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May 4, 2026

Ms. Rebecca Brubaker
Commerce Analyst II
Minnesota Department of Commerce
85 – 7th Place East, Suite 280
St. Paul, MN 55101-2198

VIA ELECTRONIC FILING

Re: Response to Comment Letter for:
Elements Therapeutic Massage, LLC
File No. 5517

Dear Ms. Brubaker:

I am in receipt of your comment letter dated April 16, 2026. Attached is a revised franchise seller form. We have made the requested changes and have submitted the changed pages electronically.

If you have any questions or comments, please feel free to contact me.

Very truly yours,

Elizabeth S. Dillon

ESD/mdr
Attachments

NOTES:

1. **Royalty.** You must pay us a monthly royalty on the 5th day of each month starting with the 1st full calendar month after opening the Studio. We reserve the right to collect royalties on a weekly, rather than monthly, basis upon notification to you.

If we are unable to access information from your Computer System (as defined in Item 11), and you fail to report your Studio's Gross Receipts when due, then for each payment due under the Franchise Agreement that is calculated based on Gross Receipts, we may debit your business account 110% of the average of your last three applicable payments that we debited. If the amounts that we debit from your business account are less than the amounts you actually owe us (once we have determined your Studio's true and correct Gross Receipts), we will debit your business account for the balance on the day we specify. If the amounts we debit from your business account are greater than the amounts you actually owe us, we will credit the excess against the amounts we otherwise would debit from your business account on the next payment due date.

Despite any designation you make, we may apply any of your payments to us or our affiliates to any of your past due indebtedness to us or our affiliates.

"Gross Receipts" include all of your revenue and receipts, including those taken by cash, credit card, debit card, check, electronic funds transfer, ACH, trade, barter or exchange. Gross Receipts also include: (a) any other means of revenue derived from the operations of your Studio, including the sale of memberships, merchandise, or any products or services that are sold by you, whether sold at the Premises or from an off-Premises location; (b) all revenue from the sale or redemption of gift cards, in accordance with our then-current System Standards; and (c) the gross amount of any business interruption or similar insurance payments. Gross Receipts exclude: (i) sales, use or privilege taxes paid to the appropriate taxing authority; (ii) refunds that are provided to clients (not including chargebacks); and (iii) tips received from clients for payment to your employees. The "Premises" is the specific location of your Studio that we approve.

2. **Brand Marketing Fund.** You must make contributions to an advertising and marketing fund (the "Brand Marketing Fund") of 2% of the Gross Receipts of your Studio, which we will spend on preparing marketing, recruiting, advertising, and promotional materials and programs that will be used nationally, regionally, multi-regionally, or locally. We may increase the amount you are required to contribute to the Brand Marketing Fund upon 30 days' written notice, but you will not be required to contribute more than 4% of the Gross Receipts of your Studio. You must also satisfy the Grand Opening Spend Requirement (see Item 5) and the Local Marketing Spend Requirement described below.

3. **Local Marketing Spend Requirement.** You must pay us, or to a third-party vendor we designate, a minimum "Local Advertising Fee" each month, which is currently \$2,000 per month. We or our designated vendor will use the Local Advertising Fee toward paid digital advertising programs (and any evolutions or "next generations" thereof) for your Studio within an area reasonably surrounding your Studio, which may include but not be limited to social media advertising and search engine marketing. We may periodically increase or otherwise modify the amount of your Local Advertising Fee or its accompanying digital advertising programs or resources upon 30 days' written notice to you. Any increase in the fee will be limited to the increase in our actual costs and expenses, whether third-party or internal, related to the provision of local advertising, plus a no more than 10% increase to the portion of the fee that amounts to margin or gross profit received by us. We currently collect the Local Advertising Fee by ACH on

the 15th day of each month for the preceding month. We may change the day of the month on which we collect the Local Advertising Fee. If we designate a third-party vendor to administer the paid digital advertising programs described above, you may be required to sign a participation agreement or similar document with such third-party vendor which will include payment terms regarding the Local Advertising Fee.

You must additionally spend a minimum of 2% of the Gross Receipts of your Studio each month toward approved advertising, marketing and promotional programs for your Studio within an area reasonably surrounding your Studio (the "Local Spend Amount"). We may periodically increase the amount of your Local Spend Amount upon 30 days' written notice to you; however, we will not increase the Local Spend Amount to more than 4% of the Gross Receipts of your Studio. We refer to the Local Advertising Fee and your Local Spend Amount together as the "Local Marketing Spend Requirement." Your Local Marketing Spend Requirement excludes any contributions you make to the Brand Marketing Fund, but any contributions you make to a Marketing Cooperative will count toward your Local Spend Amount. Your required Marketing Cooperative contributions could, by themselves, exceed the Local Spend Amount. We or our affiliates may be a designated supplier of local advertising, marketing and promotional programs for your Studio.

4. **Default Fee.** If you are in default of the Franchise Agreement and we send you a default notice, you must pay us a default fee in consideration for our administrative expenses, which may range from \$250 to \$2,500.
5. **Dishonored Checks or Insufficient Funds Fee.** If you write us a check that is returned, cancelled or dishonored, or if we ACH your bank account (in accordance with the terms of the Franchise Agreement) and your account has insufficient funds or is inaccessible, you must pay us an insufficient funds fee.
6. **Interest on Late Payments.** All amounts that you owe us for any reason will bear interest accruing as of their original due date at 1.5% per month or the highest commercial contract interest rate the law allows, whichever is less. We may debit your bank account automatically for transaction charges and interest.
7. **Monthly Management Fee (in the event of your abandonment, default, or termination).** If: (1) you abandon or fail actively to operate your Studio; (2) you fail to comply with any provision of the Franchise Agreement or any System Standard and do not cure the failure within the applicable cure period; or (3) the Franchise Agreement is terminated and we are deciding whether to exercise our option to purchase the Studio, we have the right (but not the obligation): (i) to enter the Premises to make any modifications we deem necessary to protect the Operating Assets; (ii) to remove any equipment, signage, or other materials featuring the Marks; (iii) to cure any defaults under the lease; and (iv) to assume all of your rights under the lease. We additionally have the right (but not the obligation) to enter the Premises and assume your Studio's management for any period of time we deem appropriate, but not to exceed six months. If we (or a third party we designate) assume your Studio's management, you must pay us our then-current monthly management fee, plus our (or the third party's) direct out-of-pocket costs and expenses. Our management fee will not exceed \$7,500 per month. These amounts are in addition to any Royalty, Brand Marketing Fund contributions, and other amounts which may be due to us or our affiliates.
8. **Replacement or Remedial Training Program Fee.** Any successor or replacement Operating Partner (defined in Item 15) or Designated Manager (defined in Item 15) may be required to

complete the Training Program no more than 90 days after being appointed (see Item 11). Additionally, if you (or your Operating Partner) or your Designated Manager (if applicable), or any other personnel required by us, fail to satisfactorily complete the Training Program, then we reserve the right to require such individual to attend remedial training and you may be required to pay us our then-current training fee for such remedial training. Our current training fee is \$500 per attendee. We may increase the amount of the fee upon 30 days' written notice to you; however, we will not increase the fee to more than \$1,000 per attendee. You are responsible for travel and living expenses, including wages, transportation, food, lodging, and workers' compensation insurance incurred by you or your personnel to attend such training.

9. **Additional or Special Training Fee.** If you request, and we agree to provide, additional or special guidance, assistance, or training, we may charge you our then-current training fee. Further, we may require you and/or certain other employees of your Studio (including any applicable Designated Manager) to attend or otherwise complete various training courses (including electronic training courses), trade shows, ongoing education or certification programs, and/or webinars at the times and locations designated by us, including courses and programs provided by third parties we designate. You may be required to pay fees to third-parties or pay us our then-current training fee for such courses and programs. You may be required to pay fees to third-parties or pay us our then-current training fee for such courses and programs. Our current training fee is \$500 per trainer or attendee. We may increase the amount of the fee upon 30 days' written notice to you; however, we will not increase the fee to more than \$1,000 per trainer or attendee. Lastly, if you are acquiring an existing Studio and we do not choose to provide an on-site training team or if you would like additional on-site support, you may request such additional or special support for our then-current training fee. You are responsible for travel and living expenses, including wages, transportation, food, lodging, and workers' compensation insurance incurred by you or your personnel to attend such training. You are also responsible for the travel and living expenses and out-of-pocket costs we incur in sending our trainer(s) to your Studio to conduct training, including food, lodging and transportation.
10. **Annual Conference Registration Fees.** You (or your Operating Partner) and any applicable Designated Manager are required to attend any scheduled annual franchise owner conferences. You (or your Operating Partner) and any applicable Designated Manager are required to attend any scheduled annual franchise owner conferences. You will be required to pay our then-current registration fee for each attendee no later than sixty (60) days prior to the scheduled annual conference. If you do not timely pay the then-current registration fee for each attendee, and unless you obtain a written attendance waiver from us, we reserve the right to collect via ACH the then-current registration fee for at least one attendee on behalf of your Studio. Our current conference fee ranges from \$599 to \$699 per attendee. We may increase the amount of the fee upon 30 days' written notice to you; however, we will not increase the fee to more than \$1,000 per attendee. If you do not attend, we may charge you a default fee for failing to attend. You are responsible for travel and living expenses, including wages, transportation, food, lodging, and workers' compensation insurance incurred by you or your personnel to attend such training.
11. **Manager Training Program Fee.** Before or after you have opened your Studio for business, we may offer you (or your Operating Partner) and any applicable Designated Manager, based on the factors that we determine, the opportunity to attend a manager training program. If you elect to attend such training, you may be required to pay us our then-current training fee. We do not currently require attendance and completion of this manager training program, but we may do so in the future. You are responsible for travel and living expenses, including wages, transportation, food, lodging, and workers' compensation insurance incurred by you or your personnel to attend such training.

rates for our in-house attorneys and/or paralegals upon 30 days' written notice to you; however, we will not increase the billing rates more than 10% per year. For the purpose of clarity, nothing in your Franchise Agreement will establish a joint-representation arrangement of any kind whatsoever between you and our in-house legal department.

29. **Booking Platform Fee.** If you terminate the Franchise Agreement, we terminate the Franchise Agreement for any reason (except if we elect to purchase your Studio or we consent to a transfer of your Studio and terminate the Franchise Agreement accordingly), or, the term of the Franchise Agreement (including any successor term) expires, you will pay to us, for a period of 60 days, a monthly booking platform hosting fee to keep the Studio's booking platform active following the date of termination/expiration to help manage the session, membership and gift card liability from the Studio.

Type of Expenditure	Traditional		Value Engineering		Method of Payment	When Due	To Whom Payment Is to be Made
	Low Amount	High Amount	Low Amount	High Amount			
TOTAL ESTIMATED INITIAL INVESTMENT ¹⁷	\$515,789 <u>567,239</u>	\$729,603 <u>\$1,097,853</u>	\$524,989	\$711,523			

NOTES:

1. **Initial Franchise Fee.** When you sign a Franchise Agreement to develop a single Studio, you must pay us an Initial Franchise Fee of \$40,000. You must pay the Initial Franchise Fee as a lump sum by wire transfer. The Initial Franchise Fee is fully earned by us when paid by you.

If you are signing the Franchise Agreement under an Area Development Agreement under which you or your affiliate previously paid a Development Fee, then, as described in Item 5, you may not be required to pay an Initial Franchise Fee at the time you execute the Franchise Agreement.

2. **Real Property, Utility, Security, and Other Deposits.** If you do not own retail space adequate to open your Studio, you must lease or rent the retail space from a third party. Studios are typically located in upscale retail areas, and require approximately 1,700 to ~~2,200~~2,880 square feet. Estimated monthly lease payments range from ~~\$4,000~~5,000 to \$7,500 (including common area maintenance payments) depending on the size, condition, and location of the leased premises. Your landlord may require a security deposit before leasing the premises to you, which is typically equal to one month's rent. Some utility companies also may require a security deposit before commencing services.
3. **Leasehold Improvements (net of landlord tenant allowances).** The Studio must be built according to our brand standards and specifications. The amount of your leasehold improvements can vary substantially based on existing conditions, size, design, the site's previous use, labor costs (which may further include both union and non-union labor), materials, the state, city or area in which your Studio is located, and the nature and extent of improvements required. These amounts do not reflect costs for the purchase of unimproved land and construction of a free-standing location, which would also result in a significantly greater initial investment. You should carefully investigate all of these costs in the area where you wish to establish your Studio. The leasehold improvements estimate is based on the cost of adapting our prototypical architectural and design plans to a facility containing approximately 1,700 to ~~2,200~~2,880 square feet. Typically, costs are higher in large metropolitan areas or if you choose premises with square footage in excess of the high range of ~~2,200~~2,880 square feet. In addition, the range disclosed in the chart is the range of costs after deducting any landlord allowances (tenant improvements, rent deduction and the like), which may or may not be granted by your landlord. We estimate that tenant improvement allowances typically range from ~~\$0~~\$35,280 to ~~\$150,000~~100,340; however, these allowances may vary by your location and other economic factors. The median leasehold

Provision		Section in franchise or other agreement	Summary
			that transferee’s obligations under any promissory notes, agreements, or security interests are subordinate to transferee’s payment obligations to us, our affiliates, and third-party vendors under their Franchise Agreement; transferee agrees to upgrade, remodel, and refurbish the Studio to our then-current standards; and you transfer, or transferee obtains new, business licenses, insurance policies, and material agreements. The term “Competitive Business” means any business operating or granting franchises or licenses to others to operate any business that offers therapeutic massage or bodywork services, other massage services, skincare services, or stretching-related services or offers or sells products or educational materials or conducts workshops that are the same as, similar to, or competitive with products, educational materials, and workshops offered by the Franchise System (other than a franchise operated under a franchise agreement with us or our affiliate).
		Area Development Agreement – 6.B	You may not transfer your interest in or any of your rights under the Area Development Agreement.
n.	Franchisor’s right of first refusal to acquire franchisee’s business	Franchise Agreement – 12.E.	We have a right of first refusal to acquire your Studio, substantially all of its assets, or an ownership interest in you or one of your owners.
		Area Development Agreement	Not applicable.
o.	Franchisor’s option to purchase franchisee’s business	Franchise Agreement – 15.E.	Upon termination or expiration of the Franchise Agreement, we have a 30-day option to purchase the assets of your Studio for fair-market value and assume the Studio’s lease.
		Area Development Agreement	Not applicable.
p.	Death or disability of franchisee	Franchise Agreement – 12.F.	Your personal representative has nine months to transfer your interest (or the Operating Partner’s or a controlling owner’s interest) in the Franchise Agreement to a third party, provided that the transfer conditions described in “m” above have been met. No fee deposit or transfer fee will be required if the transferee is a spouse or immediate family member of the transferor).
		Area Development Agreement	Not applicable.
q.	Non-competition covenants during the term of the franchise	Franchise Agreement – 7.A.	No involvement in any Competitive Business; no activities which might injure the goodwill of the Marks and Franchise System; and no immediate family members of you or your owners may violate these covenants, <u>subject to applicable state law.</u>
		Area Development Agreement – 5	No involvement in any Competitive Business; and no assistance or encouragement of family members from violating these covenants, <u>subject to applicable state law.</u>
r.	Non-competition covenants after the	Franchise Agreement – 15.F.	No involvement (direct or indirect) in Competitive Business for two years within a three-mile radius of your Studio or within three miles of another Studio, <u>subject to applicable state law.</u> (Same terms apply

Provision		Section in franchise or other agreement	Summary
	franchise is terminated or expires		after transfer.)
		Area Development Agreement – 7.C	No involvement (direct or indirect), provision of services in Competitive Business for two years within the Development Area or within three miles of another Studio, <u>subject to applicable state law</u> . (Same terms apply after transfer.)
s.	Modification of the agreement	Franchise Agreement – 17.K.	The Franchise Agreement can be modified only by written agreement between you and us. We can modify or change the Franchise System by modifying the Operations Manual and System Standards.
		Area Development Agreement – 10.G	No modifications except in writing and signed by both you and us.
t.	Integration/merger clause	Franchise Agreement – 17.M.	Only the terms of the Franchise Agreement and Area Development Agreement are binding (subject to state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement or Area Development Agreement may not be enforceable.
		Area Development Agreement – 10.G	
u.	Dispute resolution by arbitration or mediation	Franchise Agreement – 17.F.	Except for breach of your post-termination covenants, violation of the Lanham Act, or breach of trade secret, all disputes relating to the Franchise Agreement or Area Development Agreement or our relationship, as subject to state law, must be arbitrated within 50 miles of our then-current principal place of business (currently Denver, Colorado).
		Area Development Agreement – 9.A	
v.	Choice of forum	Franchise Agreement – 17.H.	State or federal court in the place where our principal place of business is located (currently Denver, Colorado) (subject to state law).
		Area Development Agreement – 9.C	
w.	Choice of law	Franchise Agreement – 17.G.	The laws of the state in which our principal place of business is located (currently, Colorado) govern (subject to state law), except that disputes regarding the Marks will be governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) and any arbitration matter will be governed by the United States Federal Arbitration Act (9 U.S.C. Sections 1 et seq.).
		Area Development Agreement – 9.B.	

Notes:

- (1) If you abandon or fail to actively operate your Studio, fail to comply with your Franchise Agreement or any System Standard without curing, or your Franchise Agreement is terminated and we are deciding whether to exercise our option to purchase your Studio, we have the right to: 1) enter the Premises to protect the Operating Assets, remove any equipment, signage, or other materials featuring the Marks, cure any defaults under the Lease, and assume your rights under the Lease; and/or 2) enter the Premises and assume your Studio's management for any period of time we deem appropriate, but not to exceed six months. We may assign these rights to any person or entity without your consent.

Applicable state law might require additional disclosures related to the information contained in this Item 17. These additional disclosures, if any, appear in Exhibit A.

The following are additional disclosures for the Franchise Disclosure Document of Elements Therapeutic Massage, LLC required by various state franchise laws. Each provision of these additional disclosures will only apply to you if the applicable state franchise registration and disclosure law applies to you.

**ADDENDUM TO ELEMENTS THERAPEUTIC MASSAGE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF CALIFORNIA MINNESOTA**

1. ~~The Disclosure Document is supplemented by the following language.~~

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

2. ~~The Disclosure Document is supplemented by the following language.~~

~~California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.~~

3. ~~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.).~~

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

5. ~~The Franchise Agreement requires you to waive your right to a trial by jury. This provision may not be enforceable under California law.~~

6. ~~The California Corporations Code, Section 31125 requires us to give you a disclosure document, approved by the Department of Financial Protection and Innovation, prior to a solicitation of a proposed material modification of an existing franchise.~~

7. ~~You must sign a general release if you 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).~~

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

9. ~~THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH A COPY OF THE DISCLOSURE DOCUMENT.~~

10. ~~OUR WEBSITE (www.elementsmassage.com) 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.~~

11. ~~The Disclosure Document is supplemented by the following language.~~

~~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.~~

**~~ADDENDUM TO ELEMENTS THERAPEUTIC MASSAGE, LLC
DISCLOSURE DOCUMENT
FOR THE STATE OF HAWAII~~**

~~To the extent the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§482E-1—482E-12 applies, the terms of this Addendum apply.~~

~~THESE FRANCHISES WILL BE/HAVE BEEN FILED/REGISTERED UNDER THE MINNESOTA FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING A CT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES/COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES/COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.~~

~~THE MINNESOTA FRANCHISE INVESTMENT LAW/ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN⁷ DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN⁷ DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT/THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.~~

~~THIS FRANCHISE DISCLOSURE DOCUMENT/PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT/AN UNDERSTANDING OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.~~

**~~ADDENDUM TO ELEMENTS THERAPEUTIC MASSAGE, LLC
DISCLOSURE DOCUMENT
FOR THE STATE OF ILLINOIS~~**

The State Cover Page of this disclosure document is amended by adding the following:

- ~~1. Any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside Illinois is void with respect to any action which is otherwise enforceable in Illinois, except that the Franchise Agreement may provide for arbitration outside Illinois.~~
- ~~2. Illinois Franchise Disclosure Act paragraphs 705/19 and 705/20 provide rights to you concerning non-renewal and termination of the Franchise Agreement. If the Franchise Agreement contains a provision that is inconsistent with the Act, the Act will control.~~
- ~~3. 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.~~
- ~~4. Illinois law shall apply to and govern the Franchise Agreement.~~
- ~~5. 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.~~

**ADDENDUM TO ELEMENTS THERAPEUTIC MASSAGE, LLC
DISCLOSURE DOCUMENT
FOR THE STATE OF MARYLAND**

Item 17 of this disclosure document is amended to include the following:

- ~~1. The Summary column of 17 (c) and (m) is modified as follows:~~

~~A general release required as a condition of renewal, sale and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.~~

- ~~2. The Summary column of 17 (h) is modified as follows:~~

~~A provision in the Franchise Agreement that provides for termination on your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).~~

- ~~3. The Summary column of 17 (v) is modified as follows:~~

~~A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.~~

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

~~This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection is legally enforceable.~~

~~All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.~~

~~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.~~

**ADDENDUM TO ELEMENTS THERAPEUTIC MASSAGE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MINNESOTA**

1. The following is added to the Disclosure Document:

Under Minnesota law and except in certain specified cases, we must give you 90 days' notice of termination with 60 days to cure. We also must give you at least 180 days' notice of its intention not to renew a franchise, and sufficient opportunity to recover the fair market value of the franchise as a going concern. To the extent that the Franchise Agreement is inconsistent with the Minnesota law, the Minnesota law will control.

To the extent that any condition, stipulation or provision contained in the Franchise Agreement (including any choice of law provision) purports to bind any person who, at the time of acquiring a franchise is a resident of Minnesota, or, in the case of a partnership or corporation, organized or incorporated under the laws of Minnesota, or purporting to bind a person acquiring any franchise to be operated in Minnesota to waive compliance with the Minnesota Franchises law, such condition, stipulation or provision may be void and unenforceable under the nonwaiver provision of the Minnesota Franchises Law.

Minn Stat §80C 21 and Minn Rule 2860 4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. Specifically, we cannot require you to consent to us obtaining injunctive relief; however, we may seek such relief through the court system.

Minn Rule 2860 4400J prohibits us from, requiring you to assent to a general release. To the extent that the Agreement requires you to sign a general release as a condition of renewal or transfer, the Franchise Agreement will be considered amended to the extent necessary to comply with Minnesota law.

Minn Stat §604 113 sets a cap of \$30 on fees to be paid to us if any check, draft, electronic or otherwise, is returned for insufficient funds.

2. The following paragraph is added to the Disclosure Document:

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.

~~**ADDENDUM TO ELEMENTS THERAPEUTIC MASSAGE, LLC
DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK**~~

~~To the extent the New York General Business Law, Article 33, §§680–695 applies, the terms of this Addendum apply.~~

~~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 F 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.~~

~~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.~~

~~Item 5, Additional Disclosures.~~

~~— The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.~~

~~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.~~

~~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.~~

~~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.~~

~~**ADDENDUM TO ELEMENTS THERAPEUTIC MASSAGE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF RHODE ISLAND**~~

~~The following language will apply to Disclosure Documents issued in Rhode Island and be attached by addendum to Franchise Agreements issued in the state of Rhode Island:~~

~~If any of the provisions of this disclosure document (Risk Factor 1, Coverage Page, and (w) are inconsistent with §19-28-1-14 of the Rhode Island Franchise Investment Act, which states that a provision in an Franchise Agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act, then said Rhode Island law will apply.~~

~~**ADDENDUM TO ELEMENTS THERAPEUTIC MASSAGE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF VIRGINIA**~~

- ~~1. In recognition of the restrictions contained in Section 13-1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for use in the Commonwealth of Virginia is amended as follows:~~

~~Pursuant to Section 13-1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.~~

~~Pursuant to Section 13-1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.~~

~~Any securities offered or sold by the franchisee as part of the Studio must either be registered or exempt from registration under Section 13-1-514 of the Virginia Securities Act.~~

~~2. 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.~~

**WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE
FRANCHISE AGREEMENT, THE DEVELOPMENT AGREEMENT, AND ALL RELATED
AGREEMENTS**

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. ~~**Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.~~
2. ~~**Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.~~
3. ~~**Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.~~
4. ~~**General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).~~
5. ~~**Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.~~
6. ~~**Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.~~
7. ~~**Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.~~

- ~~8. **Certain Buy Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.~~
- ~~9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).~~
- ~~10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).~~
- ~~11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.~~
- ~~12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.~~
- ~~13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.~~
- ~~14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.~~
- ~~15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.~~
- ~~16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise~~

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

~~17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).~~

~~18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.~~

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

~~**ADDENDUM TO ELEMENTS THERAPEUTIC MASSAGE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR PUERTO RICO**~~

~~This Addendum relates to franchises sold in Puerto Rico. The disclosure document is amended as follows:~~

~~1. Item 1. You are responsible for reviewing and must comply with all laws, rules and regulations governing the operation of the Studio in your Protected Area, and obtain all permits and licenses necessary to operate the Studio.~~

~~2. Item 7. The estimated initial investment chart in Item 7 reflects estimates for franchised Elements Massage Studios based in the United States (excluding United States territories). Your estimated initial investment will likely differ from the amounts represented in that chart.~~

~~3. Item 11. You may receive a lesser benefit from the Brand Marketing Fund because the bulk of our advertising and marketing efforts from the Brand Marketing Fund will be concentrated in the United States.~~

~~3. Item 17. Item 17(g) and (h) are revised to reflect that any event of default described in those items are presumptively deemed to adversely and substantially affect our interests, and that your failure to comply with the requirements or obligations giving rise to the breach are essential obligations of the Franchise Agreement.~~

~~4. Item 20. There currently are no Elements Massage Studios in Puerto Rico.~~

ADDENDUM

THE FOLLOWING PAGES IN THIS EXHIBIT ARE
STATE SPECIFIC RIDERS TO THE
FRANCHISE AGREEMENT
FOR USE IN HAWAII

~~THIS ADDENDUM is made and entered into by and between ELEMENTS THERAPEUTIC MASSAGE, LLC, a Delaware limited liability company with our principal business address at 1890 Wynkoop Street, Unit 1, Denver, Colorado 80202 (“Franchisor,” “we,” “us,” or “our”) and [FRANCHISEE], having its principal business address at [ADDRESS] (“Franchisee,” “you,” or “your”).~~

~~1. To the extent the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§482E 1—482E-12 applies, the terms of this Addendum apply.~~

~~2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.~~

~~3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.~~

~~4. 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.~~

~~5. This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.~~

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

FRANCHISOR:
ELEMENTS THERAPEUTIC MASSAGE,
LLC

FRANCHISEE:
[NAME OF INDIVIDUAL OR ENTITY]

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

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

**RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS**

~~THIS RIDER is made and entered into by and between ELEMENTS THERAPEUTIC MASSAGE, LLC, a Delaware limited liability company with our principal business address at 1890 Wynkoop Street, Unit 1, Denver, Colorado 80202 (“Franchisor,” “we,” “us,” or “our”) and [FRANCHISEE], having its principal business address at [ADDRESS] (“Franchisee,” “you” or “your”).~~

1. ~~**BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____ (the “Franchise Agreement”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) any of the offering or sales activity relating to the Franchise Agreement occurred in Illinois and the Elements Massage® Studio that you will operate under the Franchise Agreement will be located in Illinois, and/or (b) you are domiciled in Illinois.~~

2. ~~**ILLINOIS LAW.** The following paragraphs are added to the end of the Franchise Agreement and supersede any conflicting provisions in the Franchise Agreement:~~

~~Illinois law governs the agreements between the parties to this franchise.~~

~~Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration in a venue outside of Illinois.~~

~~Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.~~

~~Franchisee’s rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.~~

3. ~~**STATEMENTS, QUESTIONNAIRES, AND ACKNOWLEDGMENTS.** The following paragraph is added to the end of the 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.~~

{Signature Page Follows}

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

FRANCHISOR:
~~ELEMENTS THERAPEUTIC MASSAGE,~~
~~LLC~~

FRANCHISEE:
~~[NAME OF INDIVIDUAL OR ENTITY]~~

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

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

**RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN MARYLAND**

~~THIS RIDER is made and entered into by and between ELEMENTS THERAPEUTIC MASSAGE, LLC, a Delaware limited liability company with our principal business address at 1890 Wynkoop Street, Unit 1, Denver, Colorado 80202 (“Franchisor,” “we,” “us,” or “our”) and [FRANCHISEE], having its principal business address at [ADDRESS] (“Franchisee,” “you” or “your”).~~

1. ~~**BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____ (the “Franchise Agreement”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are domiciled in Maryland, and/or (b) the Elements Massage® Studio that you will operate under the Franchise Agreement will be located in Maryland.~~

2. ~~**RELEASES.** The following is added to the end of Sections 13.A. (“Your Right to Acquire a Successor Franchise”) and 12 (“Transfer”) of the Franchise Agreement:~~

~~However, any release required as a condition of renewal, sale and/or assignment/transfer will not apply to any claims or liability arising under the Maryland Franchise Registration and Disclosure Law.~~

3. ~~**ACKNOWLEDGMENTS.** The following is added to the end of Section 17.M. (“Construction”) of the Franchise Agreement:~~

~~Lastly, all representations requiring you to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.~~

4. ~~**TERMINATION.** The following sentence is added to the end of Section 14.B.(20) (“Termination by Us”) of the Franchise Agreement:~~

~~We and you acknowledge that certain aspects of this provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.).~~

5. ~~**ARBITRATION.** The following is added to the end of Section 17.F. (“Arbitration”) of the Franchise Agreement:~~

~~This agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.~~

6. ~~**CONSENT TO JURISDICTION/GOVERNING LAW.** The following sentence is added to the end of Section 17.G. (“Governing Law”) and Section 17.H. (“Consent to Jurisdiction”) of the Franchise Agreement:~~

~~You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.~~

~~7. — **LIMITATIONS OF CLAIMS AND CLASS ACTION BAR.** The following sentence is added to the end of Section 17.L. of the Franchise Agreement:~~

~~You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after we grant you the franchise.~~

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

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

~~**FRANCHISOR:**
ELEMENTS THERAPEUTIC MASSAGE,
LLC~~

~~**FRANCHISEE:**
[NAME OF INDIVIDUAL OR ENTITY]~~

~~By: _____
Name: _____
Title: _____
Date: _____~~

~~By: _____
Name: _____
Title: _____
Date: _____~~

12. **STATEMENTS, QUESTIONNAIRES, AND ACKNOWLEDGMENTS**. The following paragraph is added to the end of the 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.

{Signature Page Follows}

**RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN NORTH DAKOTA**

~~THIS RIDER is made and entered into by and between ELEMENTS THERAPEUTIC MASSAGE, LLC, a Delaware limited liability company with our principal business address at 1890 Wynkoop Street, Unit 1, Denver, Colorado 80202 (“Franchisor,” “we,” “us,” or “our”) and [FRANCHISEE], having its principal business address at [ADDRESS] (“Franchisee,” “you” or “your”).~~

1. ~~**BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____ (the “Franchise Agreement”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of North Dakota and the Elements Massage® Studio that you will operate under the Franchise Agreement will be located or operated in North Dakota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in North Dakota.~~

2. ~~**RELEASES.** The following is added to the end of Section 2.C. (“Relocation”), Section 13.A. (“Your Right to Acquire a Successor Franchise”), and Section 12 (“Transfer”) of the Franchise Agreement:~~

~~Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.~~

3. ~~**RESTRICTIVE COVENANTS.** The following is added to the end of Section 15.F. (“Covenant Not to Compete”) of the Franchise Agreement:~~

~~Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we will enforce the covenants to the maximum extent the law allows.~~

4. ~~**LIQUIDATED DAMAGES.** The following language is added to the end of Section 15.B. of the Franchise Agreement:~~

~~We and you acknowledge that certain parts of this provision might not be enforceable under the North Dakota Franchise Investment Law. However, we and you agree to enforce the provision to the extent the law allows.~~

5. ~~**ARBITRATION.** The first paragraph of Section 17.F. of the Franchise Agreement is amended to read as follows:~~

~~“Except for injunctive relief and actions for amounts that you owe us, we and you agree that all controversies, disputes, or claims between us or any of our affiliates, and our and their respective shareholders, officers, directors, agents, and employees, on the one hand, and you (and your owners, guarantors, affiliates, and employees), on the other hand, arising out of or related to:~~

~~(a) this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates);~~

~~(b) our relationship with you;~~

- (c) ~~the scope or validity of this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates) or any provision of any of such agreements (including the validity and scope of the arbitration provision under this Section 17.F., which we and you acknowledge is to be determined by an arbitrator, not a court); or~~
- (d) ~~any System Standard;~~

~~must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association (the "AAA"). The arbitration proceedings will be conducted by 1 arbitrator and, except as this Section otherwise provides, according to the AAA's then-current Commercial Arbitration Rules. All proceedings will be conducted at a suitable location chosen by the arbitrator that is within 50 miles of our then-current principal place of business (currently, Denver, Colorado); provided however, that to the extent otherwise required by the North Dakota Franchise Investment Law (unless such a requirement is preempted by the Federal Arbitration Act), arbitration shall be held at a site at which we and you mutually agree. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction."~~

6. ~~**GOVERNING LAW.** Section 17.G. of the Franchise Agreement is deleted and replaced with the following:~~

~~All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.), or other United States federal law, and except as otherwise required by North Dakota law, this Agreement, the franchise, and all claims arising from the relationship between us and you will be governed by the laws of the State of Colorado without regard to its conflict of laws rules; except that (1) any law regulating the offer or sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this section, and (2) the enforceability of those provisions of this Agreement which relate to restrictions on you and your owners' competitive activities will be governed by the laws of the state in which your business is located.~~

7. ~~**CONSENT TO JURISDICTION.** The following is added to the end of Section 17.H. of the Franchise Agreement:~~

~~Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, and subject to your arbitration obligations, you may bring an action in North Dakota for claims arising under the North Dakota Franchise Investment Law.~~

8. ~~**WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.** If and then only to the extent required by the North Dakota Franchise Investment Law, Section 17.I. ("Waiver of Punitive Damages and Jury Trial") of the Franchise Agreement is deleted.~~

9. ~~**STATEMENTS, QUESTIONNAIRES, AND ACKNOWLEDGMENTS.** The following paragraph is added to the end of the 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.~~

{Signature Page Follows}

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

FRANCHISOR:
~~ELEMENTS THERAPEUTIC MASSAGE,~~
~~LLC~~

FRANCHISEE:
~~[NAME OF INDIVIDUAL OR ENTITY]~~

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

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

**RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN RHODE ISLAND**

~~THIS RIDER is made and entered into by and between ELEMENTS THERAPEUTIC MASSAGE, LLC, a Delaware limited liability company with our principal business address at 1890 Wynkoop Street, Unit 1, Denver, Colorado 80202 (“Franchisor,” “we,” “us,” or “our”) and [FRANCHISEE], having its principal business address at [ADDRESS] (“Franchisee,” “you” or “your”).~~

1. ~~**BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____ (the “Franchise Agreement”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are domiciled in Rhode Island and the Elements Massage® Studio that you will operate under the Franchise Agreement will be located in Rhode Island; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Rhode Island.~~

2. ~~**CONSENT TO JURISDICTION / GOVERNING LAW.** The following language is added to the end of Sections 17.G. (“Governing Law”) and 17.H. (“Consent to Jurisdiction”) of the Franchise Agreement:~~

~~Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “a provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this act.” To the extent required by applicable law, Rhode Island law will apply to claims arising under the Rhode Island Franchise Investment Act.~~

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

FRANCHISOR:
**ELEMENTS THERAPEUTIC MASSAGE,
LLC**

FRANCHISEE:
[NAME OF INDIVIDUAL OR ENTITY]

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

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

**PUERTO RICO ADDENDUM TO
ELEMENTS THERAPEUTIC MASSAGE, LLC
FRANCHISE AGREEMENT**

This Addendum relates to franchises sold in Puerto Rico. The Franchise Agreement is amended as follows:

1. ~~No Translation Duty.~~ The Franchise Agreement is amended to add Section 4.L. as follows:

We will provide this Agreement, reports and other communications, and all services hereunder in the English language and will not have a duty to provide any translation or interpreter services for you or any of your personnel.

2. ~~Advertising.~~ Section 9.D. of the Franchise Agreement is amended to provide that you acknowledge and agree that you may receive lesser benefit from the Brand Marketing Fund because the Studio is located outside of the United States where the bulk of our advertising and marketing efforts from the Brand Marketing Fund will be concentrated.

3. ~~Default and Termination.~~ Section 14.B. of the Franchise Agreement is amended to provide that you acknowledge and agree that any event of default described in Section 14.B. of the Franchise Agreement is presumptively deemed to adversely and substantially affect our interests, and that your failure to comply with the requirements or obligations giving rise to the breach are essential obligations of the Franchise Agreement.

4. ~~Arbitration.~~ Section 17.F. of the Franchise Agreement is amended to provide that any arbitration proceedings must be conducted in the English language.

5. ~~Construction.~~ In all other respects, the Franchise Agreement will be construed and enforced with its terms. All capitalized terms not defined in this Addendum have the respective meanings set forth in the Franchise Agreement.

FRANCHISOR:
**ELEMENTS THERAPEUTIC MASSAGE,
LLC**

FRANCHISEE:
[NAME OF INDIVIDUAL OR ENTITY]

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

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

**THE FOLLOWING PAGES IN THIS EXHIBIT ARE
STATE SPECIFIC RIDERS TO THE
AREA DEVELOPMENT AGREEMENT**

**ADDENDUM TO THE ELEMENTS THERAPEUTIC MASSAGE, LLC
AREA DEVELOPMENT AGREEMENT
FOR USE IN HAWAII**

~~THIS ADDENDUM is made and entered into by and between ELEMENTS THERAPEUTIC MASSAGE, LLC, a Delaware limited liability company with our principal business address at 1890 Wynkoop Street, Unit 1, Denver, Colorado 80202 (“Franchisor,” “we,” “us,” or “our”) and [DEVELOPER], having its principal business address at [ADDRESS] (“Developer,” “you,” or “your”).~~

~~1. To the extent the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§482E 1—482E 12 applies, the terms of this Addendum apply.~~

~~2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Area Development Agreement.~~

~~3. Except as expressly modified by this Addendum, the Area Development Agreement remains unmodified and in full force and effect.~~

~~4. 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.~~

~~5. This Addendum is being entered into in connection with the Area Development Agreement. In the event of any conflict between this Addendum and the Area Development Agreement, the terms and conditions of this Addendum shall apply.~~

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

FRANCHISOR:
**ELEMENTS THERAPEUTIC MASSAGE,
LLC**

FRANCHISEE:
[NAME OF INDIVIDUAL OR ENTITY]

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

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

**RIDER TO THE ELEMENTS THERAPEUTIC MASSAGE, LLC
AREA DEVELOPMENT AGREEMENT
FOR USE IN ILLINOIS**

~~THIS RIDER is made and entered into by and between ELEMENTS THERAPEUTIC MASSAGE, LLC, a Delaware limited liability company with our principal business address at 1890 Wynkoop Street, Unit 1, Denver, Colorado 80202 (“Franchisor,” “we,” “us,” or “our”) and [DEVELOPER], having its principal business address at [ADDRESS] (“Developer” or “you”).~~

1. ~~**BACKGROUND.** We and you are parties to that certain Area Development Agreement dated _____ (the “Area Development Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Area Development Agreement. This Rider is being signed because (a) any of the offering or sales activity relating to the Area Development Agreement occurred in Illinois and the Elements Massage® Studios that you will operate and develop under the Area Development Agreement will be located in Illinois, and/or (b) you are domiciled in Illinois.~~

2. ~~**ILLINOIS LAW.** The following paragraphs are added to the end of the Area Development Agreement and supersede any conflicting provisions in the Area Development Agreement:~~

~~Illinois law governs the agreements between the parties to this franchise.~~

~~Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration in a venue outside of Illinois.~~

~~Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.~~

3. ~~**STATEMENTS, QUESTIONNAIRES, AND ACKNOWLEDGMENTS.** The following paragraph is added to the end of the 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.~~

~~{Signature Page Follows}~~

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

FRANCHISOR:
**ELEMENTS THERAPEUTIC MASSAGE,
LLC**

DEVELOPER:
[NAME OF INDIVIDUAL OR ENTITY]

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

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

**~~RIDER TO THE ELEMENTS THERAPEUTIC MASSAGE, LLC
AREA DEVELOPMENT AGREEMENT
FOR USE IN MARYLAND~~**

~~THIS RIDER is made and entered into by and between ELEMENTS THERAPEUTIC MASSAGE, LLC, a Delaware limited liability company with our principal business address at 1890 Wynkoop Street, Unit 1, Denver, Colorado 80202 (“Franchisor,” “we,” “us,” or “our”) and [DEVELOPER], having its principal business address at [ADDRESS] (“Developer,” “you” or “your”).~~

1. ~~**BACKGROUND.** We and you are parties to that certain Area Development Agreement dated _____ (the “Area Development Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Area Development Agreement. This Rider is being signed because (a) you are domiciled in Maryland, and/or (b) the Elements Massage® Studios that you will operate and develop under the Area Development Agreement will be located in Maryland.~~

2. ~~**RELEASES.** The following is added to the end of Section 6.B(6) (“Transfer”) of the Area Development Agreement:~~

~~However, any release required as a condition of renewal, sale and/or assignment/transfer will not apply to any claims or liability arising under the Maryland Franchise Registration and Disclosure Law.~~

3. ~~**TERMINATION OF AGREEMENT.** The following sentence is added to the end of Section 7.A (“Events of Termination”) of the Area Development Agreement:~~

~~We and you acknowledge that certain aspects of this provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.).~~

4. ~~**ARBITRATION.** The following is added to the end of Section 9.A (“Arbitration”) of the Area Development Agreement:~~

~~This agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.~~

5. ~~**CONSENT TO JURISDICTION / GOVERNING LAW.** The following sentence is added to the end of Section 9.B (“Governing Law”) and Section 9.C (“Consent to Jurisdiction”) of the Area Development Agreement:~~

~~You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.~~

6. ~~**LIMITATIONS OF CLAIMS.** The following sentence is added to the end of Section 9.F of the Area Development Agreement:~~

~~You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after we grant you the franchise.~~

7. ~~**ACKNOWLEDGMENTS.**~~ The following is added as new Section 11 of the Area Development Agreement:

11. ~~**ACKNOWLEDGMENTS.**~~ Lastly, all representations requiring you to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

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

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

~~**FRANCHISOR:**
ELEMENTS THERAPEUTIC MASSAGE,
LLC~~

~~**DEVELOPER:**
[NAME OF INDIVIDUAL OR ENTITY]~~

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

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

7. **INJUNCTIVE RELIEF.** Section 9.E of the Area Development Agreement is deleted in its entirety and modified as follows:

Nothing in this Agreement, including the provisions of Section 9.A, bars our right to obtain specific performance of the provisions of this Agreement and injunctive relief against any threatened or actual conduct that will cause us, the Marks, or the System loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and temporary or preliminary injunctions. You agree that we may seek such relief from any court of competent jurisdiction in addition to such further or other relief as may be available to us at law or in equity. You agree that your only remedy if an injunction is entered against you will be the dissolution of that injunction, if warranted, upon due hearing (all claims for damages by injunction being expressly waived hereby). A court will determine if a bond is required.

8. **LIMITATIONS OF CLAIMS.** The following is added to the end of Section 9.F of the Area Development Agreement:

; provided, however, that Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than 3 years after the cause of action accrues.

9. **STATEMENTS, QUESTIONNAIRES, AND ACKNOWLEDGMENTS.** The following paragraph is added to the end of the 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.

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

FRANCHISOR:
ELEMENTS THERAPEUTIC MASSAGE,
LLC

DEVELOPER:
[NAME OF INDIVIDUAL OR ENTITY]

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

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

~~**RIDER TO THE ELEMENTS THERAPEUTIC MASSAGE, LLC
AREA DEVELOPMENT AGREEMENT
FOR USE IN NORTH DAKOTA**~~

~~THIS RIDER is made and entered into by and between ELEMENTS THERAPEUTIC MASSAGE, LLC, a Delaware limited liability company with our principal business address at 1890 Wynkoop Street, Unit 1, Denver, Colorado 80202 (“Franchisor,” “we,” “us,” or “our”) and [DEVELOPER], having its principal business address at [ADDRESS] (“Developer,” “you” or “your”).~~

1. ~~**BACKGROUND.** We and you are parties to that certain Area Development Agreement dated _____ (the “Area Development Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Area Development Agreement. This Rider is being signed because (a) you are a resident of North Dakota and the Elements Massage® Studios that you will operate and develop under the Area Development Agreement will be located or operated in North Dakota; and/or (b) any of the offering or sales activity relating to the Area Development Agreement occurred in North Dakota.~~

2. ~~**RESTRICTIVE COVENANTS DURING TERM.** The following is added to the end of Section 7.C(1) (“Non-Competition”) of the Area Development Agreement:~~

~~Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we will enforce the covenants to the maximum extent the law allows.~~

3. ~~**RELEASES.** The following is added to the end of Section 6.B(6) (“Transfer By You”) of the Area Development Agreement:~~

~~Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.~~

4. ~~**ARBITRATION.** The first paragraph of Section 9.A of the Area Development Agreement is amended to read as follows:~~

~~“We and you agree that all controversies, disputes, or claims between us or any of our affiliates, and our and their respective shareholders, officers, directors, agents, and employees, on the one hand, and you (and your owners, guarantors, Affiliates, and employees), on the other hand, arising out of or related to:~~

~~(a) this Agreement or any other agreement between you and us;~~

~~(b) our relationship with you; or~~

~~(c) the scope and validity of this Agreement or any other agreement between you and us or any provision of any of such agreements (including, but not limited to, the validity and scope of the arbitration obligations under this Section 9.A which we and you acknowledge is to be determined by an arbitrator, not a court);~~

~~must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association. The arbitration proceedings will be conducted by 1 arbitrator and, except as this Section otherwise provides, according to the then current Commercial Arbitration Rules of the American~~

Arbitration Association. All proceedings will be conducted at a suitable location chosen by the arbitrator in or within 50 miles of our then current principal place of business (currently, Denver, Colorado); provided, however, that to the extent otherwise required by the North Dakota Franchise Investment Law (unless such a requirement is preempted by the Federal Arbitration Act), arbitration shall be held at a site to which we and you mutually agree. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 *et seq.*). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction."

5. ~~**GOVERNING LAW.**~~ Section 9.B of the Area Development Agreement is deleted and replaced with the following:

All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 *et seq.*). Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 *et seq.*), or other United States federal law, and except as otherwise required by North Dakota law, this Agreement, the franchise, and all claims arising from the relationship between us and you will be governed by the laws of the State of Colorado without regard to its conflict of laws rules; except that (1) any law regulating the offer or sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this section, and (2) the enforceability of those provisions of this Agreement which relate to restrictions on you and your owners' competitive activities will be governed by the laws of the state in which your Elements Massage[®] Studio is located.

6. ~~**CONSENT TO JURISDICTION.**~~ The following is added to the end of Section 9.C of the Area Development Agreement:

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, and subject to your arbitration obligations, you may bring an action in North Dakota for claims arising under the North Dakota Franchise Investment Law.

7. ~~**WAIVER OF PUNITIVE DAMAGES, JURY TRIAL AND CLASS ACTIONS.**~~ If and then only to the extent required by the North Dakota Franchise Investment Law, Section 9.D of the Area Development Agreement is deleted.

8. ~~**LIMITATION OF CLAIMS.**~~ The following is added to the end of Section 9.F of the Area Development Agreement:

The statutes of limitations under North Dakota Law applies with respect to claims arising under the North Dakota Franchise Investment Law.

9. ~~STATEMENTS, QUESTIONNAIRES, AND ACKNOWLEDGMENTS.~~ The following paragraph is added to the end of the 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.~~

{Signature Page Follows}

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

FRANCHISOR:
ELEMENTS THERAPEUTIC MASSAGE,
LLC

DEVELOPER:
[NAME OF INDIVIDUAL OR ENTITY]

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

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

**~~RIDER TO THE ELEMENTS THERAPEUTIC MASSAGE, LLC
AREA DEVELOPMENT AGREEMENT
FOR USE IN RHODE ISLAND~~**

~~THIS RIDER is made and entered into by and between ELEMENTS THERAPEUTIC MASSAGE, LLC, a Delaware limited liability company with our principal business address at 1890 Wynkoop Street, Unit 1, Denver, Colorado 80202 (“Franchisor,” “we,” “us,” or “our”) and [DEVELOPER], having its principal business address at [ADDRESS] (“Developer,” “you” or “your”).~~

1. ~~**BACKGROUND.** We and you are parties to that certain Area Development Agreement dated _____ (the “Area Development Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Area Development Agreement. This Rider is being signed because (a) you are domiciled in Rhode Island and the Elements Massage® Studios that you will operate and develop under the Area Development Agreement will be located in Rhode Island; and/or (b) any of the offering or sales activity relating to the Area Development Agreement occurred in Rhode Island.~~

2. ~~**GOVERNING LAW / CONSENT TO JURISDICTION.** The following is added at the end of Sections 9.B (“Governing Law”) and 9.C (“Consent to Jurisdiction”) of the Area Development Agreement:~~

~~Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “a provision in a [Area Development Agreement] restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this act.” To the extent required by applicable law, Rhode Island law will apply to claims arising under the Rhode Island Franchise Investment Act.~~

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

~~**FRANCHISOR:**
ELEMENTS THERAPEUTIC MASSAGE,
LLC~~

~~**DEVELOPER:**
[NAME OF INDIVIDUAL OR ENTITY]~~

~~By: _____
Name: _____
Title: _____
Date: _____~~

~~By: _____
Name: _____
Title: _____
Date: _____~~