week three, and completion of two subscription orders within the first 30 days.

"Referral Rate" - Means the percentage of members who were referred to a Project LeanNation store by an existing member, calculated by dividing referred members by total new members during the measurement period.

"Billable Weeks" - Means the total number of fulfilled subscription orders completed by a member while subscribed with Project LeanNation, representing the number of weeks in which the member received a subscription order during the applicable measurement period.

"Lifestyle Meal Subscription Percentage": The proportion of total subscription revenue generated from "Lifestyle Meal" subscription plans.

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"Athlete Meal Subscription Percentage": The proportion of total subscription revenue generated from "Athlete Meal" subscription plans.

"Subscription Percentage of Revenue": The percentage of total revenue attributed to subscription sales, calculated by dividing subscription revenue by gross revenue.

"Retail Percentage of Revenue": The percentage of total revenue derived from retail sales, calculated by dividing retail revenue by gross revenue.

~~"AVG Number of Subscribers" - Means the average number of active subscribers in a given time period for each Project LeanNation store. Active subscribers are defined as individuals with an active subscription and at least one completed transaction during the period.~~

~~"AVG Number of New/Re-Activated Subscribers" - Means the average number of subscribers who either started a new subscription or re-activated a previously canceled or paused subscription during a given time period for each Project LeanNation store.~~

~~"AVG Net Subscriber Growth" - Means the average change in the total number of active subscribers during a given time period for each Project LeanNation store, calculated as new/re-activated subscribers minus cancellations.~~

"Meal Fulfillment" - Breaks down the members that picked up in store verse delivery

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"In-Store Pickup" - Means the percentage or count of fulfilled orders picked up by subscribers at the physical location of each Project LeanNation store during a given time period.

"Local Delivery" - Means the percentage or count of fulfilled orders delivered by the store's delivery service during a given time period for each Project LeanNation store.

"Frequency of Orders" - Means the rate at which subscribers place orders within a given time period, segmented into weekly or bi-weekly order frequencies for each Project LeanNation store.

"Weekly" - Means the percentage or count of subscribers who are signed up for weekly meal plans.

"Bi-Weekly" - Means the percentage or count of subscribers who are signed up for bi-weekly meal plans.

~~The chart~~"Founding Members" - Means members accumulated during pre-sale before the first fulfillment date.

Table 3 below represents an operating profit and loss statement for our one affiliate-owned location, Project LeanNation Rochester for the full fiscal year October 1, ~~2023~~2024 to September 30, 2025.~~2024~~

Date Range: October 1, 2024~~2023~~ – September 30, 2025

Table 3: Affiliate Owned Location ~~2024~~

~~Gross~~ Revenue			Project LeanNation Rochester	
	Subscription Revenue		$1,~~267,056~~255,657	69.4~~5~~%
	Retail Revenue			
		Meals & Lean Cheats	$214,103	11.9%
		Shake Bar Revenue	$284,616	15.8%
		Supplement & Snack Revenue	$27,388	1.5%
		Other Retail Revenue	$24,546	1.4%
	Total Retail Revenue	~~$559,957~~	$550,653	30.~~6~~5%
Total ~~Gross~~ Revenue			$1,~~827,013~~806,310	100.0%
Cost of Goods Sold				
	Production of Meals & Logistics	~~$791,220~~	$786,846	43.~~3~~6%
	Shake Bar Direct Inputs		$98,102	5.4%
	Supplement & Snack Purchases		$16,338	0.9%
	Other Retail Cost of Goods Sold	~~$124,624~~	$11,009	0.6~~.8~~%
Total Cost of Goods Sold		~~$915,844~~	$912,295	50.~~1~~5%

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Gross Profit	~~$911,169~~	$894,015	49.~~9~~5%
Operating Expenses			
Labor	~~$193,355~~	$190,707	10.6%
Rent	~~$38,944~~	$39,359	2.~~1~~2%
Other Operating Expenses & Fees	~~$251,453~~	$249,801	13.8%
Total Operating Expenses	~~$483,752~~	$479,867	26.~~5~~6%
EBITDA	~~**$427,417**~~	~~**23.4%**~~**$414,148**	**22.9%**

Table 3 Definitions:

"~~Gross~~ Revenue" Means the total revenue derived from ~~subscription~~membership and retail products and services

"Subscription Revenue" Means the total revenue derived from recurring meal subscription plans, including weekly or biweekly plans ~~by each Project LeanNation store~~ less sales tax, discounts, allowances and returns.

"Retail Revenue" - Revenue derived from the sale of products outside of ~~subscription~~membership services, including individual meals, shakes, supplements, and merchandise available for purchase. The calculation is based on retail sales after applying discounts and refunds.

"Meals & Lean Cheats" represents all prepared meal and lean cheat sales processed through the POS system that are sold outside of a recurring memberships. This includes any individual meal or lean cheat purchases made at retail. Revenue is reported net of any discounts, refunds, or allowances.

"Shake Bar Revenue" represents sales from protein shakes prepared on site, including standard menu shakes, custom shakes, and any add-on ingredients. Shake bar revenue is recorded net of discounts, refunds, and allowances.

"Supplement & Snack Revenue" represents all sales of 1st Phorm branded products or other supplements and snakes sold through the POS system, including protein powders, creatine, protein bars, protein sticks, and energy drinks. Revenue is reported net of discounts, refunds, and allowances.

"Other Retail Revenue" Other Retail Revenue represents additional in-store retail sales not captured in other revenue categories, including canned beverages, bottled cold-pressed juices, and merchandise. Revenue is recorded net of discounts, refunds, and allowances.

"Cost of Goods Sold" direct costs associated with producing or delivering the products sold

"Production of Meals & Logistics" includes direct inputs for meals orders from LeanLife manufacturing including logistics, packaging, and prepared meals

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~~"Other Retail Cost of Goods Sold" includes~~

"Shake Bar Direct Inputs" Shake Bar Direct Inputs represent the direct ~~inputs for~~costs required to prepare and sell protein shakes, including items such as frozen fruit cups, protein powder, straws, cups, lids, and other consumable ingredients directly tied to shake production.

"Supplement & Snack Purchases" represents the wholesale purchase cost of 1st Phorm and other supplement and snack products sold ~~in~~at retail, including ~~shake bar supplies~~protein powders, protein bars, protein sticks, supplements, ~~beverages~~ and energy drinks.

"Other Retail Cost off Goods Sold" Other Retail Cost of Goods Sold represents the purchase cost of merchandise.~~—~~ and additional canned or bottled beverages sold through retail outside of the shake bar and supplement product lines.

"Operating Expenses" the ongoing costs incurred by a business to run its day-to-day operations. These expenses are not directly tied to the production of goods or services (unlike Cost of Goods Sold) but are necessary to maintain the business. Common examples include rent, utilities, labor, marketing, insurance, and office supplies.

"Labor" includes wages & payroll taxes paid to employees of the franchises, except for the franchise owner pay.

"Rent" includes total rent paid according to lease agreement during specified time period

"Other Operating Expenses & Fees" includes remaining operating expenses such as utilities, store supplies, computer, legal, and any other ongoing costs incurred to run its day-to-day operations. Royalty & brand marketing fees are also included in this amount.

"EBITDA" (Earnings Before Interest, Taxes, Depreciation, and Amortization) a financial metric that measures a company's profitability by focusing on its core operational performance. It excludes the effects of financing decisions (interest), tax strategies (taxes), and non-cash expenses (depreciation and amortization), providing a clearer picture of operational efficiency.

Note: These financial statements are unaudited and have been prepared for informational purposes only. They do not reflect a certified audit or independent verification of the financial data. While every effort has been made to ensure accuracy, these statements may contain errors or omissions.

~~Some locations have earned this amount. There is no assurance you'll do as well. If you rely upon our figures, you must accept the risk of not doing as well.~~

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

Other than the preceding financial performance ~~representation, Franchisor does~~representations, we

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do not make any other 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 ~~location~~outlet. If you receive any other financial performance information or projections of your future income, you should report it to the ~~Franchisor's~~franchisor's management by contacting Tim Dougherty ~~at~~, 14 Franklin Street, Suite 1403, Rochester, New York 14604, ~~Phone number:~~ (585) 705-8887, the Federal Trade Commission~~,~~ and ~~the~~, and appropriate state regulatory agencies.

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ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

A. Information Regarding All Franchises

Listed below are the status summaries for our franchise outlets.

TABLE 1
SYSTEM-WIDE OUTLET SUMMARY
FOR YEARS 20222023 TO 20252024[1]

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	20222023	57	721	+214
	20242023	721	2128	+147
	20252024	2128	2833	+75
Company-Owned	20232022	1	1	0
	20242023	1	1	0
	20252024	1	1	0
Total Outlets	20232022	68	822	+214
	20232024	822	2229	+147
	20252024	2229	2934	+75

1 Our fiscal year ends on September 30. All references to years in these tables refers to September 30th of that year.

2 Our affiliate Project Lean Nation, Inc. operates a "company owned" outlet. All references to company owned outlets in these tables refers to Project Lean Nation, Inc.

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TABLE 2

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR)

FOR YEARS ~~2022~~2023 TO 2025~~2024~~

State	Year	Number of Transfers
Alabama~~New York~~	2023~~2022~~	0
	2024	0
	2025	0
Arkansas	2023	0
	2024	1
	2025	0
Arizona	2023	0
	2024	0
	2025	0
Delaware	2023	0
	2024	0
	2025	0
Florida	2023	0
	2024	0
	2025	0
Georgia	2023	0
	2024	0
~~Texas~~	~~2022~~2025	0
Iowa	2023	0
	2024	0
~~North Carolina~~	~~2022~~2025	0
Idaho	2023	~~1~~0
	2024	~~1~~0
~~South Carolina~~	~~2022~~2025	0
Indiana	2023	0
	2024	0
~~Georgia~~	~~2022~~2025	0
Kentucky	2023	0
	2024	0
~~New York~~	~~2022~~2025	0
Massachusetts	2023	0
	2024	0
~~Indiana~~	~~2022~~2025	0
Missouri	2023	0
	2024	0
~~Arkansas~~	~~2022~~2025	0

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TABLE 2

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR)

FOR YEARS 20222023 TO 20252024

North Carolina	2023	0	Formatted: Don't keep with next
	2024	1	Formatted: Don't keep with next
Ohio	20222025	0	Formatted: Don't keep with next
New Jersey	2023	0	Formatted: Don't keep with next
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New Jersey	20222025	0	Formatted: Don't keep with next
New York	2023	0	Formatted: Don't keep with next
	2024	0	Formatted: Don't keep with next
Virginia	20222025	0	Formatted: Don't keep with next
Ohio	2023	0	Formatted: Don't keep with next
	2024	0	Formatted: Don't keep with next
Total	20222025	0	Formatted: Don't keep with next
South Carolina	2023	10	Formatted: Don't keep with next
	2024	0	
	2025	0	
Tennessee	2023	0	
	2024	0	
	2025	0	
Texas	2023	0	
	2024	0	
	2025	0	
Virginia	2023	0	
	2024	0	
	2025	0	
West Virginia	2023	0	
	2024	0	
	2025	0	
Total	2023	0	
	2024	2	Formatted: Don't keep with next
	2025	0	

The transfers listed in this table only refer to outlets that were transferred after opening. In addition to these transfers, 0 franchisees transferred their franchise agreements for unopened franchises in 20252024, 0 franchisees transferred

their franchise agreements for unopened franchises in ~~2022~~2024, and 0 franchisees transferred their franchise agreements for unopened franchises in ~~2022~~2023.

TABLE 3
STATUS OF FRANCHISED OUTLETS
FOR YEARS ~~2022~~2023 TO 2025~~2024~~

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of Year
~~NY~~AL	2023~~2022~~	~~0~~	~~1~~0	0	0	0	0	~~1~~0
	~~2023~~	~~1~~	~~2~~	~~0~~	~~0~~	~~0~~	~~0~~	~~3~~
	2024	~~3~~0	0	0	0	0	0	~~3~~0
~~TX~~	~~2022~~2025	0	~~0~~1	0	0	0	0	~~0~~1
	~~2023~~	~~0~~	~~3~~	~~0~~	~~0~~	~~0~~	~~0~~	~~3~~
	~~2024~~	~~3~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~4~~
~~NC~~	~~2022~~	~~4~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~4~~
	~~2023~~	~~4~~	~~2~~	~~0~~	~~0~~	~~0~~	~~0~~	~~6~~
	~~2024~~	~~6~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~7~~
~~SC~~	~~2022~~	~~1~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~2~~
	~~2023~~	~~2~~	~~2~~	~~0~~	~~0~~	~~0~~	~~0~~	~~4~~
	~~2024~~	~~4~~	~~0~~	~~0~~	~~0~~	~~0~~	~~1~~	~~3~~
~~GA~~	~~2022~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2023~~	~~0~~	~~2~~	~~0~~	~~0~~	~~0~~	~~0~~	~~2~~
	~~2024~~	~~2~~	~~4~~	~~0~~	~~0~~	~~0~~	~~0~~	~~6~~
~~IN~~	~~2022~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
AR	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
~~AR~~	~~2022~~2025	~~0~~1	0	0	0	0	0	~~0~~1
AZ	2023	0	~~1~~0	0	0	0	0	~~1~~0
	2024	~~1~~0	0	0	0	0	0	~~1~~0
~~OH~~	~~2022~~2025	0	~~0~~10	0	0	0	0	0
DE	2023	0	0	0	0	0	0	0
	2024	0	~~1~~0	0	0	0	0	~~1~~0
~~NJ~~	~~2022~~2025	0	0	0	0	0	0	0
FL	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
GA	2023	0	2	0	0	0	0	2
	2024	2	4	0	0	0	0	6
	2025	6	1	2	0	0	1	4
IA	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
ID	2023	0	0	0	0	0	0	0

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	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
IN	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
~~VA~~	~~2022~~2025	~~0~~1	~~0~~1	0	0	0	0	~~0~~2
KY	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
MA	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
MO	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
NC	2023	4	2	0	0	0	0	6
	2024	6	1	0	0	0	0	7
	2025	7	0	0	0	0	0	7
NJ	2023	0	1	0	0	0	0	1
	2024	~~0~~1	~~1~~0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
NY	2023	1	2	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	1	0	0	0	0	4
OH	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	0
SC~~Totals~~	~~2022~~2023	~~5~~2	2	0	0	0	0	~~7~~4
	2024	4	0	0	0	0	1	3
	2025	3	0	0	0	0	0	3
TN	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
TX	2023	0	3	0	0	0	0	3
	2024	3	1	0	0	0	0	4
	2025	4	0	0	0	0	0	4
VA	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
WV	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Totals	2023	7	14	0	0	0	0	21
	2024	21	8	0	0	0	1	28

	2025	28	8	2	0	0	1	33

The transactions listed in this table only refer to franchisees that left the system after opening. In addition to these transactions, we terminated 0 franchise agreements for unopened franchises during the 20252024 fiscal year, 0 franchise agreements for unopened franchises during the 20242023 fiscal year and 0 franchise agreements for unopened franchises during the 20222023 fiscal year.

TABLE 4
STATUS OF COMPANY-OWNED OUTLETS
FOR YEARS 20222023 TO 2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
NY	20222023	1	0	0	0	0	1
	20242023	1	0	0	0	0	1
	20252024	1	0	0	0	0	1
Totals~~TX~~	20222023	~~0~~1	0	0	0	0	~~0~~1
(b)	20242023	~~0~~1	0	0	0	0	~~0~~1
	~~2024~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
~~NC~~	~~2022~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2023~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2024~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
~~SC~~	~~2022~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2023~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2024~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
~~GA~~	~~2022~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2023~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2024~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
~~IN~~	~~2022~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2023~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2024~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
~~AR~~	~~2022~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2023~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2024~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
~~OH~~	~~2022~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2023~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2024~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
~~NJ~~	~~2022~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2023~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2024~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~

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~~VA~~	~~2022~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2023~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2024~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
(c) ~~Totals~~	~~20222025~~	1	0	0	0	0	1
~~(b)~~	~~2023~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~1~~
~~(c)~~	~~2024~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~1~~

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The only company-owned outlet is in New York.

TABLE 5
PROJECTED OPENINGS AS OF SEPTEMBER 30, 2024___

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
~~New York~~Alabama	0	1	0
Arkansas ~~Ohio~~	0	~~1~~0	0
Arizona ~~Texas~~	~~0~~1	2	0
~~North Carolina~~Delaware	1	1	0
Florida~~South Carolina~~	~~0~~4	~~1~~4	0
Georgia	1	1	0
Iowa	0	0	0
Indiana	~~1~~0	~~1~~0	0
Kentucky	1	1	0
Massachusetts	1	1	0
~~Arizona~~Missouri	0	~~2~~0	0
North Carolina	3	3	0
New Jersey	~~0~~1	~~3~~1	0
New York~~Virginia~~	~~0~~2	~~1~~3	0
Ohio~~Alabama~~	~~1~~4	~~1~~4	0
Tennessee~~Iowa~~	1	~~0~~1	0
Texas~~Florida~~	~~2~~4	4	0
South Carolina ~~Arkansas~~	0	0	0
Virginia~~Missouri~~	~~3~~0	0	0
West Virginia	0	0	0
Total	~~10~~24	~~19~~27	0

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Listings of franchisees and Franchisees can be found in Exhibit "E". A list of all current Project LeanNation franchisees is attached to this Disclosure Document as Exhibit "E", including their names and the addresses and telephone numbers of their outlets as of September 30, 20252~~024~~. In addition, Exhibit "E" lists the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently

completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, current and former franchisees and Franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees and Franchisees, but be aware that not all of them will be able to communicate with you.

Exhibit "H" to this Disclosure Document lists, to the extent known, the names, addresses, telephone numbers, e-mail address and Web address of each trademark-specific franchisee organization associated with the franchise system being offered that we have created, sponsored or endorsed. Exhibit "H" to this Disclosure Document lists the independent franchisee organizations that have asked to be included in this Disclosure Document.

ITEM 21. FINANCIAL STATEMENTS

The following financial statements of Project Lean Nation Franchising, Inc., for the periods stated, are included as a part of this Disclosure Document as Exhibit "F": Audited Financial Statements and report of independent Certified Public Accountants, the years ended September 30, 2025~~2024~~, September 30, 2024~~2023~~, and September 30, ~~2022~~2023, and unaudited Financial Statements of interim periods, if applicable. Our fiscal year ends on September 30th.

ITEM 22. CONTRACTS

Attached to this Disclosure Document (or the Franchise Agreement attached to this Disclosure Document) are copies of the following franchise and other contracts or agreements proposed for use or in use in this state:

Exhibits to Disclosure Document

~~Exhibit "C" Franchise Agreement~~EXHIBIT "A" State Agencies and Administrators
EXHIBIT "B" Franchisor's Agent for Service of Process
EXHIBIT "C" Franchise Agreement
EXHIBIT "D" Table of Contents to Manual
EXHIBIT "E" List of Franchisees
EXHIBIT "F" Financial Statements
EXHIBIT "G" State Specific Addenda
EXHIBIT "H" Franchisee Organizations
EXHIBIT "I" Request for Consideration
EXHIBIT "J" State Effective Dates
EXHIBIT "K" Receipts

Attachments to Franchise Agreement

Schedule 1: Irrevocable Power of Attorney - Telephone
Schedule 2: Irrevocable Power of Attorney - Lease
Schedule 3: Form of Guarantee Agreement
Schedule 4: Non-Disclosure Agreement
Schedule 5: Territory
Schedule 6: Area Development Agreement (If applicable)

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Schedule 7: State Specific Amendment to Franchise Agreement (If applicable)

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise to be delivered together with the Franchise Disclosure Document.

ITEM 23. FRANCHISE SELLERS AND ACKNOWLEDGMENT OF RECEIPT

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Franchise Sellers

Tim Dougherty – President of Project Lean Nation Franchising, Inc.
Business address: 14 Franklin Street, Suite 1403, Rochester, NY 14604
Phone number: 585-705-8887

Franchise Broker - Limitless Franchise Growth, LLC

Limitless Franchise Growth, LLC is an Arizona limited liability company that started providing franchise broker and consulting services to Franchisor in December 2024. Limitless provides sales, promotional, marketing and advertising services to franchisor. The following employees of Limitless Franchise Growth, LLC are franchise sellers offering this franchise.

Name: Lance Freeman
Business address: 1776 N Scottsdale Rd, Box 904, Scottsdale, AZ 85252
Phone number: 949-370-7093

Name: Emily Brown
Business address: 1776 N Scottsdale Rd, Box 904, Scottsdale, AZ 85252
Phone number: 513-225-0418

Name: Amy Lipps
Business address: 1776 N Scottsdale Rd, Box 904, Scottsdale, AZ 85252
Phone number: 605-645-0902

Name: Brittney Lincoln
Business address: 1776 N Scottsdale Rd, Box 904, Scottsdale, AZ 85252
Phone number: 303-378-6785

Name: Justin Lacava
Business address: 1776 N Scottsdale Rd, Box 904, Scottsdale, AZ 85252
Phone number: 513-578-3859

Name: Kristie Iavasile
Business address: 1776 N Scottsdale Rd, Box 904, Scottsdale, AZ 85252
Phone number: 248-939-7972

Exhibit "~~J~~K" to this Disclosure Document are detachable receipts. You are to sign both, and keep one copy and return the other copy to us.

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CALIFORNIA
Commissioner ~~of Corporations~~KC Mohseni
Department of ~~Corporations~~Financial Protection and Innovation
320 West 4th Street, #750
Los Angeles, CA 90013
(213) 576-7500
1-866-275-2677

HAWAII
(agent for service of process)
Commissioner of Securities
Business Registration Division
Securities Compliance
Department of Commerce and Consumer Affairs
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722)

(state administrator)
Business Registration Division
Securities Compliance
Department of Commerce and Consumer Affairs
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS
Illinois Attorney General
Chief, Franchise Division
500 South Second Street
Springfield, IL 62706
(217) 782-4465

INDIANA
(for service of process)
Secretary of State
201 State House
200 West Washington Street
Indianapolis, IN 46204
(317) 232-6531

(state agency)
Secretary of State
Securities division
Room E-018
302 West Washington Street
Indianapolis, IN 46204
(317) 232-6681

MARYLAND
(for service of process)
Securities Commissioner
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2020
(410) 576-6360

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

MICHIGAN
Franchise Administrator
Consumer Protection Division
670 Law Building
Lansing, MI 48913
(517) 373-7117

MINNESOTA
Department of Commerce
Director of Registration
85 7th Place East, Suite 280
St. Paul, MN 55101-3165
(651) 539-1638

NEW YORK
(for service of process)
Secretary of State
New York State Department of Corporations
One Commerce Plaza
99 Washington Street
Albany, New York 12231
(518) 474-4750

(State Administrator)
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8222

NORTH DAKOTA
North Dakota Insurance & Securities ~~Commissioner~~
~~Fifth Floor~~Department
600 East Boulevard
Avenue, Dept. 401
Bismarck, North Dakota 58505

(701) 328-~~4712~~2910

RHODE ISLAND
Department of Business Regulation
233 Richmond Street, #232
Providence, Rhode Island 02903
(401) 222-3048

SOUTH DAKOTA
Department of Revenue and Regulation
445 East Capitol
Pierre, South Dakota 57501-3185
(605) 773-4013

VIRGINIA
(for service of process)
Clerk of the State Corporation Commission
1300 East Main Street
Richmond, Virginia 23219
(804) 371-9672

(for other matters)
State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, Ninth Floor
Richmond, VA 23219
(804) 371-9051

WASHINGTON
(for service of process)
Director Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, WA 98501
(360) 902-8760

(for other matters)
Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, WA 98501
(360) 902-8760

WISCONSIN
Department of Financial Institutions
Division of Securities
345 West Washington Avenue
4th Floor
Madison, WI 53703
(608) 266-3364

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EXHIBIT "B"

TO

FRANCHISE DISCLOSURE DOCUMENT

Agent for Service of Process – Project Lean Nation Franchising, Inc.

The registered agent of the Franchisor authorized to receive service of process in the State of New York is the Secretary of State New York State Department of Corporations, One Commerce Plaza, 99 Washington Avenue, Albany, New York 12231.

The registered agent of the Franchisor authorized to receive service of process in the State of Virginia is the Clerk of the State Corporation Commission, 1300 East Main Street, Richmond, Virginia 23219.

The registered agent of the Franchisor authorized to receive service of process in the State of Washington is the Director Department of Financial Institutions, Securities Division, 150 Israel Road SW, Tumwater, WA 98501.

The registered agent of the Franchisor authorized to receive service of process in the State of Wisconsin is the Department of Financial Institutions, Division of Securities, 345 West Washington Avenue, 4th Floor Madison, WI 53703.

The registered agent of the Franchisor authorized to receive service of process in the State of California is the Commissioner KC Hohseni, Department of Financial Protection and Innovation, 320 West 4th Street, #750, Los Angeles, CA 90013.

The registered agent of the Franchisor authorized to receive service of process in the State of Illinois is the Illinois Attorney General Chief, Franchise Division, 500 South Second Street, Springfield, IL 62706.

The registered agent of the Franchisor authorized to receive service of process in the State of Indianna is the Secretary of State, 201 State House, 200 West Washington Street, Indianapolis, IN 46204.

The registered agent of the Franchisor authorized to receive service of process in the State of Maryland is the Securities Commissioner, Securities Division, 200 St. Paul Place, Baltimore, Maryland 21202-2020.

The registered agent of the Franchisor authorized to receive service of process in the State of Michigan is the Franchise Administrator, Consumer Protection Division, 670 Law Building, Lansing, MI 48913.

The registered agent of the Franchisor authorized to receive service of process in the State of Minnesota is the Department of Commerce, Director of Registration, 85 7th Place East, Suite 280, St. Paul, MN 55101-3165~~, (651) 539-1638.~~

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The registered agent of the Franchisor authorized to receive service of process in the State of North Dakota is the Insurance & Securities Department, 600 East Boulevard Avenue, Dept. 401, Bismarck,, North Dakota 58505.

The registered agent of the Franchisor authorized to receive service of process in the State of Rhode Island is the Department of Business Regulation, 233 Richmond Street, #232, Providence, Rhode Island 02903.

The registered agent of the Franchisor authorized to receive service of process in the State of South Dakota is the Department of Revenue and Regulation, 445 East Capitol, Pierre, South Dakota 57501 3185.

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15.1 Transfer by the Franchisor
15.2 Transfer by the Franchisee
15.3 Pre-Conditions to Transfer
15.4 Transfer to Holding Corporation, etc.
15.5 Franchisor's Right of First Refusal
15.6 Transfer Upon Death or Incapacity
15.7 Non-Waiver of Claims
15.8 Reasonableness
15.9 Operation of the Franchised Business by the Franchisor

ARTICLE 16. - CHANGES AND MODIFICATIONS
16.1 Franchisor's Right to Modify System, etc.
16.2 Scope of Change or Modification

ARTICLE 17. - DEFAULT AND TERMINATION

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Schedule 1: Irrevocable Power of Attorney - Telephone
Schedule 2: Irrevocable Power of Attorney - Lease
Schedule 3: Form of Guarantee Agreement
Schedule 4: Non-Disclosure Agreement
Schedule 5: Territory
Schedule 6: Area Development Agreement (If applicable)
Schedule 7: State Specific Amendment to Franchise Agreement (If applicable)

Project Lean Nation Franchising, Inc.
(the "Franchisor")

- and -

_____
(the "Franchisee")

- and -

_____,

- and -

_____,

(collectively, the "Guarantors")

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The distinguishing characteristics of the System include, without limitation, unique methods, technical assistance and training in the operation, management and promotion of the Franchised Business, sales and marketing systems, inventory control methods, financial management tools, specialized reporting, bookkeeping and accounting methods, advertising and promotional programs and the use of copyrighted materials written and produced by the Franchisor, all of which may be changed, improved and further developed by the Franchisor.

1.4 Desire to Obtain License

The Franchisee desires to obtain a license to use the Marks and System in connection with the operation of a Project LeanNation franchise in accordance with the terms of this Agreement and the Manual and at the Location and within the Designated Territory specified in this Agreement.

1.5 Franchisee's Independent Investigation

The Franchisee expressly acknowledges that it is entering into this Agreement after having made an independent investigation of the Franchisor's operations and the Franchised Business and is not relying upon any representation as to the profits and/or sales volumes that the Franchisee might be expected to realize, nor upon any other statement, promise or representation whatsoever which is not contained in this Agreement. The Franchisee has had a full and adequate opportunity to be thoroughly advised of the terms and conditions of this Agreement by a lawyer or professional advisor of its own choosing.

1.6 Need for Strict Conformity

The Franchisee understands and acknowledges the importance of the Franchisor's uniformly high standards of quality and service and the necessity of operating the Franchised Business in strict conformity with the Franchisor's standards and specifications.

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1.7 Reliance by Franchisor

The Franchisor has agreed to enter into this Agreement with the Franchisee on the basis of the information provided to the Franchisor by the Franchisee, and in reliance upon the Franchisee's representation that he, she or it will fully and faithfully honor and perform all of the obligations of the Franchisee contained in this Agreement for the entire Term of this Agreement.

ARTICLE 2 - INTERPRETATION

2.1 Principles of Interpretation

The Franchisee acknowledges that the nature of franchising is such the Franchisor has responsibilities not only to the Franchisee but also to all other Project LeanNation franchisees and to the Franchisor's corporate stores, customers, employees and shareholders. The Franchisee understands that those responsibilities may sometimes conflict or be inconsistent. The Franchisee also acknowledges that the Franchisor has the right to act in its own best interest which may sometimes conflict or be inconsistent with the Franchisee's best interests.

*this Section 2.1 shall not apply to franchisees in the state of Maryland.

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2.2 Good Faith

Where any provision of this Agreement permits the Franchisor to do any act or not to do any act on the basis of its discretion, opinion or judgment, the Franchisor agrees to deal fairly and in good faith with the Franchisee in deciding to do or not to do any such act.

2.3 Incorporation of Recitals

The recitals of fact and representations set out in Article 1 are true and are incorporated in the body of this Agreement by reference.

2.4 Definitions

In this Agreement, the following words will have the meaning set out beside them.

a. "Agreement" means this agreement and any amendments made to it by the parties in accordance with the terms of this agreement.

b. "Effective Date" means, for purposes of the commencement date of this Agreement, the earlier of:

i) the ~~first day of the month in~~date which this Agreement ~~is~~has been signed by both the Franchisor and the Franchisee;

ii) the first day of the month of training of the Franchisee pursuant to this Agreement; or
iii) the first day of the month of the operation of the Franchised Business.

c. "Franchised Business" means the Project LeanNation franchise operation of the Franchisee carried on by the Franchisee at the Location and within the Designated Territory pursuant to this Agreement.

d. "Franchisee" means _____ and any successor individual(s), partnership(s) or corporation(s) which may result from a reorganization, amalgamation or continuance of the Franchisee and any assignee to which an approved assignment of this Agreement is made.

e. "Gross Sales" for any period means the entire amount of revenue whether for cash, credit or otherwise, in respect of the operation of the Franchised Business and all other receipts whatsoever from all business conducted upon or originating from within the Designated Territory. The performance of services or the sale of goods is considered "revenue" when services have been completed or goods provided so as to entitle the Franchisee to payment for those services or goods, whether or not payment occurs. Gross Sales will not include:

i) any government tax, provided the amount of the tax is added to the selling price, the amount is expressly charged to the customer, a specific record is made at the time of each sale of the amount of the tax, and the tax is paid over to the appropriate taxing authority; and

ii) receipts which arise from the disposition of damaged, obsolete or otherwise unusable fixed assets.

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iii) the amount of refunds, allowances or discounts to customers (including coupon sales) up to 5% of the Gross Sales, provided the related sales have previously been included in Gross Sales; and

iv) uncollectible or uncollected receivables.

f. "Incapacity" means that the person to whom such term is applied is unable to perform his normal duties within the Franchised Business for forty-five (45) days in any ninety (90) day period during the term of this Agreement.

g. "Interest Rate" means 2% per month (26.82% per year), or the highest rate allowed by law (whichever is lower).

h. "Location" means the business premises described in Section 5.1 or any alternate location established in accordance with Section 3.2.

i. "Manual" means any rules of operation, operations manuals, policy manuals, video tapes, software, pamphlets, memoranda, directives, instructions and other materials prepared by or on behalf of the Franchisor (whether in written, machine readable or any other form) as such materials may be added to, deleted or otherwise modified by the Franchisor from time to time.

j. "Area Development Program" means the area development program through which Franchisor grants certain approved ~~franchisors~~franchisees the franchise rights for more than one location at a time through the execution of an Area Development Agreement.

k. "Area Development Agreement" means the agreement between the Franchisor and certain ~~franchisors~~franchisees that have been approved by Franchisor to participate in the Area Development Program to open more than one location at a time.

l. "Marks" means all trademarks, trade names, design marks and other commercial symbols that the Franchisor may designate from time to time for use in the System, whether or not registered, including but not limited to "Project LeanNation" and "Project LeanNation Eat Clean. Live Lean."

m. "Designated Territory" or "Territory" means the geographic area assigned to the Franchisee as set forth in Schedule 5 of this Agreement.

~~n.~~ n. "Royalty Fee" has the meaning set out in Section 6.2.

2.5 Severability

Except as expressly provided to the contrary in this Agreement, each section, part, term and/or provision of this Agreement will be considered severable and fully-enforceable. If for any reason, any part of this Agreement is determined to be invalid, contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, it will not impair the operation of, or have any other effect upon, any other part of this Agreement as may remain otherwise intelligible, and that part will continue to be given full force and effect and bind the parties. The court may modify or amend an otherwise unenforceable or invalid provision of this Agreement to render it enforceable to the maximum extent

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permitted by law, but if not practicable, then the invalid part or parts will not be considered to be a part of this Agreement.

2.6 Headings

All headings in this Agreement are intended solely for the convenience of the parties, and no heading will be considered to affect the meaning or interpretation of any part of this Agreement.

2.7 References

All references in this Agreement to the masculine, neuter or singular will be interpreted to include the masculine, feminine, neuter or plural, where applicable.

2.8 Deadlines

The parties agree that the deadlines set out in this Agreement will be strictly enforced.

2.9 Benefit of Agreement

Nothing in this Agreement is intended, nor will be considered, to confer upon any person or legal entity other than the parties and those persons expressly indicated to be entitled to rights or remedies under this Agreement. This Agreement is available for the benefit of, and is binding upon, the heirs, successors, personal legal representatives and permitted assigns of the parties. The Franchisor will be considered a third-party beneficiary of any agreement entered into between the Franchisee and its employees, agents, suppliers and independent contractors.

2.10 Schedules

The following schedule is attached to and incorporated in this Agreement by reference and is considered to be a part of this Agreement. Even though this schedule is considered a part of this Agreement, the schedule has been signed by the parties and is an independent and binding agreement in accordance with its terms.

Schedule 1: Irrevocable Power of Attorney - Telephone
Schedule 2: Irrevocable Power of Attorney - Lease
Schedule 3: Form of Guarantee Agreement
Schedule 4: Non-Disclosure Agreement
Schedule 5: Territory
Schedule 6: Area Development Agreement (If applicable)
Schedule 7: State Specific Amendment to Franchise Agreement (If applicable)

ARTICLE 3 - GRANT OF FRANCHISE

3.1 Grant of Franchise

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Subject to all the terms and conditions of this Agreement, the Franchisor grants to the Franchisee, and the Franchisee accepts, a license to use the Marks and the System in the operation by the Franchisee of one Franchised Business at the Location.

3.2 Location

The Franchisee will operate the Franchised Business only at the Location. During the term and any renewal of this Agreement, the Location is to be used exclusively by the Franchisee and solely for the purpose permitted by this Agreement. Prior to the termination or expiration of the license granted under this Agreement, if the Franchisee's lease for the Location should terminate without fault of the Franchisee, or if the Location should be destroyed, condemned or otherwise rendered unusable for the purposes of this Agreement, or if the Location should be expropriated or the Franchisee otherwise loses possession of the Location without fault on its part, or, if in the judgment of the Franchisor, there is a change in the character or attributes of the Location sufficiently detrimental to warrant its relocation, the Franchisee will be entitled to relocate the Franchised Business to another location within the Designated Territory acceptable to the Franchisor, provided that:

a. the Franchisor has first given its written consent to such relocation and to the new location;

b. the new location will be developed by the Franchisee in the manner described in this Agreement or otherwise agreed by the Franchisor and the Franchisee, solely at the Franchisee's cost;

c. the Franchisee is not in default of the terms of this Agreement or any other agreement between the Franchisor and the Franchisee;

d. the Franchisee pays to the Franchisor its full costs (including legal fees) of such relocation;

e. the new location would not materially negatively impact the revenues of any adjoining Project LeanNation location; and

f. the Franchisee has obtained a release from the landlord of the former Location and such other persons as it may reasonably require.

3.3 Exclusivity

Subject to Section 3.4 below, for so long as the Franchisee is not in default under this Agreement, including but not limited to Section 8.11, the Designated Territory shall be exclusive and the Franchisor agrees not to operate or license any other person to operate a Project LeanNation franchise location within the Designated Territory. The Franchisee acknowledges and agrees that Project LeanNation franchisees may be permitted to relocate, under certain circumstances and with the Franchisor's prior written consent, to another location within their Designated Territory. The Franchisee's original Location will be the point from which the Designated Territory is measured at all times during the term or any renewal of this Agreement, notwithstanding any permitted relocation(s) by the Franchisee. If you fail to meet the requirements of Section 8.11, or fail to comply with any other term of the Franchise Agreement, at Franchisor's discretion you may forfeit the exclusivity of your Designated Territory, or Franchisor may terminate your Franchise Agreement.

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3.4 Rights Reserved by Franchisor

The Franchisor (on behalf of itself and its affiliates) reserves the right in its absolute discretion to operate and to grant others the right to operate, within the Designated Territory and elsewhere: i) facilities offering food services and products under trade names and trademarks other than the Marks if such facilities are directly or indirectly acquired by the Franchisor or its affiliates or if the Franchisor or its affiliates have acquired directly or indirectly the rights and obligations of the franchisor of such facilities. Such facilities may employ substantial portions of the System in their operations; and ii) operate a Project LeanNation franchised business at any Institution, grant a third party the right to operate a franchised business, and/or enter into a license or other agreement with the Institution granting the Institution, or its agents, the right to operate a franchised business or otherwise utilize the System and/or the Marks. For the purpose of this Agreement, "Institution" means any facility where the owner or operator wants designated food services for those people who reside, work, attend and/or visit at the facility, including, without limitation, indoor shopping ~~center~~mall, office complexes, universities, colleges, bus stations, subway stations, casinos, hospitals and other health care facilities, airports, military installations, sports complexes, ports, ferry terminals, museums, factories and corporate campuses and includes any land or building that is owned or leased by the owner or operator. In the event that the Franchisor intends to open a franchised business in an Institution pursuant to this Section 3.4 (b)(ii), Franchisee shall have a right of first refusal to open said franchised business if Franchisee delivers written notice of its intention to do so within thirty (30) days of Franchisee's receipt of written notice that Franchisor intends to open a franchised business in the Institution.

ARTICLE 4 - TERM AND RENEWAL

4.1 Initial Term

The term of this Agreement is ten (10) years commencing on the day on which this Agreement is signed by the Franchisor and the Franchisee.

4.2 Renewal

The Franchisee may renew the license granted under this Agreement for additional ten (10) year periods (each a "Renewal Term"), subject to the following conditions, all of which must be met prior to renewal.

a. The Franchisee will give to the Franchisor written notice of its election to renew this Agreement not less than twelve (12) months prior to the end of the initial (or any subsequent) term of this Agreement.

b. At least six (6) months prior to the expiration of the initial (or any subsequent) term of this Agreement, the Franchisor review all aspects of the Franchised Business and give notice of all required modifications and/or renovations to the Location and to the Franchised Business necessary to comply with the then-current standards and image for franchisees of the System operating within the Franchisee's market area. If the Franchisee elects to renew this Agreement, the Franchisee will complete, at the Franchisee's own expense and to the Franchisor's satisfaction, but not to exceed Fifty Thousand Dollars ($50,000.00), all required modifications, renovations, alterations, refurbishment, remodeling and redecoration as well as and implement any new methods, programs, modifications and techniques required by the Franchisor's notice no later than three (3) months prior to expiration of the initial (or any subsequent) term of this Agreement.

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c. The Franchisee will not be in default of any provision of this Agreement or any other agreement between the Franchisee and the Franchisor and will have substantially complied with all of the terms and conditions of such agreements.

d. The Franchisee (and, if the Franchisee is a corporation, its shareholders, directors and officers and, if the Franchisee is a partnership, all of its partners) will have satisfied all monetary obligations owed by the Franchisee to the Franchisor on a timely basis throughout the term of this Agreement.

e. At the option of the Franchisor, the Franchisee will execute a new franchise agreement in the form being used by the Franchisor with new franchisees of the System or with other renewing franchisees, which shall not contain terms and conditions substantially different than contained in this and such other documents and agreements as are then customarily used by the Franchisor in the granting of franchises. If the Franchisor elects not to execute a new franchise agreement with the Franchisee, all of the provisions contained in this Agreement in effect immediately prior to the commencement of the Renewal Term will remain in force during the Renewal Term (except for any further right of renewal).

f. The Franchisee (and, if the Franchisee is a corporation, its shareholders, directors and officers, if the Franchisee is a partnership all of its partners) will execute a general release in a form designated by the Franchisor, of any and all claims against the Franchisor and its subsidiaries and their respective officers, directors, agents and employees. (The required general release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law)

g. The Franchisee will provide the Franchisor with a copy of the lease for the Location and such other documents and evidence reasonably requested by the Franchisor to confirm that the Franchisee is not in default of any provision of the lease for the Location and has the right to use and remain in possession of the Location to the end of the renewal term.

h. The Franchisee will pay a training, administrative and transfer fee of twenty percent (20%) of the then current Franchise Fee, but not to exceed fifteen thousand dollars ($15,000.00).

In the event that any of the above conditions for renewal have not been met, the Franchisor will have no obligation to renew this Agreement.

ARTICLE 5 - DEVELOPMENT AND OPENING OF THE FRANCHISED BUSINESS

5.1 Selection and Lease of Location

Following execution of this Agreement by the parties, the Franchisee will notify the Franchisor in writing of a proposed Location for the Franchised Business. Upon receipt of the Franchisee's request and all other documentation necessary for the Franchisor to consider the suitability of the proposed Location and in reliance upon the Franchisee's research of the available locations, the Franchisor will notify the Franchisee in writing of its acceptance or rejection of the proposed Location. Upon receipt of the Franchisor's written approval of the Location, the Franchisee will enter into an agreement to lease or a lease of the Location from the landlord of the Location. The terms and conditions of any such agreement to lease or lease will require the prior approval of the Franchisor.

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5.2 Lease of Premises

If the Franchisee leases the Premises, the lease will be subject to the Franchisor's prior approval and will have a term or options to renew which in total are equal to or greater than the term of this Agreement and will provide that:

a. Franchisee may assign any and all right, title and interest in the lease to Franchisor without landlord's consent; and

b. on termination of this Agreement, for any reason provided for in this Agreement, the Franchisor or its designee will have the option for 30 days to assume the Franchisee's remaining lease obligations without accruing any liability regarding the lease prior to the effective date of any assignment, or the Franchisor will have the right to execute a new lease for the remaining term on same terms and conditions;

c. copies of all notices of default under the lease will be sent to the Franchisor;

d. in the event of the Franchisee's default under the lease, the Franchisor or its designee will have an opportunity to cure such default and assume the Franchisee's remaining obligations under the Lease, but will not have any obligation to do so; and

e. all signs, advertising, logos or other forms or insignia pertaining to the System must be removed from the Premises demised under the lease in the event that neither the Franchisee nor the Franchisor or its designee is the tenant under the lease upon termination of this Agreement.

~~5.3~~5.3 Real Estate & Construction Project Manager

We will designate a Real Estate & Construction Project Manager to provide real estate and construction project management services within our franchise system, which may include market analysis and site selection counseling, coordination of architectural, engineering, and design services, and other assistance that the Real Estate & Construction Project Manager determines is reasonably necessary and appropriate within the scope of services.

The Real Estate & Construction Project Manager may engage qualified third parties to work on your behalf, including but not limited to, licensed real estate brokers, designers, architects, and engineers to adapt our standard plans and specifications for the exterior and interior design and layout, fixtures, furnishings, signs, Trade Dress, and equipment for the Location

You may not engage other real estate brokers, project managers, architects, engineers, or designers without our written approval.

If you identify a site in the geographic area of interest on your own that is reasonably suited for the conduct of the location and is consistent with any site selection guidelines that we may provide, before entering into any lease or purchase agreement for the site, you must submit a site proposal package describing details about the proposed site and provide any other information that we reasonably require We will make available prototype plans and specifications for brand and design guidance only, which are not intended for construction without appropriate adaptation by licensed professionals.

5.4 Development of Location

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The Franchisor may provide to the Franchisee suggested layouts and specifications for the Franchised Business at the Location, including suggestions for dimensions, design, interior layout, building materials, equipment, signs and color scheme and will provide such advice as may be reasonably necessary in the circumstances. The Franchisee agrees to do or cause to be done the following at its sole cost and expense:

a. prepare all plans and specifications necessary to construct the leasehold improvements to the Location in accordance with all applicable laws and lease requirements;

b. obtain all required building, utility, sign, health, sanitation and business permits and licenses and other required permits and licenses;

c. construct all leasehold improvements to the Location, all in accordance with the lease and the Franchisor's standards of design, color scheme, layout and materials;

d. purchase or lease all fixtures, equipment and signs required for the Location as specified by the lease or the Franchisor.

5.~~4~~5 Franchisee's Assistance

The Franchisee agrees to promptly execute and deliver to the Franchisor all instruments and documents necessary in the reasonable judgment of the Franchisor to facilitate development or purchase of the Location as provided in this Agreement, including without limitation, purchase orders, construction contracts, disbursement authorizations and powers of attorney.

5.~~5~~6 Equipment, Fixtures, Accessories and Signs

The Franchisee agrees to use in the operation of the Location only those brands and models of equipment that the Franchisor has approved for Project LeanNation locations as meeting its specifications and standards for design, function, performance, serviceability and warranty. The Franchisee further agrees, at its sole cost and expense, to place or display at the Location (interior and exterior) only such signs, emblems, lettering, logos, menu management station supplies, and display materials, and agrees to use in the operation of the Franchised Business only such supplies that are from time to time approved in writing by the Franchisor, as updated from time to time. The Franchisee will not replace any of the equipment at the Location or add to such equipment, unless such replacement or additional equipment complies with the Franchisor's standards and specifications and is purchased from the Franchisor or its designated suppliers.

5.~~6~~7 Opening for Business

The Franchisee agrees to commence the Franchised Business within nine (9) months of the date of execution of this Agreement. This Agreement may be terminated on forty-five (45) days prior written notice at the Franchisor's option for failure by the Franchisee to commence its business as provided by this Section. Or, if through no fault of Franchisee, the Location has not opened withing the nine (9) month period, Franchisor may agree in writing to provide Franchisee with an additional three (3) months to open its Location if Franchisee (a) has already secured an approved premises for its Location, and (b) is otherwise making diligent and continuous efforts to buildout and otherwise prepare its Location for opening throughout the nine (9) month period following the Effective Date. Franchisor reserves the right to charge Franchisee a fee of $2,500 as a condition to granting any extension under this Section.

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ARTICLE 6 - FEES

6.1 Franchise Fee

The Franchisee will pay to the Franchisor a non-recurring and non-refundable license fee of Sixty Thousand dollars ($60,000.00) together with all applicable taxes. The Franchisee acknowledges that the grant of the license to operate the Franchised Business constitutes the consideration for the payment of this franchise fee and that the franchise fee is fully-earned by the Franchisor upon signature of this Agreement.

6.2 Royalty Fee

In return for the ongoing rights and privileges granted to the Franchisee under this Agreement, the Franchisee agrees to pay a continuing monthly royalty fee to the Franchisor equal to 7% of the previous months gross sales for the Location. Royalty Fees are due by the 5th of every month. In the event the Royalty Fees are not received by the 5th of the month, a late payment fee will apply at the Interest Rate plus $50 per occurrence.

6.3 Advertising and Promotion Fund

Recognizing the value of uniform advertising and promotion to the goodwill and public image of the System, the Franchisee agrees that the Franchisor may maintain and administer a franchise advertising and promotion fund (the "Fund") in accordance with Article 13 for national, regional and other advertising programs. Franchisee will pay a continuing monthly advertising and promotion contribution equal to two percent (2%) of the Locations gross sales per month to the Fund. Your contribution will be determined using the previous months' Gross Sales. For example, if Franchisee's Gross Sales were $20,000 for the previous month, and the advertising fund contribution was 2%, then its monthly advertising contribution for the next month would be $400 ($20,000 x 0.02 = $400.00 for that month). The Franchisee's monthly contribution under this section may be increased to such greater amount as from time to time may be agreed upon by a majority of the Project LeanNation franchisees in the province or state in which the Location is situate.

~~6.4~~6.4 Financial Health Program Fee

The Franchisee will be required to participate in the Financial Health Program, as more specifically set forth in the Operating Manual. There is a $500 initial set-up fee to establish the Franchisee's accounting systems prior to opening, thereafter there is a continuing $450 monthly fee. Franchisor reserves the right to increase the monthly fee with 30 days notice to the Franchisee, however, such increases shall not occur more than once per year and shall not exceed 3%. The monthly fee includes, ongoing bookkeeping and transaction categorization, monthly financial reports and statements, financial coaching, benchmarking, and ongoing support.

6.5 Site Development Fee. The Franchisee will pay to Franchisor a non-recurring and non-refundable Site Development Fee of $17,500 per site upon signature of this Agreement. The Site Development Fee covers the real estate and construction advisory and project management support provided through our franchise system, including assistance with market analysis and site selection, coordination of competitive bidding processes, general contractor selection, vendor coordination and equipment orders, and brokerage services provided by our designated supplier, as described in Item 11.

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6.6 Payment Due Date

All monthly payments required by this Agreement must be received by the Franchisor by computer transfer direct debit or such other manner as may be designated by the Franchisor on or before the 5th day of each month in respect of the preceding calendar month. Any payment not actually received by the Franchisor on or before the due date will be considered overdue. Failure by Franchisee to have sufficient funds in the Account shall constitute a default of this Agreement pursuant to Section 17.2(q). Franchisee shall not be entitled to set off, deduct or otherwise withhold any royalty fees, advertising contributions, interest charges or any other monies payable by Franchisee under this Agreement on grounds of any alleged non-performance by PLN of any of its obligations or for any other reason.

6.~~5~~7 Automatic Payment Procedure

At the request of the Franchisor and at the Franchisee's expense, the Franchisee will promptly install, implement and at all times maintain and participate in such pre-authorized payment plans, computerized point of sale systems, credit verification systems and automatic banking systems that has the functionality the Franchisor may from time to time require for franchisees of the System. The Franchisee will do all things necessary to remit payments to the Franchisor due under this Agreement by automatic bank transfer or any similar process or procedure which may be initiated by the Franchisor without further action or authorization on the part of the Franchisee.

ARTICLE 7 - ROLE OF THE FRANCHISOR

7.1 Loan of Manual

The Franchisor will lend and deliver to the Franchisee one (1) copy of the Manual during the Initial Term and any Renewal Term of this Agreement.

7.2 Training

Prior to the opening of the Franchised Business to the public, the Franchisor will offer and the Franchisee is required to successfully complete an initial training program. This program will provide instruction on the use of teaching materials and instructional methods, the supervision of teachers, basic informal assessment practices and procedures, the evaluation of assessments, and the development of programming from assessments. It will be of such duration and at such time and place and with whatever additional curriculum and with such manner of instruction as the Franchisor designates. It is understood that if the Franchisor is required to train additional Trainees after the initial training program, the Franchisee will be required to pay compensation for any services performed by the Franchisor in the course of such training. Compensation for these additional services will be determined by the Franchisor in its sole discretion. In all instances, the Franchisee's owner and general manager (if different) must attend and successfully complete the initial training program. It is understood that the Franchisor will pay no compensation for services performed by the Franchisee and any Trainees in the course of training. The Franchisee will pay all expenses incurred by the Franchisee and its Trainees in connection with and during such training.

7.3 Additional Information

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Franchisee and is employees will ensure adherence to the highest standards of honesty, integrity, good faith, fair dealing and ethical conduct. The Franchisee agrees that its Franchised Business will not deviate from the standards set by the Franchisor from time to time for the operation of the Location, including without limitation, any of the following:

a. strict adherence to use of the products and services authorized from time to time by the Franchisor in accordance with Section 8.2;

b. methods and procedures concerning the correct method of buying, displaying, storing and selling products;

c. the safety, maintenance, cleanliness, function and appearance of the Location;

d. clothes to be worn by, and general appearance of, the Franchisee's employees as necessary to maintain uniformity throughout the System;

~~e.~~ the use and display of all Marks;

~~f.~~ f. the hours during and the days on which the Location will be open for business to the public;

g. the honoring of credit, debit or other card services which the Franchisor has approved;

h. limiting the placement of personal property and other financial security interests in, or hypothecs or pledges of its assets without the prior written approval of the Franchisor;

i. the use and illumination of signs, labels, posters, displays, standard formats and similar items;

j. the identification of the Franchisee as a Project LeanNation franchisee and the owner of the Franchised Business;

k. the content, style and media of advertising conducted by the Franchisee;

l. the sources, types and brands of all products and services sold or displayed at the Location;

m. the minimum levels of inventory to be maintained by the Franchisee;

n. the use and honoring of gift certificates, coupons and other such local and national promotional authorized by the Franchisor; and

o. attendance by the Franchisee at all seminars and meetings with other Franchisees~~; and~~.

8.5 Reputation

The Franchisee agrees that the reputation and success of the Franchised Business is dependent upon the confidence of the consuming public in the Franchisor, its franchisees and their employees, the products and services offered and their ability to protect the consuming public from crime. In this regard, the

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Franchisee acknowledges and agrees that it is necessary that ~~the Franchisor's~~ its personnel standards be more stringent than those adopted by businesses generally and will uphold this high reputational standard through the Term of this Agreement.

8.6 Suggested Prices to be Charged by the Franchisee

The Franchisor may, from time to time, advise the Franchisee concerning suggested minimum prices to be charged by the Franchisee that, in the Franchisor's judgment, would constitute good business practice for the Franchisee. The Franchisee is under no obligation to accept the Franchisor's suggestion as to minimum price and will in no way suffer in its business relations with the Franchisor or with any other person if the Franchisee fails to accept any such suggestion. The Franchisee acknowledges and agrees that the integrity and goodwill developed in its Franchised Business and all other Project LeanNation locations may depend upon the sale of goods and services at competitive prices and that, therefore, the Franchisor may specify from time to time, a maximum price for the Franchisee's goods and services and the Franchisee agrees to comply with such directions from the Franchisor concerning maximum prices. Such advice or suggestions concerning minimum prices and directions concerning maximum prices may be contained in the order forms or packing slips which accompany goods purchased by the Franchisee from the Franchisor, in advertisements and promotional material prepared or arranged by the Franchisor, or in the Manual.

8.7 Full-Time and Attention

At all times, the Franchised Business will be under the direct supervision of the Franchisee or under the direct supervision of a fully-trained employee-manager of Franchisee. Notwithstanding the foregoing, the owner(s) (or majority member(s) or shareholder(s)) of the franchise or the employee-manager shall work in the Franchised Business an aggregate of not less than 55 hours per week.

8.8 Management of Location

Subject to Section 8.7 above, at all times, the Franchised Business and the Location will be under the direct, on-premises supervision of the Franchisee or under the direct, on-premises supervision of a fully-trained employee-manager of Franchisee who has attended training and has been approved in writing by the Franchisor.

8.9 Hours of Operation

Subject to applicable laws, the Franchisee will keep the Location open for business and staffed with trained employees during such hours as required by the lease for the Location and such additional hours of business as the Franchisor may require, but not less than fifty-seven (57) hours per week.

8.10 Development of Market

The Franchisee will at all times actively promote the products and services offered by the Franchised Business, and will use its best efforts to develop, cultivate, and expand the market for these products and services within the Designated Territory.

8.11 Minimum Gross Sales Quota(s)

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"The transfer of the securities represented by this certificate is subject to the terms and conditions of a Franchise Agreement with Project Lean Nation Franchising, Inc. Reference is made to the provisions of that Franchise Agreement and to the organizational documents of this Corporation."

9.20 Cleanliness

The Franchisee will maintain a clean and safe place of business and will comply with all applicable safety and health regulations standards.

9.21 Use of Name, etc.

The Franchisee agrees to give the Franchisor and those acting under its authority the right to reasonably and fairly use their name, photograph or biographical material in any publication, circular or advertisement related to the business of the Franchisor or Franchisee, in any place for an unlimited period, without compensation.

9.22 Financial Health Program

The Franchisee will be required to participate in and comply with all requirements of the Financial Health Program (the "Financial Health Program") as more specifically set forth in the Operating Manual.

9.23 Other Obligations

The Franchisee will comply with all other obligations set forth in this Agreement, in the Manual or otherwise.

ARTICLE 10 - TRADE MARKS, TRADE NAMES AND/OR SERVICE MARKS

10.1 Grant of License

Subject to the additional conditions set forth herein, the Franchisor grants the Franchisee a non-exclusive license to use the Marks in connection with the operation of its Franchised Business at the Location and within the Designated Territory.

10.2 Conditions for Use

With respect to the Franchisee's use of the Marks pursuant to the license granted under this Agreement, the Franchisee agrees to comply with all of the conditions of use set out below.

a. The Franchisee will use only the Marks designated by the Franchisor and will use them only in the manner required or authorized and permitted by the Franchisor.

b. The Franchisee will use the Marks only in connection with the license to operate the Franchised Business granted under this Agreement.

c. During the term and any renewal of this Agreement, the Franchisee will identify itself as a licensee and not the owner of the Marks and will make any necessary filings under federal, state or provincial law and execute any documents considered necessary by the Franchisor for protection of the Marks or to reflect

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immediately return the Manual to the Franchisor. ~~If the Manual is ever lost or destroyed then the Franchisee shall be required to pay a fee of $5,000 to the Franchisor for a replacement Manual.~~

11.4 Revisions

The Franchisor may from time to time revise the contents of the Manual and the Franchisee agrees to comply with each new or changed standard. The Franchisee will at all times ensure that the Manual loaned to the Franchisee is kept current and up-to-date, and in the event of any dispute as to the contents of the Manual, the contents of the master copy of the Manual maintained by the Franchisor at the Franchisor's home office will be determinative.

ARTICLE 12 - ACCOUNTING AND REPORTING

12.1 Use of Designated Accounting System

The Franchisee agrees to utilize the computerized bookkeeping, reporting and accounting system designated from time to time by the Franchisor (including the fiscal year and reporting periods designated by the Franchisor for purposes of budgeting, reporting, and accounting as required under this Agreement), which system will be established and utilized by the Franchisee to account for, and transmit, the financial information required under this Agreement. The Franchisee further agrees to pay all reasonable fees charged by the Franchisor or others for use of such systems, as well as the purchase or lease of all necessary computer hardware, software, technical support and other expenses.

12.2 On-Line Access

The Franchisee agrees that the computerized bookkeeping, reporting and accounting system to be implemented and maintained by the Franchisee under this Agreement will include on-line access (electronic data interchange) hardware and software that will permit the Franchisor to access all of the Franchisee's computer-based financial information, and to read, download and copy any and all such information as may be required by the Franchisor from time to time in accordance with this Agreement. The Franchisee agrees to provide such access on a free and uninterrupted basis, to maintain all of its computerized records in an accurate, complete and absolutely current basis, and to comply with all directives of the Franchisor as to the confirmation of all such data, software and hardware.

12.3 Maintenance of Records

During the term of this Agreement, the Franchisee will maintain and preserve, for at least five (5) years from the dates of their preparation, full, complete and accurate books, records and accounts in accordance with generally accepted accounting principles and in the form and manner designated by the Franchisor from time to time in the Manual or otherwise in writing.

12.4 Reports and Financial Information

The Franchisee will furnish to the Franchisor such reports as the Franchisor may reasonably require from time to time. Without limiting the generality of the foregoing, the Franchisee will furnish to the Franchisor the following reports:

a. by the tenth (10th) day of each month in the form from time to time prescribed by the Franchisor:

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The Franchisor will have the right to transfer or assign all or any part of its rights or obligations under this Agreement to any person or legal entity provided that such assignee has agreed to assume all obligations of the Franchisor under this Agreement. Upon the happening of any such assignment, the Franchisor will be immediately released from any further obligation or liability under this Agreement of any nature whatsoever.

15.2 Transfer by the Franchisee

The Franchisee understands and acknowledges that the rights and duties set out in this Agreement are personal to the Franchisee, and that the Franchisor has entered into this Agreement in reliance on the business skill and financial capacity of the Franchisee and of its shareholders or partners, if applicable. Accordingly, neither the Franchisee nor any individual partnership, corporation or other legal entity which directly or indirectly controls the Franchisee, if the Franchisee is a corporation, nor any general partner or limited partner (including any corporation that controls, directly or indirectly, any general or limited partner) if the Franchisee is a partnership, will sell, assign, transfer, convey, give away, pledge, hypothecate, mortgage or otherwise encumber any legal or beneficial interest in the Franchisee, in this Agreement, in the Franchised Business or any of the assets employed by or in connection with the Franchised Business without the prior written consent of the Franchisor. Any purported assignment or transfer, by operation of law or otherwise, which does not have the prior written consent of the Franchisor, will be null and void and will constitute a material breach of this Agreement for which the Franchisor may terminate this Agreement without opportunity to cure. Notwithstanding the foregoing, Franchisee may, without the consent of the Franchisor (but still subject to Section 15.3 below), transfer the Franchised Business to an immediate family member.

15.3 Pre-Conditions to Transfer

The Franchisor will not unreasonably withhold its consent to a transfer of any interest of the Franchisee in the Franchised Business. Prior to the proposed transfer, the Franchisee must fulfill the terms of the Franchisor's transfer policy in effect at the time of transfer. The Franchisor may, in its discretion, as a part of its transfer policy require that the conditions set out below be satisfied.

a. If the transferee entity is to be a corporation, then it will be a newly organized corporation and copies of all organizational documents, including any shareholder agreement, will be provided to the Franchisor. The organizational documents will restrict the business that the corporation may carry on to the operation of a Project LeanNation franchise.

b. All obligations, monetary or otherwise, of the Franchisee or of the principals of the Franchisee to the Franchisor, affiliates and suppliers of the Franchisor will have been satisfied in full.

c. The Franchisee or transferor, as the case may be, will have executed a general release under, in a form satisfactory to the Franchisor, of any and all claims against the Franchisor and its officers, directors, shareholders and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state, provincial and local law. (The required general release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law)

d. The transferee will enter into a written agreement, under seal, and in a form satisfactory to the Franchisor, assuming and agreeing to discharge all of the Franchisee's obligations under this Agreement.

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e. The transferee will have provided the Franchisor with criminal record statements for all principals of the transferee.

f. The Franchisee will not be in default of any provision of this Agreement or any other agreement between the Franchisor and the Franchisee.

g. The transferee and its principals will demonstrate to the Franchisor's satisfaction: that they meet the Franchisor's managerial and business standards; possess a good moral character, business, and credit rating; have the aptitude and ability to conduct the Franchised Business (as may be evidenced by prior related business experience or otherwise); and have adequate financial resources and capital to operate the Franchised Business. The transferee will be required to meet personally with the Franchisor's selection committee, and will be required to satisfy the selection committee that he, she or they generally satisfy the existing requirements for all new Project LeanNation franchisees.

h. The transferee will execute (and/or, upon the Franchisor's request, cause all interested parties to execute) such then-current standard form franchise agreement and other supporting documents as Franchisor may require for the Franchised Business.

i. At the transferee's expense and upon such other terms and conditions as the Franchisor may reasonably require, the Franchisor will require the transferee or the transferee's manager to complete the training course then in effect for the franchisees in the same manner and upon the terms as the initial training.

j. If the transferee is a corporation, then the shareholders, directors and officers of the transferee will provide their personal guarantee of all of the Franchisee's obligations under this Agreement and other agreement between the Franchisor and the Franchisee.

k. Prior to the granting of approval for the transfer of the Franchisee's interest in this Agreement, the Franchisor will be paid in full its transfer, training and processing fees, which will be non- refundable. The fee payable under this section is twenty five percent (25%) of the then current Initial Franchise Fee.

l. Regardless of any transfer by the Franchisee in accordance with this article, the Franchisee and any guarantor of the Franchisee's obligations under this Agreement will remain bound by all of the terms and conditions of this Agreement and any such guarantee for (i) any obligations, claims, sums, terms or liabilities that arose prior to the transfer; and (ii) for all obligations, claims, sums, terms, restrictions, or liabilities which by their nature or the express terms of this Agreement survive such transfer.

m. The transfer must comply with all conditions of the lease or sublease for the Location, including obtaining the landlord's consent and the Franchisee must pay all costs required by the landlord in obtaining such consent.

n. Any transfer of assets of the Franchised Business must be affected in compliance with the requirements of all applicable Bulk Sales legislation.

o. In the event of a transfer to an immediate family member pursuant to Section 15.2, Section 15.3 (k) shall not apply.

15.4 Transfer to Holding Corporation, etc.

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products, business materials, services provided, methods of operation or related items, at its cost and expense, upon receipt of written notice of such change or modification in order to conform with the Franchisor's revised specifications. In the event that any improvement or addition to the Manual, the System, or the Marks is developed by the Franchisee, then the Franchisee grants to the Franchisor an irrevocable, world-wide, exclusive, royalty-free license, with the right to sub-license such improvement or addition. Notwithstanding the foregoing, Franchisor reserves no right to modify its System so as to control the essential terms and conditions of employment of Franchisee's employees, including but not limited to: hiring, firing, discipline, supervision, direction, wages, hours, number of workers, scheduling, seniority, assigning work, or determining the manner or method of performance.

16.2 Scope of Change or Modification

The Franchisee understands and agrees that due to changes in competitive circumstances, presently unforeseen changes in the needs of customers, and/or presently unforeseen technological innovations, the Franchisor's System must not remain static, in order that it best serve the interests of the Franchisor, all franchisees and the System. Accordingly, the Franchisee expressly understands and agrees that the Franchisor may from time to time change the components of the System, including but not limited to: altering the products, programs, services, methods, standards, forms, policies and procedures of that System; adding to, deleting from or modifying the programs, products and services that the Franchised Business is authorized to offer; and changing, improving or modifying the Marks. The Franchisee agrees to adopt and abide by all such modifications, changes, additions, deletions and alterations.

ARTICLE 17 - DEFAULT AND TERMINATION

17.1 Early Termination

The Franchisor will have the absolute and unfettered right to terminate this Agreement effective upon delivery to the Franchisee of written notice of termination, upon the occurrence of any of the events listed below:

a. The Franchisee fails to enter into a lease for the Location as required in Section 5.1 within 9 months of the date of this Agreement. If, through no fault of Franchisee, the Location has not opened withing the nine (9) month period, Franchisor may agree in writing to provide Franchisee with an additional three (3) months to open its Location if Franchisee (a) has already secured an approved premises for its Location, and (b) is otherwise making diligent and continuous efforts to buildout and otherwise prepare its Location for opening throughout the nine (9) month period following the Effective Date. Franchisor reserves the right to charge Franchisee a fee of $2,500 as a condition to granting any extension under this Section.

b. The Franchisee fails to commence to operate the Location as required in Section 5.~~6~~7.

c. The Franchisor determines that the Franchisee and/or other designate has not satisfactorily completed the pre-opening training programs to its satisfaction pursuant to Section 9.4 or that the Franchisee has not demonstrated the qualities and abilities necessary for the successful operation of the Franchised Business. In the event that the Franchisor exercises right to terminate the Agreement pursuant to this Section, the Franchisor will refund the Fee to the Franchisee, less the Franchisor's reasonable direct and indirect costs incurred to the date of termination.

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the System, the Mark, the goodwill associated with them, or the Franchisor's interest in them. For purposes of this Subsection 17.3(a), a DUI on off duty hours shall not be designated as adversely affecting the System.

b. Any employee, agent or independent contractor of the Franchisee discloses or divulges the contents of the Manual or other trade secrets or confidential information provided to the by the Franchisor.

c. The Franchisee, by act or omission, permits a continued violation in connection with the operation of the Franchised Business of any law, ordinance, rule or regulation of a governmental agency, for a period of five (5) days after notification of noncompliance in the absence of a good faith dispute over its application or legality and without promptly resorting to an appropriate administrative or judicial forum for relief from compliance.

d. The Franchisee misuses or makes any unauthorized use of the Marks or otherwise materially impairs the goodwill associated with them or the Franchisor's rights in them.

e. A transfer is not completed within the designated time following the death or Incapacity of any person with any interest in the Franchised Business or in the Franchisee or upon the dissolution of a Franchisee that is a partnership or corporation, with a person approved by the Franchisor.

f. The Franchisee engages in any business or markets any service or product under a name or mark which, in the Franchisor's opinion, is confusingly similar to the Marks.

g. The Franchisee fails to comply with its duties set out in this Agreement, or fails to perform any obligation owing to the Franchisor or to observe any covenant or agreement made by the Franchisee, whether such obligation, covenant or agreement is set forth in this Agreement, the Area Development Agreement, or any other agreement with the Franchisor including, but not limited to, any other franchise agreement by and between the Franchisor and the Franchisee or any entity related to the Franchisor.

h. The Franchisee fails to maintain and submit on time to the Franchisor all reports required pursuant to this Agreement, including but not limited to, financial statements, periodic and other reports of Gross Sales.

i. The Franchisee and its employees fail to attend and successfully complete any mandatory training program.

j. The Franchisee fails to maintain any of the standards or procedures or to fully and properly employ the System, Image and Marks designated by the Franchisor in this Agreement, the Manual, any other franchise agreement between the Franchisor and the Franchisee or any other agreement between the parties, or otherwise in writing.

k. The Franchisee fails to maintain and keep the Location and all equipment in good working order and repair.

l. The Franchisee is making deliveries outside of the Designated Territory.

m. The Franchisee fails to meet the Minimum Monthly Gross Sales Quota for 36 consecutive months pursuant to Section 8.11 of this Franchise Agreement, or Franchisee fails to undertake or successfully complete any mandatory corrective training program required by Franchisor under Section 8.11

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f. The Franchisee will pay to the Franchisor all of the Franchisor's damages, costs and expenses, including legal fees and costs, whether legal proceedings are commenced or not, incurred by the Franchisor subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement.

g. The Franchisee will immediately turn over to the Franchisor all copies of all materials in the Franchisee's possession including the Manual, all records, files, instructions, correspondence, disclosure statements and any and all other materials relating to the operation of the Franchised Business in the Franchisee's possession (all of which are acknowledged to be the Franchisor's property), and will not retain any copy or record of any of those materials, excepting the Franchisee's copy of this Agreement and of any correspondence between the parties and other documents which the Franchisee reasonably needs for compliance with any provision of law. In addition, the Franchisee will deliver to the Franchisor a complete list of all persons employed by the Franchisee during the three (3) years immediately preceding termination, together with all employment files of each employee on such list. All costs of delivering all material required by this section will be borne by the Franchisee.

h. The Franchisee will promptly notify the appropriate telephone company and all telephone directory listing agencies of the termination or expiration of its right to use any telephone number and any regular, classified or other telephone directory listings associated with any Marks and will authorize the transfer of those numbers and listings to or to the direction of the Franchisor. The Franchisee agrees to execute updated letters of direction to any telephone company and telephone listing agencies directing termination and/or transfer of the Franchisee's right to use any telephone number associated with the Marks, which the Franchisor may hold until termination or expiration of this Agreement. The Franchisee acknowledges that as between the Franchisor and the Franchisee, the Franchisor has the right to and interest in all telephone numbers and directory listings associated with any Marks. The Franchisee authorizes the Franchisor, and hereby appoints the Franchisor and any officer of the Franchisor as its attorney, to direct the appropriate telephone company and all listing agencies to transfer all such listings to the Franchisor or its nominee upon termination of this Agreement.

i. The Franchisee will fully cooperate with any exercise by the Franchisor of its option to purchase the tangible assets of the Franchisee upon termination, including execution and delivery of all transfer documentation, and delivery of all tangible assets to be purchased.

j. The Franchisee will execute any legal documents that may be necessary to carry out any termination or transfer to the Franchisor or its nominee provided for in this Agreement and will furnish to the Franchisor, within thirty (30) days after the effective date of termination, written evidence satisfactory to the Franchisor of the Franchisee's compliance with the obligations set out in this article.

k. Upon request by Franchisor, Franchisee will immediately assign all of its right, title and interest in and to the lease agreement for the Location to Franchisor. The Franchisee authorizes the Franchisor, and hereby appoints the Franchisor and any officer of the Franchisor as its attorney, to direct the landlord to transfer Franchisee's right, title and interest in lease agreement for the Location to the Franchisor or its nominee upon termination of this Agreement. The Franchisee shall sign the Lease Power of Attorney in the form of Schedule 2 attached hereto, to further evidence the Franchisor's rights hereunder.

l. Other than as specifically set out in this article, the Franchisee will have no interest in the Franchised Business upon termination or expiration of this Agreement, and the Franchisee will continue to be bound

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The payment and performance by the Franchisee of the fees and other obligations under this Agreement are absolute and unconditional, irrespective of any defense or any rights of setoff, or counterclaim that the Franchisee might otherwise have against the Franchisor. The Franchisee will pay, absolutely net, all of the fees due under this Agreement, free of any deductions and without abatement, diminution or setoff. Any defense or right of setoff, or counterclaim must be brought by separate action. The Franchisor will not be bound by any restrictive endorsement on any payment made by the Franchisee. Upon receipt of any payment by the Franchisee, the Franchisor reserves the right to allocate such payment at its discretion, even if the Franchisee has designated the payment for a different purpose or account.

19.10 Power of Attorney

If the Franchisee does not sign and deliver to the Franchisor any document which it is required to sign and deliver pursuant to this Agreement within ten (10) days of receiving the Franchisor's written request, the Franchisee irrevocably appoints the Franchisor as the Franchisee's attorney with full power and authority to sign and deliver in the name of the Franchisee any such document and to do all things necessary to comply in a timely manner with the provisions of this Agreement pursuant to which the power of attorney is being utilized, and the Franchisee agrees to ratify and confirm all such acts of the Franchisor as its lawful attorney and to indemnify and save the Franchisor harmless from all claims, losses, or damages in so acting.

19.11 Charges for Late and N.S.F. Payments

All fees and payments and all amounts due for goods purchased by the Franchisee from time to time from the Franchisor or its affiliates and any other amounts ~~owned~~owed to the Franchisor or its affiliates by the Franchisee pursuant to this Agreement or otherwise will bear interest after the due date and until paid in full at the Interest Rate, both before and after default, with interest on overdue interest at the Interest Rate. The acceptance of any payment will not be interpreted as a waiver by the Franchisor of its rights in respect of the default giving rise to such payment and will be without prejudice to the Franchisor's right to terminate this Agreement as a result of such default. In addition, the Franchisee agrees to pay an administrative fee of $50 for each and every overdue payment, and for each and every payment that the Franchisee's bank refuses to honor for any reason.

19.12 Security to the Franchisor

As security for the prompt payment, performance and satisfaction of all of the Franchisee's obligations under this Agreement, the Franchisee assigns, transfers and sets over to the Franchisor all of its right, title and interest in and to, and grants to the Franchisor a continuing lien on and security interest, in and to, all of the assets of the Franchisee or the Guarantors used in the Franchised Business, including but not limited to any and all of the personal property, real property, machinery, fixtures, equipment and inventory, wherever located, whether now owned, existing, acquired or arising after this date, together with all replacements, accessions, parts, proceeds, including insurance proceeds, bank accounts and proceeds of proceeds. Upon default by the Franchisee in payment of all or any part of the indebtedness or liability of the Franchisee to the Franchisor or in the performance or observance of any of the provisions of this Agreement, the Franchisor will have the rights and remedies of a secured party under the Uniform Commercial Code, or any equivalent provincial or state legislation. The Franchisor shall have the right in its exclusive discretion to perfect the Franchisor's security interest by filing a UCC-1 Financing Statement without the Franchisee's signature. If the Franchisee is in default, all debts then due and owing by the

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VENTURE CONTEMPLATED BY THIS AGREEMENT IS SPECULATIVE AND INVOLVES BUSINESS RISKS AND THAT ITS SUCCESS WILL BE LARGELY DEPENDENT UPON THE ABILITIES OF THE FRANCHISEE. THE FRANCHISOR EXPRESSLY DISCLAIMS THE MAKING OF, AND THE FRANCHISEE ACKNOWLEDGES THAT IT HAS NOT RECEIVED, ANY REPRESENTATION, WARRANTY, PROMISE, INDUCEMENT OR GUARANTEE, EXPRESS OR IMPLIED, ORAL OR WRITTEN, AS TO THE POTENTIAL VOLUME, PROFITS OR SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT OR OTHERWISE WITH RESPECT TO THE SUBJECT MATTER OF THIS AGREEMENT.

*this Section 22.11 shall not apply to franchisees in the state of Maryland.

22.12 Investigation and Voluntary Agreement

THE FRANCHISEE ACKNOWLEDGES THAT IT HAS RECEIVED, READ AND UNDERSTOOD THIS AGREEMENT. THE FRANCHISEE ACKNOWLEDGES THAT THE FRANCHISOR HAS PROVIDED THE FRANCHISEE AMPLE TIME AND OPPORTUNITY TO CONSULT WITH ADVISORS OF ITS OWN CHOOSING ABOUT THE POTENTIAL BENEFITS AND RISKS OF ENTERING INTO THIS AGREEMENT. THE FRANCHISEE IS ENTERING INTO THIS AGREEMENT VOLUNTARILY, AND WITHOUT THREAT, DURESS OR COMPULSION WHATSOEVER.

*this Section 22.12 shall not apply to franchisees in the state of Maryland.

22.13 Language Clause

The parties to this Agreement acknowledge having required that this Agreement as well as all notices, documents or agreements related to this Agreement be drafted in English. Les parties aux présentes reconnaissent avoir exigé que la présente convention ainsi que tous avis, documents ou ententes s'y rapportant soient rédigés en anglais.

22.14 Date of Execution

This Agreement has been signed, sealed and delivered by the parties _____, 20__.

Project Lean Nation Franchising, Inc. (the "Franchisor"):

_____
Tim Dougherty, President

_____ (the "Franchisee"):

_____

Guarantors:

_____

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SCHEDULE 6: AREA DEVELOPMENT AGREEMENT

AREA DEVELOPMENT AGREEMENT

This **AREA DEVELOPMENT AGREEMENT** (the "Agreement') is entered on this date of _____, 202__ (the "Effective Date") between Project Lean Nation Franchising, Inc., a New York corporation ("Franchisor") and _____ a [limited liability company/corporation/individual] ("Developer") (collectively the "Parties").

INTRODUCTION:

WHEREAS, the Parties hereto have entered into a franchise agreement dated even herewith (the "Franchise Agreement"); and

WHEREAS, the Parties wish to expand the number of franchises and the territory called for in the Franchise Agreement.

NOW, THEREFORE, in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Grant

a. Franchisor grants Developer the right, and Developer assumes the duty to open and operate a _____ (__) franchises (each a "Business' and collectively, the "Businesses") within the Development Area.

b. This size of your Development Area may substantially vary from other Developers based on: (i) the number of ~~Business~~Businesses we grant you the right to open and operate; and (ii) the geographic location and demographics of the general area where we mutually agree you will be opening these Businesses. The boundaries of your Development Area may be described in terms of zip codes, streets, landmarks (both natural and man-made) or county lines, or otherwise delineated on a map attached to Exhibit 1.

c. The rights granted by Franchisor are personal to Developer and its authorized owners.

2. Fees

a. Development Fee. You must pay us a one-time Development Fee in a lump sum ("Development Fee") upon your execution of this Area Development Agreement. Your Development Fee will depend on the number of Businesses you commit to develop and open within the Territory and is calculated as follows: (i) $45,000 per Business if you agree to open and operate between three (3) and five (5) Businesses; (ii) $40,000 per Business if you agree to open and operate between six (6) and nine (9) Businesses; and (iii) $35,000 per Business if you agree to open and operate ten (10) or more Businesses. You have committed and we have approved you to open _____(__) Businesses, therefor your Development Fee due at signing is _____ ($_____).

b. Franchise Fees. Upon the signing of this Area Development Agreement Developer must pay

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Franchisor the franchise fee for all of the Businesses granted in Section 1 (a) above in the amount of _____Dollars ($_____).

c. All amounts due Franchisor under this Agreement are fully-earned by Franchisor when paid and are non-refundable, in whole or in part.

3. Term and Development Area

a. The term of this Agreement shall commence on the Effective Date and shall end on the earlier of (1) _____; or (2) the opening of all of the Businesses set forth in this Development Agreement ~~(~~the "Term~~")~~"), which shall be the same as is in the Franchise Agreement.

b. The Development Area under this Agreement, listed on Exhibit 1 hereto, shall be exclusive during the Term of this Area Development Agreement as long as the Developer is not in default of any ~~term~~terms of this Area Development Agreement or any Franchise Agreement signed for any of the Businesses. This Development Area description shall supersede any such conflicting descriptions in the Franchise Agreement including, but not limited to, Section 2.4 and Schedule 5 thereof.

4. Development Schedule and Conditions

a. The development schedule ("Development Schedule") contained below and in Exhibit #2 sets forth the required opening dates for the ~~Business~~Businesses that Developer must develop under this Agreement. At all times during the Development Schedule, Developer must continuously operate or cause to be operated the number of Businesses then required to be operated under the Development Schedule unless the parties, in writing, agree otherwise.

b. The mechanics and timetable for the Development Schedule shall be as follows:

Developer agrees to open and have in full operation within ninety (90) days of each date specified below (each a "Required Date") not less than the number of fully opened and operating Businesses set forth opposite that required date.

Date:	Number of Businesses:

c. Neither party shall be deemed in default of this Agreement to the extent that performance of its obligations or attempts to cure any breach are delayed or prevented by reason of any act of God, fire, natural disaster, accident, act of government, strikes, unavailability of material, facilities, pandemic, epidemic, telecommunications services or supplies or any other cause beyond the reasonable control of such party ("Force Majeure"). In the event of such a Force Majeure, the party shall give the other party prompt written notice within ten (10) days of the Force Majeure. In

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EXHIBIT 3

California Amendment to Area Development Agreement

CALIFORNIA AMENDMENT
TO PROJECT LEAN NATION FRANCHISING, INC. AREA DEVELOPMENT AGREEMENT

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.

Our website has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the content of this website may be directed to the California Department of Financial Protection and Innovation at www.dfpi.ca.gov.

California Business and Professions Code sections 20000 through 20043 (the Franchise Relations Act) provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control. In particular, Business and Professions Code section 20010 voids a waiver of your rights under the Franchise Relations Act.

Section 31125 of the California Corporation Code requires us to provide you with a disclosure document before asking you to agree to a material modification of an existing franchise.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law. (11 U.S.C.A. Sec. 101 et seq.).

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

The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The franchise agreement requires binding arbitration. The arbitration will occur in New York with the costs being borne by each party. 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 New York. This provision may not be enforceable under California law. You may want to consult an attorney to understand the impact of out- of-state governing law on the franchise agreement.

You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).

The highest interest rate allowed by law in California is 10% annually.

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.

PROJECT LEAN NATION FRANCHISING, INC. :	**FRANCHISEE :**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

ILLINOIS AMENDMENT
TO PROJECT LEAN NATION FRANCHISING, INC. 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.

Section 19 of the Illinois Franchise Disclosure Act sets forth the conditions and notice requirements for termination of a franchise agreement.

Section 20 of the Illinois Franchise Disclosure Act sets forth the conditions of non-renewal of a franchise agreement. along with the compensation requirements.

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 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 behalf of the Franchisor, franchise seller or other person acting on behalf of a Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

PROJECT LEAN NATION FRANCHISING, INC. : **FRANCHISEE :**

By:_____ By:_____
Name:_____ Name:_____
Title:_____ Title:_____

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CALIFORNIA AMENDMENT
TO PROJECT LEAN NATION FRANCHISING, INC. FRANCHISE AGREEMENT

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.

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California Business and Professions Code sections 20000 through 20043 (the Franchise Relations Act) provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control. In particular, Business and Professions Code section 20010 voids a waiver of your rights under the Franchise Relations Act.

Section 31125 of the California Corporation Code requires us to provide you with a disclosure document before asking you to agree to a material modification of an existing franchise.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law. (11 U.S.C.A. Sec. 101 et seq.).

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

The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The franchise agreement requires binding arbitration. The arbitration will occur in New York with the costs being borne by each party. 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 New York. This provision may not be enforceable under California law. You may want to consult an attorney to understand the impact of out- of-state governing law on the franchise agreement.

You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).

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The highest interest rate allowed by law in California is 10% annually.

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.

PROJECT LEAN NATION FRANCHISING, INC. :	**FRANCHISEE :**
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

EXHIBIT "E"

TO

FRANCHISE DISCLOSURE DOCUMENT

List of Franchisees

CURRENT FRANCHISEES AS OF SEPTEMBER 30, 2025

	Store Location Name	FP'S Name	Telephone #	Address	State
	Canandaigua	Sam & Chris Mandrino	5855774960	39 Eastern Blvd Canandaigua, NY 14424	New York
2	Binghamton	Greg Rollo & David Kipper	6076083848	33 South Washington St. Binghamton, NY	New York
3	Crown Point	Jeremy & Brittney Bowen	7088326119	10005 Wisteria Lane St John, IN 46373	Indiana
4	Springdale	Logan & Skye Rose	4793001278	1610 Grace Place Bentonville, AR 72713	Arkansas
5	Greenville	Jeremy Batt	8644005319	18 Santee Court Simpsonville, SC 29680	North Carolina
6	Syracuse	Raisa Zhovklaya	3153840878	167 Lookout Circle Syracuse, NY 13209	New York
7	Ballantyne	Alexandra & Kevin Sampson	9803855499	11406 Glanmire Drive Matthews, NC 28105	North Carolina

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8	Cumming	McKenna & Patrick Hartman	4704440387	3040 Ascot Lane Roswell, GA 30076	Georgia	
9	Intown	Intown	Shane Lucas & Sam Stowell	4707819229	1080 Peachtree St NE Unit 2308 Atlanta, GA 30309	Georgia
10	Prosper	Mo and Deepal	4696945633	5116 Prospect St McKinney, Texas 75071	Texas	
11	Tyler	Lindy & Keith O'Brein	9034004390	2246 county road 4120 Jacksonville, TX 75766	Texas	
12	Marlton	Heather & Joe Hirsh	8567545899	24 Horseshoe Drive Mount Laurel Township, NJ 08054	New Jersey	
13	University City	Domonique & Tim Williams	7042722632	2702 Ensemble Ct Charlotte, NC 28262	North Carolina	
14	Frisco	Michael Smith	9458000643	PO Box 280 Broken Bow, OK 74728	Texas	
15	Fort Mill	Alexandra Trull & Chris Ramsey	8038595535	1750 HWY 160 W STE 101 PMB 261 Fort Mill, SC 29708	South Carolina	
16	Rincon	Jamie & Mary Cain	9122998980	614 Towne Park Loop Rincon, GA 31326	Georgia	
17	North Raleigh	Jeff Ragone	9847779309	9600-9650 Strickland Rd STE 111 Raleigh, NC, 27615	North Carolina	
18	Rochester	Tim & Leslie Dougherty	5855145535	1900 South Clinton Ave Rochester, NY 14618	New York	

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~~19~~	South End	Brantley Belk	9808905825	2210 Hawkins St Charlotte, NC 28203	North Carolina
~~20~~	Mount Pleasant	Joy Wunrow & Larin Childress	8434169593	607 Johnnie Dodds Blvd. Mt Pleasant, SC 29464	South Carolina
~~21~~	Plaza Midwood	Morgan Barden	9808905611	904 Pecan Ave. Suite 102 Charlotte, NC 28205	North Carolina
~~22~~	SouthPark	Craig ~~Voelker~~Voelker	9808905821	1730 East ~~Wood lawn~~Woodlawn Rd. STE D Charlotte, NC 28209	North Carolina
~~23~~	Concord	Tori Hetman	9808905774	11129 Harris Road Huntersville, NC 28078	North Carolina
~~24~~	Alpharetta	MeKenna & Patrick Hartmann	6789447240	3040 Ascot Lane Roswell, GA 30076	Georgia
~~25~~	~~Tallahassee~~	~~Jon Denton & Ryan Meyers~~	~~9124326321~~	~~174 Lori Lane Aberdeen, NC 28315~~	~~Florida~~
~~26~~	MeadowBrook	Jim Safron & Nicole Rosado	6592427880	1916 ~~blackridge~~Blackridge Rd. Hoover, AL 35244	Alabama
~~27~~	~~Newnan~~	~~Ezzie Raulls~~	~~4709996702~~	~~792 Argonne Avenue Northeast Atlanta, Georgia 30308~~	~~Georgia~~
~~28~~	Lawrenceville	James Keen & Laura Bader	4707699950	513 Sea Dunes Court Loganville, Georgia 30052	Georgia
~~29~~	Short Pump	Jessika & Mike Wolfe	8046004992	3902 Pumpkin Seed Lane Glen Allen, Virginia 23060	Virginia
~~30~~	Coppell	Michael Smith	9458006089	PO Box 280 Broken Bow, OK 74728	Texas

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~~31~~	Polaris	Andy & Heather Brinkman	3803339785	6473 Sherman Road, Galena, Ohio 43021	Ohio
~~32~~	Des Moines	James Eaton	3196544337	166 North ~~rigby,~~ Rigby, Idaho 83442	Iowa
~~33~~	Cumberland	Sharmaine & Rob Thomas	4075545260	265 Aventine Lane, Smyrna, Georgia 30082	Georgia
~~34~~	Carmel	Maggie & Ben Browning	3174635400	520 Super Star Court Carmel, IN 46032	Indiana
~~35~~	~~Fayetteville~~	~~Raisa Zhovtdaya~~	~~3153840878~~	~~167 Lookout Circle Syracuse, NY 13209~~	~~New York~~
~~36~~	~~Belmont~~	~~Kyle & Ashley Watford~~	~~7048136791~~	~~2836 S Hope Rd Belmont, NC 28056~~	~~North Carolina~~
~~37~~	Chesterfield	Troy Dorner	3146301909	16227 Surfview Ct. Wildwood, MO 63040	Missouri
~~38~~	Idaho Falls	~~Des Peres~~ Meagan & Travis Dykman	~~Troy Dorner~~ 9862490248	3146301909 2565 E 17th Street Suite 3 Ammon, ID 83406	~~16227 Surfview Ct. Wildwood, MO 63040~~ Idaho
~~39~~	Cortland	~~Sunset Hills~~ Mike & Heather Wiese	~~Troy Dorner~~ 6072024767	3146301909 64 Main Street Suite 102 Cortland, NY 13045	~~16227 Surfview Ct. Wildwood, MO 63040~~ New York
~~40~~	Morgantown	~~Parkland~~ Matt & Alissa Higgins	~~Chris Mackenzie~~ 7243011799	9542356229 1030 Suncrest Towne Centre Drive Morgantown, WV 26505	~~12267 NW 49th St Coral Springs, FL 33076~~ West Virginia
~~41~~	~~Buckhead~~	~~Shane Lucas & Sam Stowell~~	~~4707819229~~	~~1080 Peachtree St NE Unit 2308 Atlanta, GA 30309~~	~~Georgia~~

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~~Rochester, New York~~
~~Project Lean Nation, Inc.~~
~~1900 South Clinton Ave.~~
~~Rochester, NY 14618~~

FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT YET OPENED Store Location Name	**FP'S Name**	**Telephone #**	**Address**	**State**
Gastonia	Kyle & Ashley Watford	7048136791	2836 S Hope Rd Belmont, NC 28056	North Carolina
Parkland	Chris Mackenzie	9542356220	12267 NW 49th St Coral Springs, FL 33076	Florida
Buckhead	Shane Lucas & Sam Stowell	4707819229	1080 Peachtree St NE Unit 2308 Atlanta, GA 30309	Georgia
Fayetteville	Raisa Zhovklaya	3153840878	167 Lookout Circle Syracuse, NY 13209	New York
Harper's Point	Christopher and Jill Strasser	5137035831	11373 Montgomery Rd Suite 20 Cincinnati, OH 45249	Ohio
Dublin	Brock Meadows	7402626211	10726 Sawmill Parkway Shoppes of Wedgewood #103 Dublin, OH 43017	Ohio
Georgetown	Tim & Christie Fincannon	5126085196	4720 Williams Dr. Suite 105 Georgetown, TX 78633	Texas
Plano	Kristi Allison	2392876593	7363 Calla Lilly Ln, Frisco, TX 75034	Texas
Dominion	Zach Lawson	2108448065	23718 IH-10 W Suite 110 San Antonio, TX 78257	Texas
Middletown	Daniel Blondo	3023796054	1625 Lake Seymour Drive Middletown, DE 19709	Delaware
Waterford Lakes	Jay & Sacha Dawson	4077181089	13689 Granger Ave, Orlando, FL 32827	Florida
Middletown	Eric Campbell	5028024634	3016 Shaded Creek Ct., La Grange, KY 40031	Kentucky
Burlington	Shweta Jain	2173694695	101 Middlesex Turnpike Ste 320 Burlington, MA 01803	Boston
Lake Pleasant	Courtney & Kyle Bridges	6236408368	9785 W Happy Valley Rd Lake Pleasant , AZ 85383	Arizona

San Antonio	Jason O'Donley	9165301131	3237 Harvest View, Marion, TX 78124	Texas
Hilliard	Brock Meadows	7402626211	2363 Wildcat Run Court, Powell, Ohio 43065	Ohio
West Chester	Tom Fessel & Jacqueline Millican	5139102428	1376 Anderson Ferry Road, Cincinnati, OH 45238	Ohio
Downtown Raleigh	Ari Sanoff	9192727630	311 West Park Drive, Raleigh, NC 27605	North Carolina
Greensboro	Aubrey & Walker Whitley	3362473262	3301 Van Allen Cir., Greensboro, NC 27410	North Carolina
Farmingdale	Jesse Guarin	5164245914	1527 Baldwin Blvd., Bay Shore, NY 11706	New York
West Orlando	Melinda Iosua	4076263228	16892 Muskgrass Drive, Winter Garden, Florida 34787	Florida
Windermere	Cynthia Toscano-Lopez	2034966110	2613 Stanton Hall Court, Windermere, FL 34786	Florida
Northern NJ	Travis & Kristi Marks	9739606307	43 South Road, Charter, NJ 07930	New Jersey
Memphis	Mary La Brubaker	9012622851	1521 Kimbrough Road, Germantown, TN 38138	Tennessee

FORMER FRANCHISEES

Project LeanNation James Island
Charleston, South Carolina
(843) 408-0530

Mutual Termination - 2025
Project LeanNation Cumming
McKenna & Patrick Hartman
3040 Ascot Lane
Rosewell, GA 30076

Mutual Termination – 2025
Project LeanNation Newnan
Ezzie Raulls
792 Argonne Avenue Northeast
Atlanta, GA 30308

Mutual Termination – 2025
Project LeanNation Rincon
Jamie & Mary Cain

614 Town Park Loop
Rincon, GA 31326

EXHIBIT "G"

TO
FRANCHISE DISCLOSURE DOCUMENT

ADDITIONAL STATE DISCLOSURES

If the franchise being awarded is subject to the franchise-specific laws of one (1) or more of the following states because (a) the franchise prospect is a resident of that state, and/or (b) the franchise rights being awarded in within that state, as applicable under the specific state statute(s) at issue, the addendum (or addenda) of that state set forth below will apply to the franchise documents and should be entered into with Franchisor on the same date as the Franchise Agreement.

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FOR THE STATE OF NEW YORK

AMENDMENT TO
DISCLOSURE DOCUMENT FOR PROJECT LEAN NATION FRANCHISING, INC.

The Disclosure Document between _____("Franchisee" or "You") and Project Lean Nation Franchising, Inc., a New York corporation with its principal office at 14 Franklin Street, Suite 1403, Rochester, New York 14604 dated _____, 20___ (the "Document"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Document (the "Amendment"):

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CAN NOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge

or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for 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; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**": You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**," and Item 17(w), titled "**Choice of law**":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York.

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

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Document on _____, 20__.

Project Lean Nation Franchising, Inc.:	**Franchisee:**
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

FOR THE STATE OF MINNESOTA

AMENDMENT TO
DISCLOSURE DOCUMENT FOR PROJECT LEAN NATION FRANCHISING, INC.

In recognition of the requirements of CHAPTER 80C. FRANCHISES of Minnesota Law the parties to the attached Franchise Disclosure Documents (the "FDD") agree as follows:

1. Item 1 shall be amended to include the following statements.

Neither the Franchisor nor any person identified in the public offering statement:

a. has during the ten-year period immediately preceding the date of the public offering statement been convicted of a felony, pleaded nolo contendere to a felony charge, or been held liable in a civil action by final judgment if such felony or civil action involved fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices or misappropriation of property;

b. is subject to any currently effective order of the United States Securities and Exchange Commission or the securities administrator of any state denying registration to or revoking or suspending the license or registration of such person as a securities broker, dealer, agent, or investment adviser, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange;

c. is subject to any currently effective order or ruling of the Federal Trade Commission;

d. is subject to any currently effective injunctive or restrictive order relating to the business which is the subject of the franchise offered or any other business activity as a result of an action brought by any public agency or department; or

e. has any civil or criminal actions pending against that franchisor or person involving fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices or misappropriation of property.

2. Notwithstanding anything contained in the Franchise Disclosure Document to the contrary, Minnesota Statute 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchiser from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statute 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

3. Notwithstanding anything contained in the Franchise Disclosure Document to the contrary, with respect to franchises governed by Minnesota law, the franchiser will comply with Minnesota Statute 80C.14 Subd. 3-5, which require (except in certain specified cases):

- 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
- that consent to the transfer of the franchise will not be unreasonably withheld.

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FOR THE STATE OF WASHINGTON

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE 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.

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

FOR THE STATE OF ILLINOIS

AMENDMENT TO
DISCLOSURE DOCUMENT FOR PROJECT LEAN NATION FRANCHISING, INC.

In recognition of the requirements of 815 ILCS 705/1-44 of Illinois Law the parties to the attached Franchise Disclosure Documents (the "FDD") agree as follows:

1. Notwithstanding anything contained in the Franchise Disclosure Document to the contrary, Franchisor shall not terminate a franchise prior to the expiration of its term except for "good cause" as provided below:

(a) "Good cause" shall include, but not be limited to, the failure of the franchisee to comply with any lawful provisions of the franchise or other agreement and to cure such default after being given notice thereof and a reasonable opportunity to cure such default, which in no event need be more than 30 days.

(b) "Good cause" shall include, but without the requirement of notice and an opportunity to cure, situations in which the franchisee:

(i) makes an assignment for the benefit of creditors or a similar disposition of the assets of the franchise business;
(ii) voluntarily abandons the franchise business;
(iii) is convicted of a felony or other crime which substantially impairs the good will associated with the franchisor's trademark, service mark, trade name or commercial symbol; or
(iv) repeatedly fails to comply with the lawful provisions of the franchise or other agreement.

2. Notwithstanding anything contained in the Franchise Disclosure Document to the contrary, the Franchisor shall not refuse to renew a franchise either by repurchase or by other means for the diminution in the value of the franchised business caused by the expiration of the franchise where:

(a) the franchisee is barred by the franchise agreement (or by the refusal of the franchisor at least 6 months prior to the expiration date of the franchise to waive any portion of the franchise agreement which prohibits the franchisee) from continuing to conduct substantially the same business under another trademark, service mark, trade name or commercial symbol in the same area subsequent to the expiration of the franchise; or

(b) the franchisee has not been sent notice of the franchisor's intent not to renew the franchise at least 6 months prior to the expiration date or any extension thereof of the franchise.

PROJECT LEAN NATION FRANCHISING, INC.: **FRANCHISEE :**

By:_____ By:_____

Name:_____ Name:_____

Title:_____ Title:_____

FOR THE STATE OF MARYLAND

ADDENDUM TO
DISCLOSURE DOCUMENT FOR PROJECT LEAN NATION FRANCHISING, INC.

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

2. Based upon the Franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, Franchisor has posted a surety bond in accordance with the requirements of the Maryland Securities Commissioner, such surety bond is on file with the Maryland Securities Division.

3. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the Franchise.

PROJECT LEAN NATION FRANCHISING, INC.:	**FRANCHISEE :**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

FOR THE STATE OF CALIFORNIA
ADDENDUM TO
DISCLOSURE DOCUMENT FOR PROJECT LEAN NATION FRANCHISING, INC.

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.

Our website has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the content of this website may be directed to the California Department of Financial Protection and Innovation at www.dfpi.ca.gov.

California Business and Professions Code sections 20000 through 20043 (the Franchise Relations Act) provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control. In particular, Business and Professions Code section 20010 voids a waiver of your rights under the Franchise Relations Act.

Section 31125 of the California Corporation Code requires us to provide you with a disclosure document before asking you to agree to a material modification of an existing franchise.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law. (11 U.S.C.A. Sec. 101 et seq.).

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

The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The franchise agreement requires binding arbitration. The arbitration will occur in New York with the costs being borne by _____. 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 New York. This provision may not be enforceable under California law. You may want to consult an attorney to understand the impact of out- of-state governing law on the franchise agreement.

You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).

The highest interest rate allowed by law in California is 10% annually.

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.

PROJECT LEAN NATION FRANCHISING, INC. : **FRANCHISEE :**

By:_____ By:_____
Name:_____ Name:_____
Title:_____ Title:_____

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FOR THE STATE OF VIRGINIA

ADDENDUM TO

DISCLOSURE DOCUMENT FOR PROJECT LEAN NATION FRANCHISING, INC.

The following additional risk factor shall be added to the State Cover Page:

> **Estimated Initial Investment.** The Franchisee will be required to make an estimated initial investment ranging from $237,850 to $354,350. This amount exceeds the franchisor's stockholder's equity as of September 30, 2023, which is $130,262.

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.

PROJECT LEAN NATION FRANCHISING, INC. :	**FRANCHISEE :**
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

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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
New York	Pending ~~04/01/2025~~
North Carolina	10/19/2022
South Carolina	11/16/2022
Georgia	01/06/2023
Texas	04/03/2024
Florida	07/29/2025~~2024~~
Indiana	09/~~24/2024~~14/2025
Utah	05/~~23/~~06/2025~~2024~~
Connecticut	02/13/2025
Kentucky	03/04/2025~~Pending~~
Nebraska	~~Pending~~ 02/26/2025
Virginia	~~Pending~~ 01/13/2026
California	Pending
~~Hawaii~~	~~Pending~~
Illinois	Pending
Maryland	Pending
Michigan	~~Pending~~ 02/18/2025
Minnesota	04/01/2025
North Dakota	~~Pending~~ 3/5/2025
South Dakota	~~Pending~~ 02/28/2025
Rhode Island	~~Pending~~ 03/05/2025
Washington	Pending
Wisconsin	~~Pending~~ 02/19/2025

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

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RECEIPT #1

(This copy is for the prospective franchise owner and must remain herein)

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 Project Lean Nation Franchising, Inc. offers you a franchise, it must provide this Disclosure Document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

~~Minnesota~~State law requires a franchisor to provide the franchisee Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Project Lean Nation Franchising, Inc. does not deliver this Disclosure Document on time, or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be

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reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency listed in Exhibit "A" to this Disclosure Document.

The franchise seller(s) involved with the sale of this franchise is/are **(to be completed by franchise seller involved in sales process):**

Name:_____
Address:_____
Phone:_____

Name:_____
Address:_____
Phone:_____

Our agent to receive service of process is listed in Exhibit "B" to this Disclosure Document.

Issuance Date of this Franchise Disclosure Documents: January ~~24, 2025~~19, 2026.

I have received the Franchise Disclosure Document dated ~~_____, 20__~~January 19, 2026 that included the following Exhibits:

EXHIBIT "A" State Agencies and Administrators
EXHIBIT "B" Franchisor's Agent for Service of Process
EXHIBIT "C" Franchise Agreement
EXHIBIT "D" Table of Contents to Manual
EXHIBIT "E" List of Franchisees
EXHIBIT "F" Financial Statements
~~EXHIBIT "A" State Agencies and Administrators~~
~~EXHIBIT "B" Franchisor's Agent for Service of Process~~
~~EXHIBIT "C" Franchise Agreement~~
~~EXHIBIT "D" Table of Contents to Manual~~
~~EXHIBIT "E" List of Franchisees~~
~~EXHIBIT "F" Financial Statements~~
EXHIBIT "G" State ~~Addendum~~Specific Addenda
EXHIBIT "H" Franchisee Organizations
EXHIBIT ~~"H" Franchisee Organizations~~
~~EXHIBIT~~ "I" ~~Franchisee~~ Request for Consideration
EXHIBIT "J" State Effective Dates
EXHIBIT "K" Receipts

Date: _____ FRANCHISEE: _____

State: _____ Print Name: _____

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RECEIPT #2

(This copy must be signed by prospective franchise owner and returned to us)

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 Project Lean Nation Franchising, Inc. offers you a franchise, it must provide this Disclosure Document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

~~Minnesota~~State law requires a franchisor to provide the franchisee Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Project Lean Nation Franchising, Inc. does not deliver this Disclosure Document on time, or if it contains a false or misleading statement or a material omission, a violation of federal and state law

may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency listed in Exhibit "A" to this Disclosure Document.

The franchise seller(s) involved with the sale of this franchise is/are **(to be completed by franchise seller involved in sales process):**

Name:_____
Address:_____
Phone:_____

Name:_____
Address:_____
Phone:_____

Our agent to receive service of process is listed in Exhibit "B" to this Disclosure Document.

Issuance Date of this Franchise Disclosure Document: January ~~24, 2025~~19, 2026.

I have received the Franchise Disclosure Document dated ~~_____, 20__~~ January 19, 2026 that included the following Exhibits:

~~EXHIBIT "A" State Agencies and Administrators~~
~~EXHIBIT "B" Franchisor's Agent for Service of Process~~
~~EXHIBIT "C" Franchise Agreement~~
~~EXHIBIT "D" Table of Contents to Manual~~
~~EXHIBIT "E" List of Franchisees~~
~~EXHIBIT "F" Financial Statements~~
EXHIBIT "A" State Agencies and Administrators
EXHIBIT "B" Franchisor's Agent for Service of Process
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EXHIBIT "G" State ~~Addendum~~Specific Addenda
~~EXHIBIT "H" Franchisee Organizations~~
EXHIBIT "H" Franchisee Organizations
EXHIBIT "I" ~~Franchisee~~ Request for Consideration
EXHIBIT "J" State Effective Dates
EXHIBIT "K" Receipts

Date: _____ FRANCHISEE: _____

State: _____ Print Name: _____

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