

building out your Onward Physical Therapy Clinic, including all costs required to set up the equipment. Building and construction costs will vary depending upon the condition and size of the premises for your Onward Physical Therapy Clinic and local construction costs. The low estimate assumes the location for your Onward Physical Therapy Clinic is already in a medical or professional office space and will not need many leasehold improvements.

6. Utility and Security Deposits. This estimate includes security deposits required by the landlord, cable and utility companies.
7. Signage. The type and size of the signage you install will be based upon the zoning and property use requirements and restrictions. There could be an occasion where certain signage is not permitted because of zoning or use restrictions.
8. Licenses and Permits. You may be required to obtain business licenses from the local government agencies to operate your Onward Physical Therapy Business.
9. Insurance. You must obtain and maintain, at your own expense, the insurance coverage we require, and satisfy other insurance-related obligations. If you have had prior issues or claims from previous operations unrelated to the operation of an Onward Physical Therapy Business, your rates may be significantly higher than those estimated above.
10. Professional Fees. We recommend that you hire a lawyer, accountant or other professional to advise you on this Franchise offering and to assist you in setting up your Onward Physical Therapy Franchise. Additionally, we recommend you hire healthcare counsel to ensure your Onward Physical Therapy Franchise will comply with all applicable healthcare laws. Rates for professionals can vary significantly based on area and experience.
11. Training Expenses. We provide training at our training center in Charlotte, North Carolina or at another location designated by us or training can also be completed virtually. You must pay for airfare, meals, transportation costs, lodging and incidental expenses for all initial training program attendees. The low estimate assumes you have one person attend initial training and they have minimal travel expenses and the high estimate assumes five people attend training at our training center in Charlotte, North Carolina. Initial training is provided at no charge for all franchisee owners, regardless of the number of owners.
12. Additional Funds. These amounts represent our estimate of the amount needed to cover your expenses for the initial three-month start-up phase of your Onward Physical Therapy Franchise. They include lease payments, payroll, administrative, maintenance, utilities, software license fees, including the Technology Fees, working capital and other items. These figures do not include Royalties or advertising fees payable under the Franchise Agreement or debt service and assume that none of your expenses are offset by any sales generated during the start-up phase. For purposes of this disclosure, we estimated the start-up phase to be three months from the date your Onward Physical Therapy Franchise opens for business. These figures are estimates. Our estimates are based on our experience, the experience of our affiliates, and our current requirements for Onward Physical Therapy Franchises. ~~Your costs will depend on factors such as: how well you follow our methods and procedures; your management skills, experience, and business acumen; local economic conditions; the local market for your products and services; the prevailing wage rate; competition; the sales level reached during the start-up period; and the size of your Onward Physical Therapy Clinic.~~
13. This is an estimate of your initial start-up expenses for one Onward Physical Therapy Franchise.

Provision	Section in Franchise Agreement	Summary
p. Death or disability of franchisee	Section 16.5	The Franchise Agreement must be transferred or assigned to a qualified party within 180 days of death or disability or the Franchise Agreement may be terminated. Your estate or legal representative must apply to us for the right to transfer to the next of kin within 120 calendar days of your death or disability.
q. Non-competition covenants during the term of the franchise	Section 18.2	You Subject to applicable state law, you may not participate in a diverting business, have owning interest of more than 5%, inducing any customer to transfer their business to you or perform services for a competitive business anywhere. You may not interfere with our or our other franchisees' Onward Physical Therapy Franchises-, subject to applicable state law.
r. Non-competition covenants after the franchise are terminated or expires	Section 18.3	Owners Subject to applicable state law, owners may not have an interest in, own, manage, operate, finance, control or participate in any competitive business within (i) a 10-mile radius of the Onward Physical Therapy Business; and (ii) a 10-mile radius from all other Onward Physical Therapy Businesses that are operating or under construction as of the date of the termination, expiration or Transfer of this Franchise Agreement, for one year. If you or your Responsible Owner engages in any activities prohibited by the Franchise Agreement during the restricted period, then the restricted period applicable to you or the non-compliant Responsible Owner shall be extended by the period of time during which you or the non-compliant Responsible Owner, as applicable, engaged in the prohibited activities-, subject to applicable state law.
s. Modification of agreement	Sections 9.1 and 30.9	No modifications of the Franchise Agreement during the term unless agreed to in writing, but the Franchise Operations Manual is subject to change at any time in our discretion. Modifications are permitted on renewal.
t. Integration/merger clause	Section 29.9	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of this Franchise Disclosure Document and Franchise Agreement may not be enforceable. Nothing in the Franchise Agreement or in any related agreement is intended to disclaim the representations made in this Franchise 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.

MINNESOTA

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Minnesota:

1. Any provision in the Franchise Agreement which would require you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22 will be void to the extent that such contractual provision violates such law.
2. Minnesota Statute Section 80C.21 and Minnesota Rule 2860.4400J prohibit the franchisor from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the FDD 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 Minnesota.
3. Minn. Rule Part 2860.4400J prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. Any provision in the Franchise Agreement which would require you to waive your rights to any procedure, forum or remedies provided for by the laws of the State of Minnesota is deleted from any agreement relating to Franchises offered and sold in the State of Minnesota; provided, however, that this paragraph will not affect the obligation in the Franchise Agreement relating to arbitration.
4. With respect to Franchises governed by Minnesota law, we will comply with Minnesota Statute Section 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be