FRANCHISE DISCLOSURE DOCUMENT

Infinity Health Advisors, LLC
a Pennsylvania limited liability company
485 Royer Drive, Suite 102
Lancaster, PA 17601
(800) 361-8060
David@BeBalancedCenters.com
www.BeBalancedCenters.com

The franchisee will operate a BeBalanced Hormone Weight Loss Center, offering the Becoming Balanced program, under the name BeBalanced Hormone Weight Loss Centers. We also offer qualified parties the right to own and operate multiple name BeBalanced Hormone Weight Loss Centers within a development area that we designate.

The total investment necessary to begin operation of a BeBalanced Hormone Weight Loss Center under a Franchise Agreement is $155,650 to $208,450. This includes $57,500 to $60,000 that must be paid to the franchisor or its affiliates.

The total investment necessary to enter into a development agreement for the right to develop three (3) BeBalanced Hormone Weight Loss Centers is $220,650 to $363,450, which includes (1) a development fee of $110,000 to $200,000 that is paid to us, and (2) the total investment to open and commence operations of your initial BeBalanced Hormone Weight Loss Centers. Under the area development agreement, the development fee (the "Development Fee") is calculated as follows: (i) $45,000 for the initial Franchised Business that we will grant you the right to open and operate under the Development Agreement; plus (ii) $35,000 for the second Franchised Business that we will grant you the right to open and operate under the Development Agreement; plus (iii) $30,000 for the third and each additional Franchised Business that you are granted the right to open under the Development Agreement.

This Franchise Disclosure Document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read this Disclosure Document and all accompanying agreements carefully. You must receive this Disclosure Document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. Note, however, that no governmental agency has verified the information contained in this document.

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact David Cutillo at 485 Royer Drive, Suite 102, Lancaster, Pennsylvania 17601 and (800) 361-8060.

The terms of your contract will govern your franchise relationship. Do not rely on the Franchise Disclosure Document alone to understand your contract. Read your entire contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

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

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

Issued on: April 29. 2022

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

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

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risk(s) to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation or litigation only in Pennsylvania. Out-of-state mediation or litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to mediate or litigate with franchisor in Pennsylvania than in your own state.

2. **Financial Condition.** The franchisor's financials condition as reflected in its financial statements (see Item 21) calls into question the franchisor's ability to provide services and support you.

3. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments, may result in termination of your franchise and loss of your investment.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" to see whether your state requires other risks to be highlighted.

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

To simplify the language in this Franchise Disclosure Document, "Infinity Health Advisors", "we" or "us" means Infinity Health Advisors, LLC, the "Franchisor." "You" means the person, corporation, partnership or other business entity that buys the franchise, the "Franchisee." If you are a business entity, "you" includes your owners.

The Franchisor

Infinity Health Advisors, LLC is a Pennsylvania limited liability company that was formed on May 2, 2013. Our current principal business address is 485 Royer Drive, Suite 102, Lancaster, Pennsylvania 17601 and our phone number is (800) 361-8060. We are not engaged in any other type of business activity. Our agent for service of process is David Cutillo, and our registered office is our principal place of business. Our agent for service of process in other states in which we may sell franchises is disclosed in Exhibit J.

We grant franchises offering the Becoming Balanced Hormonal Metabolic Correction program, under the name BeBalanced Hormone Weight Loss Centers. We have been offering franchises for BeBalanced Hormone Weight Loss Centers in the United States since 2013. We do not sell franchises in any other line of business.

Our Parents, Predecessors, and Affiliates

Our affiliates through common ownership include the following entities:

Infinity Health, LLC was formed in the Commonwealth of Pennsylvania in April 2006 for the purpose of operating a hormone health center business, and does not assume any of the legal, operational, or other obligations of Infinity Health Advisors, LLC nor does Infinity Health Advisors, LLC assume any of the obligations of Infinity Health LLC. Infinity Health, LLC has not offered franchises in any line of business.

IHA Distribution, LLC, was formed in the Commonwealth of Pennsylvania in April 2015 for the purpose of providing initial inventory and operating supplies to franchisees, which will be used to operate your BeBalanced Hormone Weight Loss Center. IHA Distribution, LLC's current principal business address is 485 Royer Drive, Suite 102, Lancaster, PA 17601. IHA Distribution, LLC has not conducted business in any other line of business. IHA Distribution, LLC has not offered franchises in any line of business.

The Franchise Offered

A franchised BeBalanced Hormone Weight Loss Centers enjoys the right to use our name, procedures, and methods, collectively the "System", to own and operate a BeBalanced Hormone Weight Loss Centers, all of which may be improved, further developed, or otherwise modified.

Your BeBalanced Hormone Weight Loss Centers business can be located in a retail center, or a free-standing building. A BeBalanced Hormone Weight Loss Centers franchised business will have approximately 1,000 to 1,200 square feet of leased or owned space. You may operate your franchised BeBalanced Hormone Weight Loss Centers from a leased facility or from a building that you own, with our approval.

To become one of our franchisees, you must sign the Franchise Agreement attached hereto as Exhibit A. If you are a corporation, partnership, limited liability company, or other business entity, all owners must sign the Acknowledgement Regarding Ownership and Guaranty of Franchisee's Obligations, attached to the Franchise Agreement. All of the terms of the Franchise Agreement will apply to all of the owners. The Franchise Agreement grants you a license to use certain logos, service marks and trademarks, including the BeBalanced Hormone Weight Loss Centers marks collectively the "Marks." We have developed a unique "System" for the operation of a BeBalanced Hormone Weight Loss Centers business. You will manage a BeBalanced Hormone Weight Loss Centers under the System, at one location identified in the Franchise Agreement as the Premises. Each Premise will be in an area identified in the Franchise Agreement as the "Designated Territory," an area assigned exclusively to you to operate a single location of a BeBalanced Hormone Weight Loss Centers franchise ("Franchised Business"). The Franchise Agreement will be for a term beginning on the Effective Date of the Franchise Agreement and expire ten (10) years from the Effective Date, the "Initial Term." You must operate the BeBalanced Hormone

Weight Loss Centers franchise, "Franchised Business," in your Designated Territory. You must use the System in operating your Franchised Business. You must at all times perform your obligations under this Franchise Agreement faithfully, honestly, and diligently, and use your best efforts to promote the Franchised Business.

Multi-Unit Offering

We also offer qualified individuals and entities the right to open and operate multiple Franchised Businesses within a designated geographical area (the "Development Area") under our current form of area development agreement that is attached to this Disclosure Document as Exhibit B (the "Development Agreement"), which will also outline a schedule or defined period of time in which you must open and commence operating each Franchised Business (a "Development Schedule"). Failure to comply with the Development Schedule is grounds for immediate termination of the Development Agreement.

At our option, you will be required to sign a Franchise Agreement for your initial Franchised Business at the same time you sign your Development Agreement, and you will eventually need to sign our then-current form of franchise agreement for each of the Franchised Businesses you open under the Development Schedule that may be materially different from the form of franchise agreement in this offering.

Industry Overview and Competition

The market for weight loss and wellness services is developed and competitive. You may have to compete with other businesses including franchised operations, national chains and independently owned companies offering similar services. The market for all-natural hormone balancing services is not as developed.

Businesses in our industry provide weight loss and fitness services, anti-aging treatments, alternative medicine, and bio-medical hormone replacement therapy. The industry is growing and emerging, with national and local competitors providing one or more of these services.

Licensing and Regulations

The franchised business will be subject to the requirements of health department rules, regulations and inspections, city occupancy permits, ordinances, building codes, zoning, licensing, certifications, and other federal, state, and local laws and ordinances. There may also be state laws and regulations with which you must comply in the opening and operation of your BeBalanced Hormone Weight Loss Centers, and as the Franchisee, it is your responsibility to investigate the applicable rules and regulations, and to comply with those regulations. You will also be subject to the laws and regulations of the American Disabilities Act, federal wage and hour requirements, the Occupational Health and Safety Act, and local, city, and state governmental authority health requirements and regulations, among others. It is your responsibility to investigate and comply with the regulations that apply to the business and the operation of the business in your area.

ITEM 2
BUSINESS EXPERIENCE

David Mathew Cutillo: Board Chairman and Director of Franchisor Development
David M. Cutillo has been our Board Chairman and Director of Franchisor Development since April 29, 2022. Mr. Cutillo was the CEO of Infinity Health Advisors, LLC, in Lancaster, Pennsylvania, which he formed on May 2, 2013, and held this position until April 2022.

Jennifer Seroogy Cutillo: Chief Executive Officer (CEO)
Jennifer Seroogy Cutillo has been our CEO since April 29, 2022. From October 2014 to April 2022, Ms. Cutillo was our COO, and works out of Lancaster, Pennsylvania.

William E. Warrin: Chief Financial Officer (CFO)
William E. Warrin has been our CFO since December 2017 in Lancaster, Pennsylvania.

Paget Rhee: Director of Operations
Paget Rhee has been our Director of Operations since June 2021, and works out of Lancaster, Pennsylvania. Since November

2014 and, continuing to date, Paget has served as a franchisee and owner of a BeBalanced Franchised Business.

Andrea Linebaugh: Franchisee Training and Operations
Andrea Linebaugh is responsible for our franchisee training and operations and took on this role as of April 29, 2022. Since September 2021 and, continuing to date, Andrea has served as our Franchise Development Coordinator and works out of Lancaster, Pennsylvania. From September 2019 to June 2021, Andrea was Marketing manager at Fransmart in Alexandria, Virginia. From April 2009 to August 2019, Andrew was Co-Owner of The Busy Bee located in York, Pennsylvania.

ITEM 3
LITIGATION

Dawn Cutillo and Infinity Health, LLC v. David Cutillo, and Infinity Health Advisors, LLC
(Case No: 5:21-CV-02787, USDC, Eastern District Pennsylvania) Dawn Cutillo, the sister of our CEO David Cutillo and the founder of the BeBalanced System and our affiliate Infinity Health LLC (collectively, the "Plaintiffs") filed this lawsuit (the "Lawsuit") against us and our CEO David Cutillo (the "Defendants") on June 23, 2021. In the Lawsuit the Plaintiffs' assert claims of copyright infringement, breach of fiduciary duty, violation of Pennsylvania limited liability company law, dissociation, accounting, fraud and other claims that relate to, among other things, use of alleged copyrighted materials, an exclusive master distributor license agreement, and rights between Dawn Cutillo and David Cutillo as members and owners. The Plaintiffs have also sought injunctive relief related to the Plaintiffs preference as to how certain limited information is displayed or contained in materials used by our System. We believe the Lawsuit to be meritless and have filed a motion to dismiss the Lawsuit. Our motion to dismiss is pending and in the interim all parties to this Lawsuit have agree to a Stipulated Injunction and Consent Order where we have agreed to limited modifications to certain materials used in our System. The modified content is not material to our System. Our motion to dismiss the Lawsuit is pending.

No other litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Franchise Agreement:

Initial Franchise Fee

You must pay us an initial franchise fee ("Initial Franchise Fee") of $45,000 when the Franchise Agreement is signed for the right to operate a single business location of the Franchised business within the Designated Territory, subject to the terms and conditions contained in the Franchise Agreement. You must pay this Initial Franchise Fee in a lump sum payment upon signing the Franchise Agreement.

The Initial Franchise Fee for a single location franchise of the Franchised Business is uniform to all new franchisees and is deemed fully earned by us upon receipt as consideration for our services to that time, including without limitation, screening of and processing your application, counseling, and consultation and is not refundable in whole or in part.

Additional Initial Fees:

You will be required to purchase certain initial inventory and operating supplies from us or our affiliate. The cost of these supplies ranges from $12,500 to $15,000 per location of the Franchised Business, and will be due as incurred. These fees are not refundable in whole or in part under any circumstance. You must provide receipts for approved expenditures.

Development Agreement

If we grant you the right to open multiple Franchised Businesses under a Development Agreement, you must pay us a development fee that is based on the number of franchises we grant you the right to open within your Development Area (the "Development Fee"). The Development Fee is due upon execution of your Development Agreement and is calculated as follows: $45,000 for the Initial Franchised Business that we will grant you the right to open and operate under the Development Agreement, plus $35,000 for the second Franchised Business that we will grant you the right to open and operate under the Development Agreement, plus $30,000 for the third and for each Additional Franchised Business that you are granted the right to open under the Development Agreement. The Development Fee is paid as consideration for the territorial rights you are granted within your Development Area and is not tied to any pre-opening obligations that we must otherwise perform. The minimum amount of locations you may development under a Development Agreement is three (3) Centers. The maximum amount of locations you may development under a Development Agreement is six (6) Centers.

You will be required to enter into our then-current form of franchise agreement for each Franchised Business you wish to open under your Development Agreement. However, you will not be required to pay us an Initial Franchise Fee in connection with any Franchised Business we grant you the right to open as part of your Development Agreement, but the Development Fee must be timely paid as described in this Item. The Development Fee is deemed fully earned and non-refundable upon execution of your Development Agreement.

ITEM 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee	6% of the monthly gross sales generated by your business, monthly minimum of $1,000 after your first 12 months of operations	By the 5th day of the month following the month during which the revenues were generated	We may require this fee to be paid by an electronic transfer. See Notes 1 and 3.
Advertising Fee (Advertising Fund Contribution)	2% of the monthly gross sales generated by your business, or $100 per month	By the 5th day of the month following the month during which the revenues were generated	We may require this fee to be paid by an electronic transfer. See Notes 1 and 3.
Local Advertising Expenditure	$3,500 or 8% of your monthly gross sales, whichever is greater	Paid to vendors before the 10th day of the month following the month of Reference	Further details can be found in Item 11, under the subheading "Advertising"
Technology Support Fee	$450 monthly for cloud-based POS system with scheduling and integrated email marketing software, and landing page/email maintenance (See item 7, footnote 17).	As incurred	We may require this fee to be paid by an electronic transfer directly to us. See Notes 3 and 4.
Merchant Processing Fee	2% - 3%	As incurred	This fee is charged on all credit card transactions. Further details can be found in Item 8, under the subheading "Credit Cards"

Type of Fee	Amount	Due Date	Remarks
Renewal Fee	$2,000	90 days prior to renewal	For an additional 5-year period. See Note 1
Refresher Training Fee	$2,000 (2 persons, 1 week)	30 days before the expiration of the term of the Franchise Agreement	Required when you renew the Franchise at the end of the agreed term. See Note 1
Transfer Fee	25% of the then-current Franchise Fee	Payable on transfer of your rights under the Franchise Agreement	These are fees that you and the transferee jointly and severally are responsible to pay. See Note 1
Audit Fees	Difficult to ascertain, due to a variety of factors, but likely to be in range of $2,000 to $5,000	30 days after billing	Payable only if audit shows an under-statement of at least 2% of Gross Sales for any month See Note 1
Fines	Up to $500 per incident	Upon demand	Payable if you fail to comply with a mandatory standard or operating procedure and you do not cure the non- compliance within the timeframe we require. See Note 1
Relocation Fee	$1,000	Upon application for review and approval of your new location	Payable to us for evaluation, review, assistance, and approval. See Note 1.
Insurance Reimbursement	Varies according to carrier	As incurred	If you fail to obtain required insurance, we may obtain insurance at your expense and charge you for reimbursement of the cost, even though we are not obligated to do so. See Note 1.
Costs and Attorneys' Fees	Varies according to circumstance	Upon settlement or conclusion of claim or action	Payable as incurred by us in obtaining any relief for the enforcement of any item of the Franchise Agreement. See Note 1.
Indemnification	Varies according to circumstance	As incurred	You must indemnify us, and reimburse us for any costs (including our attorneys' fees), if we are held liable for any claims arising from your Franchised Business.
Operating and Special Assistance	Varies according to circumstances $100 to $1,000	At completion of assistance	Expenses paid by you. See Note 5.

Type of Fee	Amount	Due Date	Remarks
Emergency Operation	$1,500 per week	Tuesday following each week ending Saturday previous	Paid to us if it is necessary to operate the business to prevent closure. See Note 1.
Late Reporting Fees	$10 per day, starting the 11th day after a report is due to us	As incurred	Payable in addition to other payments to us See Note 1
Interest on Overdue Amounts	1.5% per month or the highest commercial interest rate that the law allows on amounts owed to us	As incurred	Interest begins from the date of non-payment or underpayment See Note 1
Return or Dishonored Payment Fee	$30 per dishonored or returned check or failed electronic transfer, plus bank fees	As incurred	You must pay us for any fees that we incur due to the returned or dishonored check, draft, transfer or debit. See Note 1
Collection Charges	Varies according to circumstance	As incurred	You must pay all collection charges associated with our efforts in collecting any amounts owed to you or us under the Franchise Agreement. See Note 6.
Local and Regional Advertising Cooperatives	Established by cooperative members, but not exceeding 2% of Gross Revenue	As determined by cooperative members	Established by cooperative members, but not exceeding 2% of Gross Revenue

Notes:

1. All fees are per location of the Franchised Business except where noted. All fees are payable to us in U.S. dollars, uniformly applied to new system franchisees, and are non-refundable. You agree not to reduce the amount of any payment due to us by any claim you may have against us, for any amount owed to governmental entities, or for any other reasons in which you may believe you are entitled to a set off. You agree to pay all taxes, when due, to the appropriate governmental entities.

2. Gross sales include all revenues and receipts from the sale of all services and products from your BeBalanced Hormone Weight Loss Centers business, whether for cash or credit, and income of every kind related to the Franchised Business, but does not include sales taxes or other taxes collected from customers by you for transmittal to the appropriate taxing authority.

3. At our request, you must sign and return to us the Electronic Funds Transfer form (Exhibit F) that authorizes us to receive the monthly royalty, advertising fees, and technology support fees by means of a debit to your checking account. You agree to be certain that the funds are available in that account at the scheduled time each month.

4. The Technology Support Fee is for a cloud-based POS system with scheduling and integrated email marketing software, and ongoing website and search engine optimization to coincide with digital marketing efforts, and landing page and email maintenance.

5. At your request, we will provide additional assistance beyond our standard support, at a cost to you based on our

then current fee for the respective personnel performing such assistance plus other reasonable expenses, including all transportation, lodging, and other travel-related expenses.

6. Any payment that we do not receive or that is not paid in full on its due date will be considered overdue. We require that payments and contributions due under the Franchise Agreement by telegraphic transfer, auto-draft arrangements, electronic funds transfer, debit, or other means we may specify, to a bank account or address designated by us.

7. If two or more Centers are operating within a market designated by us we reserve the right to establish and require your participation in a local or regional advertising cooperative within a geographic area, region, or market designated by us. If a local or regional advertising cooperative is established within a market that includes your Center, you will be required to participate in the cooperative and make on-going payments to the cooperative in such amounts and subject to such caps as established by the cooperative members. We anticipate that each Center franchisee will have one vote for each Center location located within the cooperative market and that cooperative decisions shall be made based on approval of a simple majority vote based on a quorum of not less than twenty-five percent of the designated cooperative members. Contributions to a local or regional cooperative that we designate shall count toward the satisfaction of your local marketing obligations and shall not exceed 2% of your monthly Gross Revenue.

ITEM 7
ESTIMATED INITIAL INVESTMENT

A. <u>Franchise Agreement</u>

YOUR ESTIMATED INITIAL INVESTMENT – SINGLE LOCATION					
Type of Expenditure	**Low Amount**	**High Amount**	**Method of Payment**	**When Due**	**To Whom Payment is to be Made**
Initial Franchise Fee (1)	$45,000	$45,000	Lump sum	Upon execution of the Franchise Agreement	Us
Travel and Living Expenses for Initial Training (2)	$0	$2,500	As incurred	As incurred	Airlines, hotels, restaurants, reimbursements to Vendors
Lease, Utility and Security Deposits (3)	$1,000	$2,500	As agreed	When you sign your lease, or start an account with a utility company	Landlord, utility companies
Insurance Premium, 3 months (4)	$400	$800	As agreed	Prior to Opening	Insurance agent or carrier
Business License and Permits (5)	$1,500	$2,500	As incurred	As incurred	overnment agencies
Rent, 3 months (6)	$4,600	$9,000	As agreed	As agreed	Landlord
Blueprints, Plans, Permits, Architectural Fees	$1,000	$5,000	As agreed	As agreed	Architect, planner, city, county, or state

Leasehold Improvements (7)	$15,000	$30,000	As agreed	As agreed	Third parties
Signage and Graphics (8)	$8,000	$12,000	As incurred	As agreed	Vendor
Furniture, Fixtures and Equipment (9)	$30,000	$35,000	As incurred	As agreed	Vendor
Computer Hardware, Software, Supplies and Installation (10)	$1,500	$2,500	As incurred	As incurred	Vendor
Initial Inventory and Operating Supplies (11)	$12,500	$15,000	As incurred	As agreed	Us or our Affiliate
Internet, 3 months	$300	$300	As incurred	As incurred	Vendor
Initial Advertising and Grand Opening (12)	$12,000	$12,000	As agreed	As agreed	Vendors
Local Advertising Expenditure 3 months (13)	$10,500	$10,500	As incurred	As incurred	Third parties
Professional Fees (14)	$1,000	$2,500	As incurred	As incurred	Third parties
Additional Funds- First 3 Months (15)	$10,000	$20,000	As agreed	As incurred	Employees, utilities, suppliers, etc.
Technology Fee, 3 months (16)	$1,350	$1,350	As incurred	As incurred	Third parties
Total Estimated Initial Investment (17)	**$155,650**	**$208,450**			

1. The details of the Initial Franchise Fee are described in Item 5. Three location franchise operations provide for a reduced initial franchise fee for the second and third locations, as described in Item 5.

2. This estimates the travel and living expenses, including airfare, which you will incur when you and your employees attend the initial training program. The cost you incur will vary depending upon factors such as distance traveled, mode of transportation, travel preferences (such as air travel or ground transportation), nature of accommodations, per diem expenses actually incurred, and the number of persons who attend training. It does not include any wages or salary for you or your trainees during training. The low-end estimate of $0 will only apply in the event you reside near the location of the initial training program and do not need any travel or lodging accommodations to attend.

3. These are estimated amounts of lease costs and utility deposits. These amounts will vary in each market and may be refundable.

4. This is an estimate of insurance premiums for the initial 3 months of business operation. Your costs will vary depending on your market, the amount of coverage you select, your insurance carrier, and other factors. See Item 8 for more details regarding insurance.

5. You are required to obtain a business license or permit before you commence operations of a BeBalanced

Hormone Weight Loss Centers Franchise. Local, municipal, county, and state regulations vary on what licenses and permits are required in order for you to operate.

6. You will need to rent or acquire space for your franchised business. Rent varies considerably from market to market, and from location to location in each market. Generally you will need a minimum of 1,000 to 1,200 square feet of space. This figure is an estimate of the rent for 3 months.

7. You may need to construct improvements, or "build out," at each of the Premises at which you will operate your franchised business. You may be able to negotiate various terms with your Landlord, including paying for some of the build out costs for your space. Also, you may seek to finance some or all of your build out costs through your Landlord or other financing sources. A variety of factors may affect the amount of necessary improvements, the availability of Landlord and other financing, the monthly overall costs of the financing, and other terms relevant to your decision whether to pay or finance the build out costs.

8. The cost of signage and graphics will vary from location to location depending on lease requirements, local ordinances and restrictions, store frontage, and related factors. We can provide design guidance and assistance to you if needed. The final design must be submitted to us for review and approval.

9. You will need to purchase furniture and fixtures for each of the Premises that meet our specifications and are from approved or designated vendors (where there are approved or designated vendors). You may decide to lease the furniture and/or equipment needed rather than purchasing it with a lump sum payment. A variety of factors (such as the condition of the national and regional economy, availability of credit, number of suppliers leasing products in your area, the interest rates offered by suppliers, duration of leases offered, security requirements, and your credit history) may affect the availability of leased products, the monthly and overall costs of the leases, and other terms relevant to your decision whether to purchase or lease the furniture and/or equipment. The amounts listed are an estimate and may vary per your location and market.

10. You are required to purchase computer hardware that meets our specifications and requirements. This estimate includes the cost of QuickBooks we require you to use for financial reporting purposes. See Item 11 for more information.

11. This estimate covers various supplies you will need in your initial phase of operation. You are required to obtain these items from us or from our designated sources.

12. You are required to expend $12,000 on grand opening advertising and a promotional program. All expenditures and materials must be approved by us. This amount must be expended in the period of time beginning sixty (60) days after signing your Franchise Agreement and ending ninety (90) days after your date of opening. Additional details can be found in Item 11 under the subheading "Advertising."

13. Local Advertising is a minimum of $3,500 per month or 8% of gross sales, as explained in Item 6. Additional details can be found in Item 11 under the subheading "Advertising."

14. This estimate is for legal, accounting, administrative, permitting, traffic studies, demographic studies, brokerage, and miscellaneous other professional fees that you might incur before you open for business, including (among other things) to assist you in reviewing the Franchise Agreement. Your actual cost may vary.

15. You will need additional capital to support on-going expenses during the initial 3 months after you open for business. The estimate includes items such as payroll, royalty, advertising fees, additional advertising, repairs and maintenance, bank charges, miscellaneous supplies and equipment, state tax, and other miscellaneous items, that may not be covered by sales revenues. The estimated range of Additional Funds needed to support on-going expenses during the initial period is based on our experience opening and operating a similar business, and the experience of certain franchisees that opened and commenced operating prior to the issuance date of this disclosure document.

16. The Technology Support Fee is for a cloud-based POS system with scheduling and integrated email marketing

software, and ongoing website and search engine optimization to coincide with digital marketing efforts, and landing page and email maintenance.

17. We do not offer direct or indirect financing to you for any items.

Unless otherwise noted above, expenditures are non-refundable.

B. Development Agreement

YOUR ESTIMATED INITIAL INVESTMENT[1]

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment Is to be Made
Development Fee[2]	$110,000 - $200,000	Lump Sum	Upon execution of Development Agreement	Franchisor
Initial Investment to Open Initial Franchised Business[3]	$110,650 - $163,450	See Chart A of this Item 7.		
TOTALS	**$220,650 - $363,450**	This is the total estimated initial investment to enter into a Development Agreement, as well as the costs to open and commence operating your initial Franchised Business for the first three (3) months (as described more fully in Chart A of this Item 7).		

Explanatory Notes

1. All fees and payments are non-refundable, unless otherwise stated or permitted by the payee. This Chart details the estimated initial investment associated with executing a Development Agreement for the right to own and operate three (3) Franchised Businesses, as well as the initial investment to open your first Franchised Business under your Development Schedule. You may purchase the right to develop up to six (6) Franchised Businesses under a single Development Agreement. For each additional Franchised Business after the third that you purchase the right to develop, the Development Fee and Total described in the Chart above will increase by $30,000.

2. The Development Fee is described in greater detail in Item 5 of this Disclosure Document, and this Development Fee is for the right to open and operate a total of three (3) Franchised Businesses (provided you comply with your development obligations under the Development Agreement). If you choose to open more than three (3) Franchised Businesses, your Development Fee will be calculated as follows: 45,000 for the Initial Franchised Business that we will grant you the right to open and operate under the Development Agreement, plus $35,000 for the second Franchised Business that we will grant you the right to open and operate under the Development Agreement, plus $30,000 for the third and for each Additional Franchised Business that you are granted the right to open under the Development Agreement.

3. This figure represents the total estimated initial investment required to open the initial Franchised Business you agreed to open and operate under the Development Agreement. You will be required to enter into our then-current form of franchise agreement for the initial Franchised Business you open under your Development Agreement, either at the time of executing the Development Agreement or once you have found a Premises for the business that we approve. The range includes all the items outlined in Chart 7.A. of this Item, except for the Initial Franchise Fee (because you are not required to pay any Initial Franchise Fee for those Franchised Businesses you open under the Development Agreement). It does not include any of the costs you will incur in opening any additional Franchised Business(es) that you are granted the right to open and operate under your Development Agreement.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

General

To ensure that the highest degree of quality and service is maintained, you must adhere to the uniformity requirements and quality standards associated with our system which is the subject of the Franchise Agreement.

At all times during the term of the Franchise Agreement, you must:

- Offer and sell approved services and products only in the manner we have prescribed;
- Not deviate from our standards and specifications, unless you have received our prior written consent
- Cease to offer and sell any disapproved product or service that we at any time decide (in our sole determination) to disapprove in writing; and
- Not offer for sale, sell at, or sell from the Franchised Business, or any other location, any services or products we have not approved unless said services/goods pertain to a completely unrelated business.

Approved Products and Vendors

We have established specifications for types, models and brands of certain inventory, fixtures, furnishings, equipment, computers, software, signage, supplies and other products. We will furnish these standards to you in the Operations Manual or otherwise in writing. You must purchase only products meeting those specifications, and if we require it, only from those vendors we have approved including ourselves. We reserve the right to amend these specifications from time to time, and will provide you with written notice – via email, letter, intranet notice or otherwise -- in the event we do so or otherwise update and/or modify the Operations Manual.

We may designate a single source or vendor for any product, service, equipment, supply or material and may approve a supplier or distributor only as to certain products. The designated vendor may be us. Currently, our affiliate IHA Distribution, LLC is the sole designated vendor for the initial inventory and operating supplies required for your franchised business. We require that you purchase your initial inventory and operating supplies directly from us, and not from other Franchisees in the system.

Currently, we are not and our affiliates are not the only approved suppliers of the source restricted goods and services identified below. Other than IHA Distribution, LLC and us, there are no approved suppliers in which any of our officers own an interest. We reserve the right to collect and retain any manufacturing allowances, marketing allowances, rebates, credits, monies, payments and benefits offered to us or our affiliates based upon your purchases of products and other goods and services. These incentives will be retained or distributed by us, at our sole determination. During the fiscal year ending December 31, 2021, we did not earn any revenue from approved suppliers based on our franchisees' purchases. During the fiscal year ending December 31, 2021, our affiliate IHA Distribution, LLC earned $2,748,000 in revenue from franchisee purchases.

We estimate that your purchases or leases from us or approved vendors in accordance with our specifications will represent approximately 40% to 50% of your total purchases in establishing your Franchised Business, and 40% to 45% of your total purchases in your continuing operation of your Franchised Business (not including amortization, depreciation, or replacement of worn or obsolete improvements, equipment or fixtures).

If you would like to buy any product(s) or item(s) from an unapproved vendor, you may submit your request on our "Vendor Approval Criteria and Request Form." If the vendor you submit has not previously been used by us, we will evaluate and consider the vendor after receipt of their samples and your payment of a $500 fee for processing and evaluation. Based on the information and samples you supply to us, we will test the items supplied and review the proposed vendor's financial records, business reputation, delivery performance, credit rating, and other information. Our review typically is completed in 30 days. You may not purchase from any proposed vendor until you receive our written approval. We reserve the right, at our option, to periodically re- inspect the facilities and products of any approved supplier and revoke our approval if the supplier does not continue to meet any of our then-current criteria. If we decide to revoke the approval, we will provide you with a written 30-day notice. We do not make our criteria for approving suppliers available to franchisees

We may establish strategic alliances or preferred vendor programs with companies that are willing to supply some products or services to some or all of our franchised BeBalanced Hormone Weight Loss Centers. In doing so, we seek to promote the overall interests of our System and our interests as the Franchisor. If we establish these types of alliances or programs, we may limit the number of approved suppliers with whom you may deal, we may designate sources that you must use for some or all products and services, and we may refuse to approve proposals from you to add new suppliers, if we believe that refusal to is in the best interest of the System. Currently, there are no purchasing or distribution cooperatives in existence. None of our officers owns an interest in any companies that are vendors or suppliers to our franchises.

We reserve the right to collect and retain any manufacturing allowances, marketing allowances, rebates, credits, monies, payments and benefits offered to us or our affiliates based upon your purchases or products and other goods and services. These incentives will be retained or distributed by us, at our sole determination. As of the date of this Franchise Disclosure Document, we have not received any payments of this nature.

Computer System

You must obtain and use the computer hardware and/or operating software and/or communication capabilities we specify. We may modify specifications for and the components of the computer system ("Computer System"). The Computer System is described in more detail in Item 11.

Advertising

We use the Advertising Fees to promote the System. All advertising, marketing, and promotional plans you use must be in the media and type of format that we approve. You must conduct the activities in a dignified manner, and they must conform to our standards and requirements. You must submit samples of plans and materials to us for review and obtain written approval before using any advertising.

Insurance

You must purchase and maintain, at your expense, an insurance policy or policies protecting you, us, and our affiliates. The coverage must remain in full force and effect at all times during the term of the Franchise Agreement. The coverage must include the type and amount listed below, and/or coverage required by your landlord (if one):

Type of Coverage	Amount	Maximum Deductible
General Liability		
General Aggregate Limit	$2,000,000	N/A
Products/Completed Ops. Aggregate Limit	$2,000,000	N/A
Personal & Advertising Injury Limit	$1,000,000	N/A
Each Occurrence Limit	$1,000,000	N/A
Fire Damage Limit (Any one fire)	$300,000	N/A
Medical Expense (Any one person)	$5,000	N/A
Professional Liability*		
Each Occurrence Limit	$1,000,000	N/A
Umbrella Liability		
Each Occurrence Limit	$1,000,000	N/A
Aggregate Limit	$1,000,000	N/A
Employers Liability (Workers' Compensation)		
Each Accident Limit	$500,000	N/A
Each Person-disease limit	$500,000	N/A
Aggregate- disease limit	$500,000	N/A
Property Coverage		
Adequate limit to cover personal property of franchise		N/A

Credit Cards

You must accept credit cards to facilitate sales. Credit cards accepted shall include Visa, MasterCard, Discover, and you may accept American Express at your option. You will be charged a merchant processing fee in connection with the processing of credit card transactions. These fees are included in the Computer Hardware, Software, Supplies and Installation estimate.

Except as stated above, you are not obligated to purchase or lease any other goods, services, products, or materials in accordance with specifications from us or from designated sources. We do not provide any material benefits (i.e. renewal or additional franchises) to you based on your use of designated or approved vendors, except as explained in this Item 8.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation		Section(s) in Agreement	Section in Development Agreement	Disclosure Document Item(s)
a.	Site selection and acquisition/lease	2, 4, 6, 7	Section 1 and Exhibit A	6, 7, 8, 11
b.	Pre-opening purchases/leases	6, 7	Not Applicable	7, 8
c.	Site development and other pre-opening requirements	6, 7	Sections 1, 5 and Exhibit A	6, 7,11
d.	Initial and ongoing training	6, 7	Not Applicable	11
e.	Opening	6	Not Applicable	11
f.	Fees	3, 5, 14	Section 2	5, 6, 7, 11
g.	Compliance with standards and policies/ Operations Manual	5, 6, 7, 8, 9, 16, 17	Not Applicable	8, 11, 15, 16
h.	Trademarks and proprietary information	8, 16	Not Applicable	13, 14
i.	Restrictions on products/services offered	7	Not Applicable	8, 16
j.	Warranty and customer service requirements	7	Not Applicable	Not Applicable
k.	Territorial development and sales quotas	4	Section 1 and Exhibit A	12
l.	Ongoing product/service purchases	6, 7	Not Applicable	8
m.	Maintenance, appearance, and remodeling requirements	3, 6, 7	Not Applicable	11
n.	Insurance	12	Not Applicable	6, 7, 8
o.	Advertising	4, 5, 6, 7, 10	Not Applicable	6, 7, 8, 11
p.	Indemnification	12	Not Applicable	6, 14
q.	Owner's participation/management/staffing	7	Not Applicable	11, 15
r.	Records and reports	7, 9, 11	Not Applicable	11
s.	Inspections and audits	7, 11, 20	Not Applicable	6, 11

t.	Transfer	14	Section 8	17
u.	Renewal	3	Not Applicable	17
v.	Post-termination obligations	17	Not Applicable	17
w.	Non-competition covenants	15, 17	Not Applicable	17
x.	Dispute resolution	22	Sections 11 through 19	17

ITEM 10
FINANCING

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

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

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

<u>Pre-Opening Obligations</u>

Before you open your Franchised Business, we will:

1. If you have entered into a Development Agreement for the right to operate multiple Franchised Businesses, we will designate your Development Area where you will have the right to secure a Premises (each of which we must approve) for each of your Franchised Businesses. (Development Agreement, Section 3);

2. If the Premises for the BeBalanced Hormone Weight Loss Centers is not specified when the Franchise Agreement is signed, we will assist you with selecting a location by providing site selection guidelines and criteria, and sources to obtain demographic information. Please refer to the "Site Selection" subheading in this item 11 below, for more details (Franchise Agreement, Section 6);

3. Assign your designated territory ("Designated Territory") for such location (Franchise Agreement, Section 4);

4. Review and approve -- or disapprove -- the lease or purchase of your business Premises (Franchise Agreement, Section 6);

5. Provide you with mandatory and suggested specifications and layouts for your Premises, including recommended office size and design and required or recommended fixtures, furniture, equipment, signs and supplies (Franchise Agreement, Section 6);

6. Loan you a copy of the Operations Manual by electronic access (Franchise Agreement Section 6). The table of contents of the manual is included as Exhibit G to this Franchise Disclosure Document. The Manual is presently 396 pages long, and is subject to ongoing modifications and changes as we make changes to our procedures;

7. Provide instruction and training with respect to the Franchised Business BeBalanced Hormone Weight Loss Centers methods and techniques. For more details on training, please refer to the "Training" subheading in this item 11 below (Franchise Agreement, Section 6);

8. Inspect and approve your Premises before the initial opening. You may not start operation of your BeBalanced – Hormone Weight Loss Centers Business until receiving our approval to do so (Franchise Agreement, Section 6); and

9. At our own expense, send one of our representatives for a period of 3 days to the Premises to assist with pre-

opening, opening, or the Grand Opening of your Franchised Business, based upon what we decide will be most beneficial to your Franchised Business. This period may overlap with the opening and may extend into the first week of operations (Franchise Agreement, Section 6).

Continuing Obligations

During the operation of your Franchised Business, we will:

1. Advise you from time to time regarding the Franchised Business's operation based on your reports to us and/or direct or indirect observations, and we will provide guidance to you concerning: (1) standards, specifications and operating procedures and methods that we are using; (2) advertising and marketing materials and programs; (3) required and optional training courses, seminars, and other programs we may develop in the future; and (4) administrative, bookkeeping, and accounting procedures (Franchise Agreement, Section 6);

2. Review any request you make to approve products, services, or vendors (Franchise Agreement, Section 7);

3. Review all advertising and promotional plans or materials you wish to use, within 30 days of our receipt of your advertisement proposal (Franchise Agreement, Section 10);

4. Administer the Advertising Fund (Franchise Agreement, Section 10); and

5. Provide updates to the Operations Manual from time to time (Franchise Agreement, Section 9).

Site Selection

Upon your execution of your Franchise Agreement, you will receive a general marketing area in which you must locate your new Franchised Business (a "Site Selection Area"). We will designate the Site Selection Area on the reserved exhibit to the Franchise Agreement (the "Data Sheet").

We may provide you with site selection assistance if we deem it appropriate, but it is your obligation to locate, submit for our approval, and, once we have approved the location, secure a lease for it (if applicable). We do not typically own or lease the real property that will serve as your Location and you are responsible for all costs and expenses in locating and evaluating proposed sites and the demographic data associated with your proposed sites. We must approve your proposed site before you take steps to enter a lease for it or otherwise secure it for your Franchised Business's future use. In deciding whether to approve a site, we may consider, among other things: (i) demographic characteristics, traffic patterns, allowed design and building, parking, visibility, allowed signage, and the predominant character of the neighborhood surrounding the proposed site; (ii) competition from other businesses selling similar products and services within the area and the proximity of the site to these businesses, as well as the nature of all other businesses in proximity to the proposed site; (iii) zoning restrictions, soil and environmental issues, and other commercial characteristics; and (iv) the size, appearance, and other physical characteristics of the proposed site.

You may not take further steps to secure a site or enter into a lease for it if we have not yet approved it or if we have rejected it. We always have the right to reject a site if it is located within another franchisee's Designated Territory or some other area where we have granted territorial rights.

If we are unable to agree on a particular site, a different site will need to be found. We do not plan to own any of the sites where our franchised businesses will be located and do not lease retail space to franchisees.

We will use reasonable efforts to approve or disapprove the proposed site within 30 days after your request for our approval; however, you are responsible for securing (either by leasing or purchasing the location) an approved site within 90 days of signing the Franchise Agreement. Upon our approval of a site, and after you secure the site, we will insert its address into the Franchise Agreement, and it will be the Premises. If we cannot agree on a site, we may, at our option and in our sole discretion, release you from your franchise agreement and refund your franchise fee. Otherwise, we will extend the time period by another 90 days to find an acceptable site. We may terminate your Franchise Agreement if we cannot agree on a site following the 90 day extension.

The lease, if applicable, must be approved by us. We will not be signers on your lease; however, we do require you to furnish us with a signed copy of the Consent and Agreement of Landlord attached as Exhibit H.

If you operate your BeBalanced Hormone Weight Loss Centers from a leased location, whether initially, or at any time during the term of this Franchise Agreement, the real estate and improvements must meet our specifications. The location site, layout, equipment, inventory assortment and quantity, signage, and lease must be approved by us.

Once we approve a site for your Franchised Business, any rights you have in the Site Selection Area will extinguish, and we will assign you the area that will comprise your Designated Territory for your BeBalanced Hormone Weight Loss Center. Please see Item 12 for more information regarding the Designated Territory.

Within 120 days of signing your Franchise Agreement you must secure a Location and lease that we approve. If you do not meet this requirement for any reason, including our disapproval of a proposed location and/or your failure to find a suitable location that we approve during the 120 day period, we may terminate your Franchise Agreement without refunding any fees to you if you do not cure this default within 30 days of notice from us.

We will approve a site for future/additional units under an Area Development Agreement using our then-current site criteria.

Schedule for Opening

Franchise Agreement

We estimate that the time period between the signing of the Franchise Agreement and the start of operations for your first location will be approximately 2 to 6 months. Factors that may affect this time period include the satisfactory completion of initial training, the amount of personal time put forth by you, the amount of time necessary to hire contractors and for them to complete leasehold improvements, the time to obtain building permits and occupancy approvals from local authorities, weather, material availability, delays in the installation of equipment, signs, and fixtures, and other such matters. The amount of time needed to locate a facility and negotiate a lease is in addition to the estimated time shown here.

You must complete all preparations and open the Franchised Business within 6 months of signing the Franchise Agreement. You must apply for all required operating permits and licenses within 30 calendar days after you sign the lease for the premises. If you fail to open the Franchised Business within the stated period and, if applicable, within an extension of time approved in writing by us, the Franchise Agreement may be terminated upon written notice from us to you, and we may retain your Initial Franchisee Fee and any other sums that have been paid to us. In addition to these requirements, and in the event of more than one location as contemplated by Section 5, you will be required to open the second location of the Franchised Business within one year of the signing of the Franchise Agreement and the third location of the Franchised Business within 18 months of the signing of the Franchise Agreement. Your failure to open a location within these time periods could result in the forfeiture of the deposit portion of the Initial Franchise Fee for such location and may provide us as the Franchisor with further remedies as provided under the Franchise Agreement.

Development Agreement

If you have entered into a Development Agreement to open and operate multiple Franchised Businesses, your Development Agreement will include a Development Schedule containing a deadline by which you must have each of your Franchised Businesses open and operating. Your Development Schedule may depend on the number of Franchised Businesses you are granted the right to open and operate. (Development Agreement, Section 4(B) and 4(C)).

If you fail to open any Franchised Business within the appropriate time period outlined in the Development Agreement, we may terminate your Development Agreement. You will not have any further development rights within the Development Area upon termination of your Development Agreement, except to continue operating the Franchised Business(es) that were already open and operating as of the termination date. We must approve of the Premises you choose for each Franchised Business you are required to open under the Development Agreement.

Training

Before your Franchised Business opens, you and/or your manager and/or an assistant manager (as approved by the Franchisor) must attend and successfully complete to our satisfaction an initial training program. We will provide instruction and materials without charge for 2 people over a one week period. You must pay for all other expenses incurred in attending training, such as costs of transportation, lodging, meals, wages, and workers' compensation insurance. You must attend the initial training program no less than 45 days before opening your Franchised Business. We reserve the right to conduct the entire initial training program virtually, as we determine appropriate in our sole and absolute discretion.

The majority of our in-person training will be presented by Andrea Linebaugh, Paget Rhee, and Jennifer Seroogy Cutillo, CEO who has served as a BeBalanced Trainer since 2014, and provides the training on program science. From October 2014 to April 2022, Jennifer Seroogy Cutillo was the COO. 2022. Since September 2021 and, continuing to date, Andrea Linebaugh has served as our Franchise Development Coordinator. Paget Rhee has been our Director of Operations since June 2021.

You will also be spending time on-site in other local centers which have been selected based on their level of performance. There, you will be observing active center operations and completing hands-on tasks meant to round-out your understanding through experience. We may change or substitute training personnel as necessary and we may delegate our duties and share our responsibilities with regard to training. Our instructional materials are based upon information in the Operations Manual, and may include training videos, class exercises and handouts.

If you request, and we are able to provide, additional or special guidance or training to you, and/or your manager and/or an assistant manager, you must pay us our then-current Operating and Special Assistance charges, including our personnel's per diem charges and travel and living expenses.

Any new employees or managers hired for your Franchised Business must complete the appropriate online modules for their role, as described in the Operations Manual. It is required that they also pair up with an experienced mentor for support. If your center is not already staffed with someone that would fit this position, then it is advised that they connect with an employee from another center who has been designated for a mentorship role.

We may conduct mandatory weekly or monthly phone conferences, meetings, conventions, and/or training sessions for you for the purpose of ongoing training. During the first year you will be required to speak with us by telephone once every other week. We may schedule an annual convention, not to exceed 5 days. You must stay at the hotel or resort where the convention is hosted, hosted, for interaction with others and participation in all events, unless you live within 10 miles of the facility. You must pay for your own travel and living expenses, but no attendance fee will be payable to us for such meetings. To the extent we decide to offer, or require that you attend, any additional training courses, conventions, or meetings in the future, we will develop and determine the cost, location, content, duration, and frequency of those programs at a later time.

You are responsible for providing training to your employees. The initial training program is provided by the Franchisor to protect the BeBalanced Hormone Weight Loss Centers System and Marks. The initial training program is not provided to control the day-to-day operation of your franchise.

Currently, we provide our initial training program no less frequently than quarterly and on an as-needed basis.

We will use a schedule substantially similar to the following (see next page):

TRAINING PROGRAM

Subject	Classroom Hours	On-the-Job Hours	Location
Corporate Office Based Training			
Introductions, History/Philosophy of BeBalanced Hormone Weight Loss Centers Brand	1	0	Lancaster, PA (or virtual, at Franchisor's option)

Subject	Classroom Hours	On-the-Job Hours	Location
Marketing	3	0	Lancaster, PA (or virtual, at Franchisor's option)
Technology/Front & Back Office	3	0	Lancaster, PA (or virtual, at Franchisor's option)
Sales	0	8	Lancaster, PA (or virtual, at Franchisor's option)
Hiring, Training, and Overseeing Employees, Affiliates	3	0	Lancaster, PA (or virtual, at Franchisor's option)
Program/Product and Appointment Training	3	12	Lancaster, PA (or virtual, at Franchisor's option)
Operating Procedures	1	2	Lancaster, PA (or virtual, at Franchisor's option)
Administrative Procedures	0	2	Lancaster, PA (or virtual, at Franchisor's option)
Graduation, Review, and Completion	2	0	Lancaster, PA (or virtual, at Franchisor's option)
Total	**16**	**24**	
New Center On-Site Training			
Hands-on lead management, administrative organization, customer interaction, time management, membership management and software system utilization	0	8	On-site new franchise
Appointment training	0	8	On-site new franchise
Total	**0**	**16**	
Intranet-based Online Training			
Intro Course	2	0	At Home
Science Behind Our BeBalanced Program Course	9	0	At Home
Appointments Course	15	0	At Home
Client Support Coordinator Course	8	0	At Home
Supplements Course	9	0	At Home
Management Course	6	0	At Home
Marketing Course	7	0	At Home
Total	**56**	**0**	

Advertising

We require you to expend at least $12,000 for the Grand Opening Advertising (as defined in Item 7) during the period beginning 60 days from the time of signing your franchise agreement and ending 90 days after the date of opening. We will work with you to tailor your Grand Opening Advertising campaign to your market. All materials used in the Grand Opening will be subject to our prior written approval and to the standards and specifications we prescribe. You must provide receipts for all expenditures.

Each month after opening the franchised BeBalanced Hormone Weight Loss Centers Business, you are required to spend a minimum amount of $3,500 or 8% of your monthly gross sales, whichever is greater ("Local Advertising Expenditure") on advertising and promotion of your BeBalanced Hormone Weight Loss Centers in your Designated Territory. Salaries for your marketing personnel are separate expenses and are not to be included in your Local Advertising Expenditure. You must send us, in a manner we approve, an accounting of your Local Advertising Expenditure at such times, and for such reporting periods, as we may specify from time to time. We reserve the right to collect the required minimum amount if you fail to comply, by a debit to your bank account, and implement an advertising program for you or add the required minimum to the Advertising Fund, as set out below. We reserve the right to approve all local advertising.

If an association of BeBalanced Hormone Weight Loss Centers Businesses is established in a geographic area in which your Center is located (the "Co-op"), we may require you to join and actively participate in it. We may determine the area and membership of each Co-op by media coverage or other criteria which we may establish at our discretion. We will determine whether a Co-op should be formed, changed, dissolved or merged for your market. Each Co-op will operate from written governing documents approved by their members. We reserve the right to require that each Co-op prepare annual financial statements for its members. We also reserve the right to audit any accounts or funds collected by the Co-op. You must contribute to the Co-op such amounts as are determined from time to time by the Co-op. Franchisor or affiliate-owned Centers are not required to contribute on the same basis as you, but may choose to do so. We will not set the amount of those contributions and there is no limit. If we require you to participate in a Co-op, your local advertising requirement will be reduced by the amount that you contribute to the Co-op (dollar for dollar), up to the amount of your local advertising requirement. The Co-op will adopt its own written rules, regulations and procedures which will be available for you to review and which you must follow. However, the rules, regulations and procedures of the Co-op must be approved by us. The Co-op is not permitted to use advertisements unless the advertisements have been reviewed and approved by us in advance. We have the right to participate in any Co-op meetings and in any meetings of the members of the Co-op. Your failure to timely contribute the amounts required by the Co-op constitutes a breach of your obligations under the Franchise Agreement. [Franchise Agreement, Section 10.I]. Sample forms of the Co-op Acknowledgment and Consent and Bylaws (as drafted by the Philadelphia Co-op) are attached to this Disclosure Document as Exhibit N. These forms are samples only and are subject to modification at any time as we determine appropriate in our sole discretion.

As of the date of this Disclosure Document, Co-ops have been formed for the following areas/regions: Philadelphia, Pennsylvania. We anticipate that Co-ops will continue to be formed in the future.

We may, but need not, at our cost and in our sole discretion, disseminate advertising coverage that is regional or national in coverage to promote the BeBalanced Hormone Weight Loss Centers system.

We have established an advertising fund ("Advertising Fund") for the enhancement and protection of the BeBalanced Hormone Weight Loss Centers brand and Marks, and for the advertising, marketing, and public relations programs and materials and you are required to contribute to it. All company-owned BeBalanced Hormone Weight Loss Centers Businesses will contribute to the Advertising Fund on the same basis as franchisees. We account separately for all sums paid to the Advertising Fund. The Advertising Fund and any earnings on it do not otherwise benefit us. As of December 31, 2021, we have collected $233,991 towards the Advertising Fund. Of the $233,991 collected, we have spent 11% towards production expenses, 50% towards website SEO SEM, 22% towards administrative expenses, and 18% towards media placement.

As described in Item 6 above, you will contribute an Advertising Fee equal to the greater of (a) $100 per month, or (b) 2% of the monthly gross sales generated by your Hormone Weight Loss Center.

We or our designee will direct all advertising programs, and determine the concepts, materials, media used in the programs and their placement. The Advertising Fund is intended to maximize general public recognition, acceptance, and use of the System; and we are not obligated, in administering the Advertising Fund, to make expenditures for you that are equivalent or proportionate to your contributions, or to ensure that any particular franchisee benefits directly or pro rata from expenditures by the Advertising Fund. We may use the Advertising Fund for national, regional and local marketing programs and we are not obligated to spend any amount on advertising in the area where you are located.

We will use the Advertising Fund, all contributions to it, and any earnings on it, exclusively for preparing, directing, conducting, placing and administering advertising, marketing, public relations, and/or promotional programs and materials, and any other activities, which we believe would enhance the image of the System, Proprietary Marks, and products or services. This includes, among other things, the costs of preparing and conducting media advertising campaigns; direct mail advertising; marketing surveys and other public relations activities; developing and maintaining our website; employing advertising and public relations agencies; purchasing promotional items; and other marketing materials and services to the BeBalanced Hormone Weight Loss Centers Businesses operating under the System. We may charge all costs of the formulation, development and placement of advertising and promotional materials to the Advertising Fund. These costs may include the proportionate share of the costs of our employees who devote time and render services for advertising and promotion or the administration of the Advertising Fund, including administrative costs, salaries, overhead expenses related to administering the Advertising Fund and its programs. (Franchise Agreement, Section 10)

We may disseminate advertising in a variety of media, including print, internet, radio, television, or other media. We expect to spend Advertising Fund contributions in the year that they are received. Advertising Fund surpluses, if any, will carry forward to the following year. There is no requirement that the Advertising Fund be audited, however, each year we will prepare and make available to you an unaudited statement of Advertising Fund expenditures.

We will not use Advertising Fund contributions to create or place any advertisement that is principally a solicitation for new franchises, but we may include in all advertising prepared from Advertising Fund contributions (including internet advertising) information concerning franchise opportunities, and a portion of these contributions may be used to create and maintain one or more interior pages on our website devoted to advertising franchise opportunities and identifying and screening requirements and applications submitted by franchise candidates.

Currently, we have not established an advertising council to administer the Advertising Fund, but may do so in the future. At our determination, it may consist of one or several of our management representatives, employees, or franchisees. They may be reimbursed for the time they spend managing the Advertising Fund.

You must conduct advertising in any medium in a dignified manner and must conform to the standards and requirements as we may specify periodically in writing. You must send us for our prior approval all advertising and promotional plans or materials that you desire to use or in which you desire to participate, including any materials in digital, electronic, computerized, or other form, and including materials that you plan to make available through computer or telecommunications networks such as the internet. We will list your location on the BeBalanced Hormone Weight Loss Centers website and provide a means for you to be contacted through said website. You may not use any advertising or promotional plans or materials or engage in any programs absent our prior written approval. Within 30 days of our receipt of your advertisement proposal, we will approve or disapprove your advertisement for use.

Computer System

You must purchase a Computer System that meets our specifications, including hardware, software, communications equipment, telephone lines, high-speed internet access, and other equipment that we specify in the Operations Manual, or otherwise in writing, for the efficient management and operation of the BeBalanced Hormone Weight Loss Centers Business and the transmission of data between us and you. Franchisees are currently required to purchase one desktop computer, one laptop, at least two tablets, a multifunction printer, a receipt printer, credit card swiper, and a cash drawer. We may modify specifications for and components of the Computer System. We may require you to purchase the Computer System (or components of the Computer System) from us, our affiliates, or designated vendors. We may require that a maintenance contract be entered into with them so that there is uniformity in all locations. In the event we require you to enter into a maintenance contract with a third party, this will be the only ongoing contractual obligation that any party has provide maintenance, repairs, upgrades or updates to your Computer System. Neither we nor any of our affiliates are contractually obligated to provide ongoing technical support. You are required to upgrade your software as necessary to ensure proper functioning of your system. You must incur the costs of obtaining the computer hardware, software, and/or communications capabilities comprising the Computer System (or additions and modifications) and required service or support. We estimate the cost to purchase the Computer System to be approximately $1,500 to $2,500 for a single computer with the specified software and peripherals for the Computer System, and may be more if additional computers or components are purchased. You may not install any computer software, other than that which we have approved, and for which you have a legal right to use, on the computers at the Franchised Business. You are required to ensure the Computer System meets our current standards, which may change over time. There are not contractual limits on our right to require you to upgrade, maintain or update the Computer System.

You are solely responsible for protecting yourself from viruses, computer hackers, and other communications and computer-related problems, and you may not hold us liable and will further release us from any claims for any harm caused by such communications and computer-related problems.

The Computer System will be used for sales, financial performance, client contact information and billing, generating proposals and correspondence, historical data and other general business purposes. So that we may have independent access to the information generated and stored in the systems, you must disclose to us any passwords or codes associated with the

Computer System and permit us to access (on site or electronically) the Computer System to obtain information related to the BeBalanced Hormone Weight Loss Centers Business. There are no contractual limits on our right to access the information gathered and stored in your Computer System. We or our affiliates may condition any license of proprietary software to you, or your use of technology that we or our affiliates develop or maintain, on your signing a software license agreement or similar document that we or affiliates prescribe to regulate your use of, and our and your respective rights and responsibilities concerning the software or technology. We will have independent access to the information generated and storied in the cloud-based software that we provide to you.

Social Media, Internet

In order to establish common methods of operation, we have established standards for social media and internet use and marketing. Social media: You may not establish your own social media account (i.e. Facebook, LinkedIn, Twitter, YouTube, Pinterest, etc.) using the franchise name and/or our Proprietary Marks without our explicit prior approval in writing. All social media posts are also subject to our pre-approval.

Website: You must establish a landing page tied to the BeBalancedCenters.com website, and we will provide you with a web designer for this purpose. We will establish the design and specified content of all Franchisee landing pages, so they are consistent with the other BeBalanced Hormone Weight Loss Centers Franchisee landing pages. Clients within your territory can be directed to this landing page to learn location specific information about your center, including upcoming events and specials. The cost of this is covered by you, detailed in Item 6. All landing page content is subject to our approval. You may not establish your own website to communicate content related to the subject matter of BeBalanced Hormone Weight Loss Centers, nor can such website utilize or display our proprietary marks.

Advisory Council

In 2018, we commissioned a franchisee franchise advisory council ("FAC") to help us improve the Franchise System. The FAC counsels us on matters such as marketing, operations, and new products and services. We are not bound by FAC recommendations, but we consider all FAC recommendations in good faith. The FAC operates according to the standards we approved in the National FAC Bylaws ("FAC Bylaws").

You have the right to be a member of the FAC as long as you are not in default under your Franchise Agreement and you do not act in a manner we deem disruptive, abusive, or counter-productive. Nominations and appointments to FAC posts are made according to the standards and procedures set out in the FAC Bylaws. Until the Franchise System has fifty qualified franchisees, Franchisor will appoint FAC members. Once the Franchise System has fifty qualified franchisees, Franchisees will be elected to the FAC by annual vote.

The FAC operates exclusively in an advisory capacity and lacks the authority to bind Franchisor or any Franchisees to its decisions. Franchisor may dissolve or change the FAC at any time and need not provide prior notice to FAC Members or other Franchisees.

ITEM 12
TERRITORY

Premises and Relocation

You may only operate your Franchised Business from the Premises we approve. Once we agree on the Premises, we will designate it on the Data Sheet attached to your Franchise Agreement.

You may not relocate your Franchised Business without our written consent, which we will not unreasonably withhold provided: (i) the new location is located within your Designated Territory and meets our then-current criteria for the Premises; and (ii) you pay our then-current relocation fee (if any), which is currently $1,000. When considering a request for relocation, we may take into account the desirability of the proposed new location, its distance from other and future-planned franchised locations, the traffic patterns, security, cost, and the demographics of the area, as well as any other related factors we deem appropriate. We will not unreasonably withhold our approval of your relocation request, provided the location meets our site selection criteria.

Franchise Agreement: Designated Territory and Site Selection Area

The Franchise Agreement gives you the right to open a single BeBalanced Hormone Weight Loss Center at a specific location. We will agree on a Site Selection Area in which you must locate a potential site. The Site Selection Area will be clearly defined on the Data Sheet attached to your Franchise Agreement.

Once we approve your proposed site, any rights you previously had in the Site Selection Area will extinguish, and we will define the area in which you will have the exclusive right to operate one BeBalanced Hormone Weight Loss Center (the "Designated Territory"). The Designated Territory will encompass the location of your new Franchised Business. It will be clearly defined on the Data Sheet in the space reserved, and you will initial the space provided as a demonstration of your understanding and agreement.

Although the boundaries of your Designated Territory may be described in terms of zip codes, streets, landmarks, county lines, or some other method specified on the Data Sheet, the size of your Designated Territory will depend primarily on publicly available population statistics. A typical Designated Territory has a minimum population of 100,000 or we will determine the makeup of your Designated Territory based on publicly available population statistics. A typical Designated Territory is a land area with a population of at least 100,000 or a land area encompassing the six-mile radius that extends outwards from the location of your Franchised Business, whichever option affords a larger Designated Territory in terms of overall land area.

During the term of the Franchise Agreement, we will not establish or license others to establish BeBalanced Hormone Weight Loss Centers within your Designated Territory. We will not add trademarks for a competing business unassociated with the BeBalanced Hormone Weight Loss Center(s) within your designated territory, so long as you are in compliance with the Franchise Agreement. Your rights are limited to the location listed in the Franchise Agreement. Your Designated Territory cannot be modified except by mutual written agreement by both parties. Each Franchised Business is operated according to a separate Franchise Agreement.

Your Designated Territory is exclusive and is not dependent upon achievement of a certain sales volume, market penetration, or any other factors. Currently, there are no other circumstances that permit us to modify your territorial rights.

There are no restrictions on accepting business from customers who reside or work outside your Designated Territory, nor are there any such restrictions on us or on other franchisees. You are not permitted to advertise or market outside of the Designated Territory unless you obtain our prior written consent. We may permit you to engage and/or participate in marketing and/or advertising that circulates outside of your Designated Territory, and you acknowledge that other franchisees may be permitted to market and/or advertise inside your Designated Territory including through participation in Co-ops.

You may not offer or sell services or products authorized under the Franchise Agreement through any other means, including without limitation, through mail order, internet, or other electronic media, telemarketing, or wholesale, within your territory, without our prior written approval. You may not provide services or sell products in the territory of any other corporate BeBalanced Hormone Weight Loss Center or franchised BeBalanced Hormone Weight Loss Center. All other franchisees and company facilities must abide by the same restrictions.

The Franchise Agreement does not grant you any options, rights of first refusal, or similar rights to acquire additional franchises. We, or one of our approved franchisees, may offer products through online sales or Infomercials, at our suggested minimum pricing, or greater. We reserve the right to distribute these products and services within your Designated Territory under our trademarks or alternative trademarks. You will be compensated for sales realized in this manner, within your Designated Territory; funds will be credited to your account after related expenses and applicable fees are deducted.

We will not add additional products or trademarks not associated with the franchised BeBalanced Hormone Weight Loss Centers business and sell them within the Designated Territory during the term of this Franchise Agreement.

Development Agreement: Development Area

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 or competitive brands that we control.

If you are granted the right to open multiple Franchised Businesses under our form of Development Agreement, then we will provide you with a Development Area upon execution of this agreement. The size of your Development Area will substantially vary from other System developers based on the number of Franchised Businesses we grant you the right to open and operate and the location and demographics of the general area where we mutually agree you will be opening these locations. The boundaries of your Development Area may be described in terms of zip codes, streets, landmarks (both natural and man-made) or county lines, or otherwise delineated on a map attached to the Data Sheet.

Each Franchised Business you timely open and commence operating under our then-current form of franchise agreement will be operated from a distinct Premises located within the Development Area and within its own Designated Territory that we will define once the Premises for that Franchised Business has been approved.

We will not own or operate, or license a third party the right to own or operate, a BeBalanced Hormone Weight Loss Center utilizing the Marks and System within the Development Area until the earlier of the date we define the Designated Territory of the final Franchised Business you were granted the right to operate under the Development Agreement, or the expiration or termination of the Development Agreement for any reason. Your Development Area will be exclusive during this time period.

Upon the occurrence of any one of the events described in the preceding paragraph, your territorial rights within the Development Area will terminate, except that each Franchised Business that you have opened and are continuously operating as of the date of such occurrence will continue to enjoy the territorial rights within their respective Designated Territories that were granted under the Franchise Agreement(s) you entered into for those Franchised Business(es).

You must comply with your development obligations under the Development Agreement, including your Development Schedule, in order to maintain your exclusive rights within the Development Area. If you do not comply with your Development Schedule, we may terminate your Development Agreement and any further development rights you have under that agreement. Otherwise, we will not modify the size of your Development Area except by mutual written agreement signed by both parties. We will approve a site for future/additional units under a Development Agreement using our then-current site criteria.

Options and Rights of First Refusal to Acquire Additional Franchises
You are not granted any options, rights of first refusal, or similar rights to acquire additional franchises.

ITEM 13
TRADEMARKS

We have registered and own the following Marks that are registered with the U.S. Patent and Trademark Office (the "USPTO") on its Principal Register:

MARK	REGISTRATION NUMBER	REGISTRATION DATE
BECOMING BALANCED	4875001	December 22, 2015
BEBALANCED	4875000	December 22, 2015
	5748110	May 14, 2019

As to our principal trademarks there are no currently effective material determinations by the USPTO, the Trademark Trial and Appeal Board, any court, or the trademark administrator of any state. There are no pending infringement, opposition or cancellation proceedings and no pending litigation involving our principal marks. We know of no superior rights or infringing uses that could materially affect your use of our principal marks or other related rights in any state.

We have timely filed, or intend to timely file, with the USPTO all required affidavits of use and make renewal filings when they come due for these registrations.

Your right to use the Marks is derived only from the Franchise Agreement and limited to your operating the Franchised Business according to the Franchise Agreement and all System standards we prescribe during its term.

We began using the names “Becoming Balanced” & “BeBalanced” in January 2014, and they have been in continual use (nationally, in the U.S.) since that time. In addition, Infinity Health has established certain common law rights to the above marks acquired by virtue of their continuous, exclusive and extensive use and advertising.

We will indemnify and defend you against all claims or actions arising out of your use of the marks as authorized by us, including reasonable attorneys’ fees and expenses, if you have properly used the marks. We reserve the right to control any trademark litigation (including being the sole recipient of any awarded damages) and will be the sole judge whether suit will be brought or settled in any instance when any person or entity infringes the marks. You must notify us within 3 calendar days of any infringement or unauthorized use of the marks of which you become aware and you must agree to cooperate with any action that we undertake.

If we decide that it is advisable at any time for you to modify or discontinue the use of any of the marks, or to use one or more additional or substitute trade or service marks, you must comply with our directions to modify or discontinue the use of the mark or use one or more additional or substitute trade or service marks within a reasonable time after notice. We will not reimburse you for any expenses you incur to implement such modifications or substitutions. We are not obligated to reimburse you for any loss of goodwill or revenue associated with any modified or discontinued mark, nor are we responsible for any other damages or costs.

There are no agreements currently in effect that significantly limit our rights to use or license the use of the trademarks, service marks, trade names, logotypes, or other commercial symbols in any manner material to the operation of the Franchised Business. We do not know of any superior prior rights or infringing uses that could materially affect your use of the Marks.

ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents
As of the date of this Franchise Disclosure Document, no patents are material to the franchised business or your operation of the Franchised Business.

Copyrights
We claim copyright protection covering various materials used in our business and the development, management and operation of BeBalanced Hormone Weight Loss Centers, including advertising and promotional materials, the Operations Manual, and similar materials. We have not registered these materials with the United States Registrar of Copyrights, and we are not required to do so. We may register any of the items or copyrightable materials in the future.

There are currently no effective determinations of the United States Copyright Office or any court, nor any pending litigation or other proceedings, regarding any copyrighted materials. We do not know of any superior prior rights or infringing uses that could materially affect your use of the copyrighted materials. No agreement requires us to protect or defend our copyrights or to indemnify you for any expenses or damages you incur in any judicial or administrative proceedings involving the copyrighted materials. You are required to notify us of claims by others of rights to, or infringements of, the copyrighted materials. If we require, you must immediately modify or discontinue using the copyrighted materials. Neither we, nor our affiliates, will have any obligation to reimburse you for any expenditure you make because of any discontinuance or modification.

Any and all copyright in and to advertising and promotional materials developed by you or on your behalf will be our sole property, and you must execute those documents (and, if necessary, require your independent contractors to execute those documents) that may be deemed reasonably necessary by us to give effect to this requirement.

Confidential Information
You will not acquire any interest in Confidential Information, other than the right to use it as we specify in operating the Franchised Business during the Franchise Agreement’s term. The Confidential Information is proprietary and is disclosed to

you only on the condition that you: (1) will not use Confidential Information in any other business or capacity; (2) will keep each item deemed to be part of Confidential Information absolutely confidential, both during the Franchise Agreement's term and after the term for as long as the item is not generally known to the public; (3) will not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form; and (4) will adopt and implement reasonable procedures to prevent unauthorized use of or disclosure of Confidential Information, including restricting its disclosure to Franchised Business personnel and others and using non-disclosure and non-competition agreements with those individuals having access to Confidential Information.

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

Operations Manual

In order to protect our reputation and goodwill and to maintain high standards of operation under our Proprietary Marks, you are encouraged to conduct your business in accordance with the Operations Manual. We will provide you one copy of the Operations Manual for the term of the Franchise Agreement. We will provide access to our Operations Manual, in digital/electronic form, for the term of the Franchise Agreement.

You must keep your copy of the Operations Manual current and in a secure location at the Franchised Business. The Operations Manual contents are Confidential Information and you may only divulge this information to employees who need to know its content, distribute or share files or documents with others, if we make available an electronic version, or let any unauthorized person have access to these materials. We may periodically revise the contents of the Operations Manual, and revisions will be distributed electronically, or uploaded/posted in our online portal. You must make corresponding revisions to your copy and comply with each new or modified standard. If there is ever a dispute as to its contents, our master copy of the Operations Manual will be the controlling document.

Upon termination or early expiration of the Franchise Agreement, the Operations Manual and any printed or electronic copies or materials from it, must be returned to us. Any electronic or digital versions must be immediately destroyed, and you may not retain an images or copies of any portion of the Operations Manual.

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

Although we recommend that you personally participate in the direct operation of the Franchised Business, you may, with our approval hire a manager to oversee it. The manager you hire must have the ability to manage the Franchised Business and must be able to handle the specific day-to-day involvement requirements. The manager is not required to own any designated amount of equity interest in the Franchised Business. You and your manager, whether or not you work in the franchise location, must successfully complete our training program.

You may neither hire nor contract independent contractors to provide services to clients, nor may you subcontract any part of the services you provide.

All of your officers, members, managers, partners, and other executive title holders must sign Confidentiality and Non-Competition Agreement attached as Exhibit I as part of the terms and conditions of his or her employment. You must send us a duplicate original of each signed Confidentiality and Non-Competition Agreement.

As part of the Confidential Information restrictions, disclosure or unauthorized use of any Confidential Information by you or your officers, members, managers, partners, and other executive title holders during and for a period of 5 years after termination of your Franchised Business is strictly prohibited.

Additionally, all officers, agents, directors, shareholders, trustees, beneficiaries, partners, and members must sign the personal guarantee attached as Exhibit E.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

The use of your Premises is limited to the operation of the BeBalanced Hormone Weight Loss Centers Business, according to the standards, policies, methods and techniques of our System. You may only offer and provide the products and services that conform to our standards and specifications described in this Franchise Disclosure Document, Franchise Agreement and/or Operations Manual.

Specifically prohibited products/services include exercise facilities and non-approved nutritional foods or products.

You are specifically prohibited from installing, displaying, or maintaining any vending machines, gaming machines, automatic teller machines, internet kiosks, public telephones (or payphones), or any other electrical or mechanical device in your (Site Location) without our written consent. We have the right, without limit, to change the types of authorized products and services. You must comply with any changes or revocations upon receipt of written notice.

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

Provision		Section in Franchise or Other Agreement	Summary
a.	Length of the franchise term	3	The initial term is for 10 years commencing on the date we sign the Franchise Agreement
b.	Renewal or extension of the term	3	You have the right to be considered for 2 individual renewal terms of 5 years each, after which you must sign the then-current franchise agreement to continue.
c.	Requirements for you to renew or extend	3	Renewal obligations include: • providing written notice of your request for renewal not less than six (6) months, nor more than twelve (12) months prior to the expiration of your Franchise Agreement • having complied with all your obligations during the term • not being in default • at our request, having renovated or modernized your location to comply with our then-current standards for new locations • having no past material and repeated defaults • being in good financial standing, having continued right of possession to the approved location • signing the then-current Franchise Agreement, which may have materially different terms and conditions than your original Franchise Agreement. • paying a renewal fee at least ninety (90) days prior to the renewal date • paying a refresher training fee and signing a general release

	Provision	Section in Franchise or Other Agreement	Summary
d.	Termination by you	16	You may not terminate this Franchise Agreement prior to the expiration of its term except through legal process resulting from our material breach of this Franchise Agreement or otherwise with our consent
e.	Termination by us without Cause	16	Not applicable
f.	Termination by us with cause	16	Except for the above example and except for termination upon expiration or termination of our Franchise Agreement, you can be terminated only if you default
g.	"Cause" defined – curable defaults	16	10 days to cure non-payment of sums due to us; 30 days to cure other defaults except as noted in "h.", below
h.	"Cause" defined – non-curable defaults	16	Abandonment, bankruptcy and insolvency, misconduct, unauthorized assignment, knowingly underreporting, repeated defaults of the Franchise Agreement, misrepresentation, and violation of law
i.	Your obligations on termination/non-renewal	17	Upon termination or early expiration of the Franchise Agreement, your obligations include: • immediately discontinuing the use of the Marks • cease doing business in a form or manner that may give the general public the impression that you are operating a business as one of our franchisees • returning the Operations Manual • assignment of telephone numbers and all telephone directory listings to us assignment of the entire customer database to us.
j.	Assignment of contract by us	14	No restrictions on our right to assign
k.	"Transfer" by you – defined	14	Includes transfer of Franchise Agreement, assets, or ownership change
l.	Our approval of transfer by you	14	We don't have to approve all transfers, but may not unreasonably withhold approval
m.	Conditions for our approval of transfer	14	We have the right to impose the following conditions on any transfer by you: • all of your obligations under the Franchise Agreement have been satisfied • the new franchisee must meet our qualifications • must assume all of your obligations under the Franchise Agreement • must complete our training program you or the new franchisee must pay us a transfer fee and a training fee

	Provision	Section in Franchise or Other Agreement	Summary
n.	Our right of first refusal to acquire your business	14	30 days to negotiate, match any offer on same terms and conditions
o.	Our option to purchase your business	17	We have the right upon expiration, termination, and non-renewal to acquire any interest you have in a lease for the Premises and purchase all of your assets from the Franchised Business at a purchase price equal to their fair market value
p.	Your death or disability	14	Franchised Business must be assigned to an approved buyer within 6 months after death or onset of disability All transfer provisions of Section 14 apply
q.	Non-competition covenants during the term of the Franchise	15	No involvement in the same or similar business anywhere without our consent
r.	Non-competition covenants after the franchise is terminated or expires	15	No involvement in a competing business for two years within your Designated Territory, and within 40 miles of the border of the Designated Territory
s.	Modification of the Agreement	19	No modifications unless mutually agreed to in writing by us and you
t.	Integration/merger clause	23	Notwithstanding the foregoing, nothing in this or any related agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u.	Dispute resolution by arbitration or mediation	22	Except for certain claims, all disputes must be mediated in Pennsylvania
v.	Choice of forum	22	Subject to applicable state law, we must litigate in the state and judicial district where we maintain our principal place of business, currently, Lancaster County, Pennsylvania
w.	Choice of law	22	Subject to state law, local law and/or Pennsylvania law may apply to certain provisions of the Franchise Agreement, such as covenants not to compete

B. Development Agreement

	Provision	Section in Development Agreement	Summary
a.	Term of franchise	6.1	The Development Agreement will commence on the date it is fully executed and end on the earlier of (a) the last day of the calendar month that the final Franchised Business is required to be opened and operating under the Development Schedule or (b) the day that the final Franchised Business is opened.
b.	Renewal or extension of the term	Not Applicable	Not Applicable.

	Provision	Section in Development Agreement	Summary
c.	Requirements for you to renew or extend	Not Applicable	Not Applicable.
d.	Termination by you	Not Applicable	Not Applicable.
e.	Termination by us without cause	Not Applicable	Not Applicable.
f.	Termination by us with cause	6.2	We may terminate your Development Agreement with cause.
g.	Cause defined - default which can be cured	Not Applicable	Not Applicable.
h.	Cause defined - default which cannot be cured	6.2	Your Development Agreement can be terminated by us if: (i) you cease to actively engage in development activities in the Development Area or otherwise abandon your development business for three (3) consecutive months, or any shorter period that indicates an intent by you to discontinue development of the Franchised Businesses within the Development Area; (ii) you become insolvent or are adjudicated bankrupt, or if any action is taken by Franchisee, or by others against you, under any insolvency, bankruptcy or reorganization act, or if you make an assignment for the benefit or creditors or a receiver is appointed by you; (iii) you fail to meet your development obligations under the Development Schedule for any single Development Period, and fail to cure such default within 30 days of receiving notice thereof; and (iv) any Franchise Agreement that is entered into in order to fulfill your development obligations under the Development Agreement is terminated or subject to termination by us, pursuant to the terms of that Franchise Agreement.
i.	Your obligations on termination/ non-renewal	Not Applicable	Not Applicable.
j.	Assignment of contract by us	8	We have the right to assign our rights under the Development Agreement.
k.	“Transfer” by you - definition	8	Any transfer in you (if you are an entity) or your rights/obligations under the Development Agreement.
l.	Our approval of transfer by franchisee	8	You may not transfer any rights or obligations under the Development Agreement without our prior written consent.
m.	Conditions for our approval of transfer	Not Applicable	Not Applicable.
n.	Our right of first refusal to acquire your business	Not Applicable	Not Applicable.
o.	Our option to purchase your	Not Applicable	Not Applicable.

	Provision	Section in Development Agreement	Summary
	business		
p.	Your death or disability	Not Applicable	Not Applicable.
q.	Non-competition covenants during the term of the franchise	Not Applicable	Nothing additional. Please see non-competition covenants set forth in your Franchise Agreement(s) entered into under the Development Agreement.
r.	Non-competition covenants after the franchise is terminated or expires	Not Applicable	Nothing additional. Please see non-competition covenants set forth in your Franchise Agreement(s) entered into under the Development Agreement.
s.	Modification of the Franchise Agreement	27	Any modification of the Development Agreement must be in writing and signed by both parties.
t.	Integration/ merger clauses	27	Only the terms of the Development Agreement are binding (subject to state law). Any representations or promises made outside of the disclosure document and the Development Agreement may not be enforceable.
u.	Dispute resolution by mediation	13	At our option, all claims or disputes between you and us must be submitted first to mediation in Lancaster, Pennsylvania in accordance with the American Arbitration Association's Commercial Mediation Rules then in effect and if mediation is not successful, then by litigation.
v.	Choice of forum	15	Subject to Sections 13 and 14 of the Development Agreement, all claims must be brought before a court of general jurisdiction nearest to Lancaster, Pennsylvania, or the United States District Court for the Eastern District of Pennsylvania. You consent to the personal jurisdiction and venue of these courts (subject to state law).
w.	Choice of law	9	The Development Agreement is governed by the laws of the Pennsylvania (subject to state law).

ITEM 18
PUBLIC FIGURES

We do not use any public figures to promote our franchise; however, we reserve the right to use public figures of our choice in the future.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

<u>**DEFINITIONS**</u>

(a) <u>Average</u> – means the sum of all data points in a set, divided by the number of data points in that set.

(b) <u>BeBalanced® Main Program</u> – means our primary service offering comprised of a 14-week coaching program that provides customers with instruction and support for achieving weight-loss and general well-being through hormone balancing. During this 14-week program customers are provided with a unique protocol of professional-grade supplements, special diet, instruction, and support for achieving these goals. Clients meet with their Coach four times over the first eight weeks, followed by group appts for the following weeks. Customers typically pay for the BeBalanced® Main Program upfront and in a single lump-sum payment prior to participating in the program.

(c) <u>BeBalanced® Main Program Average Sales Price Per Customer</u> – means, for the select Outlet and, for the select Calendar Year, the Average selling price of the BeBalanced® Main Program per customer, calculated, as follows: Gross Sales for the BeBalanced® Main Program divided by the number of unique customers purchasing the BeBalanced® Main Program for the particular Calendar Year.

(d) <u>BeBalanced® Supplements</u> – means our many professional-grade, all-natural supplements, which are meant to support the clients as they go through the Main Program, and ongoing nutritional support.

(e) <u>BeBalanced® Maintenance</u> – means our Stay Balanced maintenance program comprised of all-natural hormone-balancing creams purchased and used by the clients to maintain "hormone balance" after reaching their goal weight through the BeBalanced® Main Program and the BeBalanced® Upgrade and Restart Program.

(f) <u>BeBalanced® Maintenance Average Sales Price Per Customer</u> – means, for the select Outlet and, for the select Calendar Year, the Average selling price of the BeBalanced® Maintenance program per customer, calculated, as follows: Gross Sales for the BeBalanced® Maintenance program divided by the number of unique customers purchasing the BeBalanced® Maintenance program on one occasion or multiple occasions during the particular Calendar Year.

(g) <u>BeBalanced® Upgrade and Restart Program</u> – means, following a customer's participation in our BeBalanced® Main Program, our additional service and product program offered to customers that, after achieving their initial goals, wish to lose additional weight and are not yet ready for a maintenance program or wish to pause a maintenance program to achieve additional goals.

(h) <u>Calendar Year</u> – means, as to each respective year, the twelve-month period commencing on January 1 and ending on December 31.

(i) <u>Company Owned Outlet</u> – means an Outlet owned either directly or indirectly by us, our affiliate or any person identified in Item 2 of this Disclosure Document. A Company Owned Outlet also includes any Outlet that is operated as a joint venture owned in part by us, our affiliate or any person identified in Item 2 of this Disclosure Document, or that is managed by us our affiliate, or any person identified in Item 2.

(j) <u>Costs of Goods Sold</u> – means, in the respective Calendar Year, the cost of acquiring merchandise, including supplements, as well as products required in treating customers. Included in "Cost of Goods Sold" is any amount of shrinkage arising from merchandise loss, expired product, damages, credit card fees, and adjustments to the carrying value of inventory correct resulting from physical inventory counts.
(k) <u>Disclosed Expenses</u> – refers to a limited selection of expenses as disclosed in the tables to this Item 19, comprised of: (a) rent, and (b) marketing.

(l) <u>Franchise Outlet</u> – refers to a BeBalanced Hormone Weight Loss Center operated under a Franchise Agreement that is not a Company Owned Outlet.

(m) <u>Gross Profit</u> – means Gross Sales less Cost of Goods Sold and Labor Cost. Gross Profit is not net profit or income and, except as to Cost of Goods Sold and, Labor Cost, does not include the deduction of all other expenses incurred by a BeBalanced Hormone Weight Loss Center including, but not limited to, Disclosed Expenses, operating expenses, interest, taxes, depreciation, and amortization.

(n) Gross Sales – means the total revenue derived by each Outlet less sales tax, discounts, allowances and returns.

(o) Labor Cost – means, in the respective Calendar Year, the direct non-owner labor expenses incurred in the operations of the Outlet, comprised of wages, payroll taxes, and paid employee benefits, if any. Labor Cost does not include compensation paid to an owner operator of either a Franchise Outlet or Company Owned Outlet.

(p) Median – means the data point that is in the center of all data points used. That number is found by examining the total number of data points and finding the middle number in that set. In the event the number of data points is an odd number, the median will be the center number. If the dataset contains an even number of data points, the median is reached by taking the two numbers in the middle, adding them together, and dividing by two.

(q) New Franchise Outlet – means, as to a particular Calendar Year, a Franchise Outlet that for the first time opened and commenced operations on the first day (January 1) of the Calendar Year.

(r) Outlet – refers to both Company Owned Outlets and Franchise Outlet, as the context requires.

(s) Operational Franchise Outlet(s) – means, as to a particular Calendar Year, a Franchise Outlet that was open and in operation prior to the commencement of the Calendar Year. For example, if a Franchise Outlet first opened for business in February 2020, as to the 2020 Calendar Year, the Franchise Outlet would qualify as a New Franchise Outlet (see definition above) and not as an Operational Franchise Outlet. If this Franchise Outlet remained in operation throughout the 2021 Measurement Period, it would qualify as an Operational Franchise Outlet during the 2021 Measurement Period.

(t) YOY Sales Growth – refers to the year over year calculation of the percentage of growth or decline for Gross Sales. YOY Sales Growth is calculated by comparing the Gross Sales achieved during Calendar Year 2020 with Gross Sales achieved during Calendar Year 2021.

BASES AND ASSUMPTIONS

The financial information was prepared on a basis consistent with generally accepted accounting principles during the respective measurement periods. Data for the Franchise Outlets are based on financial information reported to us by our franchisees. Data for our Company Owned Outlet is based on information reported to us by our affiliate. The information in this analysis has not been audited, is based on historical financial data and is not a forecast or projection of future financial performance.

ANALYSIS OF RESULTS OF COMPANY-OWNED OUTLET

During the 2021, 2020, and 2019 Calendar Years, we had a total of one (1) Company Owned Outlet. This analysis contains a historic representation of financial data achieved by our Company Owned Outlet. This Company Owned Outlet is located at 484 Royer Drive, Lancaster, Pennsylvania 17601, was established in 2007 and operates in a market where the BeBalanced brand maintains significant market awareness. During the 2020 Calendar Year the global pandemic impacted the operations of our Company Owned Outlet. The impacts of the pandemic related to government mandated safety protocols, procedures, and requirements related to customer and safety and the partial closure of our Company Owned Outlet during the period of April 2020 to June 2020 where we provided our System services and products through virtual customer consultations.

Table 1

Company Owned Outlet YOY Sales Growth: +10%						
	2019 Calendar Year		**2020 Calendar Year**		**2021 Calendar Year**	
	Total	**Percentage**	**Total**	**Percentage**	**Total**	**Percentage**
Gross Sales	**$612,812**	100.0%	**$647,852**	100.0%	**$711,453**	100.0%
Cost of Goods Sold	$240,978	39%	$245,210	38%	$264,738	37%
Labor Cost	$107,688	18%	$98,083	15%	$99,088	13%
Gross Profit	**$264,146**	**43%**	**$304,559**	**47%**	**$347,627**	**49%**

Disclosed Expenses: Rent Marketing	 $37,525 $66,323	 6% 11%	 $39,625 $45,269	 6% 7%	 $40,347 $40,473	 6% 6%
Gross Profit After Disclosed Expenses	**$160,298**	**26%**	**$219,665**	**34%**	**$266,807**	**37%**
Adjustment for Expenses not paid by Company Owned Outlet but Charged to Franchisees:						
Royalty Fee Technology Fee Advertising Fund Additional Marketing	$36,769 $3,948 $6,128 $0	6% .5% 1% 0%	$38,871 $5,400 $6,479 $6,560	6% 1% 1% 1%	$42,687 $5,400 $7,115 $16,443	6% 1% 1% 2%
Adjusted **Gross Profit After Disclosed Expenses**	**$113,453**	**19%**	**$162,355**	**25%**	**$195,162**	**27%**

Our Company Owned Outlet operates a BeBalanced business that is representative of the Franchised Business. The material financial and operational characteristics of our Company Owned Outlet that are reasonably anticipated to materially differ from current and future Franchise Outlets include, operational efficiency of the management team that operates this location and the length of time that it has been open.

Table 2

Company Owned Outlet - Total Gross Sales by Category						
Gross Sales Category	2019 Calendar Year		2020 Calendar Year		2021 Calendar Year	
BeBalanced® Main Program	$192,379	31%	$161,108	25%	$184,456	26%
BeBalanced® Upgrade / Restarts	$195,376	31%	$201,388	31%	$202,330	28%
BeBalanced® Maintenance	$134,380	22%	$143,646	22%	$177,342	25%
Other – Supplement Sales	$90,677	15%	$141,710	22%	$147,324	21%
Total Gross Sales	**$612,812**	100%	**$647,852**	100%	**$711,453**	100%

Table 3

Company Owned Outlet – Select Average Sales Price Data			
	2019 Calendar Year	2020 Calendar Year	2021 Calendar Year
BeBalanced® Main Program Average Sales Price Per Customer	$746	$753	$747
BeBalanced® Upgrade / Restart Average Sales Price Per Customer	$376	$377	$339

ANALYSIS OF RESULTS OF OPERATIONAL FRANCHISE OUTLETS

This analysis contains a historic representation of financial data achieved by our Operational Franchise Outlets as to each respective Calendar Year reported below.

2019 Calendar Year

During the 2019 Calendar Year we had, in total, 18 Franchise Outlets with 16 Operational Franchise Outlets. We exclude the financial data for two (2) Franchise Outlets because they were not operational for the entire duration of the 2019 Calendar Year as they ceased their operations during the 2019 Calendar Year. Of the 16 Operational Franchise Outlets: (a) 6 were open for less than (2) years prior to the start of the 2019 Calendar Year; and (b) 10 were open for two (2) or more years prior to the start of the 2019 Calendar Year.

2020 Calendar Year

During the 2020 Calendar Year we had, in total, 20 Operational Franchise Outlets. Of these 20 Operational Franchise Outlets: (a) 4 were open for less than (2) years prior to the start of the 2020 Calendar Year; and (b) 16 were open for two (2) or more years prior to the start of the 2020 Calendar Year. During the 2020 Calendar Year the global pandemic impacted the operations of our Franchise Outlets. The impacts of the pandemic related to government mandated safety protocols, procedures, and requirements related to customer and safety and the partial closure of our Franchise Outlets during the period of April 2020 to June 2020 where we provided our System services and products through virtual customer consultations.

2021 Calendar Year

During the 2021 Calendar Year we had, in total, 23 Operational Franchise Outlets. Of these 23 Operational Franchise Outlets: (a) 3 were open for less than two (2) years prior to the start of the 2021 Calendar Year; and (b) 20 were open for two (2) or more years prior to the start of the 2021 Calendar Year.

Table 4

Operational Franchise Outlets - **All**: **2019 Calendar Year Gross Sales** (All Operational Franchise Outlets)			
Average	Median	High	Low
$305,070	$328,221	$509,859	$78,646
Average – In calculating the average, 8 Operational Franchise Outlets (50%) were above the average and 8 Operational Franchise Outlets (50%) were below the average .			

Table 5

Operational Franchise Outlets – **Open for 2 or More Years**: **2019 Calendar Year Gross Sales** (Operational Franchise Outlets Open for 2 or More Years Prior to Start of 2018 Calendar Year)			
Average	Median	High	Low
$337,328	$379,882	$508,699	$139,884
Average – In calculating the average, 6 Operational Franchise Outlets (60%) were above the average and 4 Operational Franchise Outlets (40%) were below the average .			

Table 6

Operational Franchise Outlets – **Open for Less than 2 Years**: **2019 Calendar Year Gross Sales** (Operational Franchise Outlets Open for Less than 2 Years Prior to Start of 2018 Calendar Year)			
Average	Median	High	Low
$251,306	$252,569	$509,859	$78,646
Average – In calculating the average, 3 Operational Franchise Outlets (50%) were above the average and 3 Operational Franchise Outlets (50%) were below the average .			

Table 7

Operational Franchise Outlets - **All**: **2020 Calendar Year Gross Sales** (All Operational Franchise Outlets)			
Average	Median	High	Low
$279,464	$277,282	$509,351	$106,046
Average – In calculating the average, 9 Operational Franchise Outlets (45%) were above the average and 11 Operational Franchise Outlets (55%) were below the average .			

Table 8

Operational Franchise Outlets – **Open for 2 or More Years**: **2020 Calendar Year Gross Sales** (Operational Franchise Outlets Open for 2 or More Years Prior to Start of 2019 Calendar Year)			
Average	Median	High	Low
$291,861	$313,465	$509,351	$106,056
Average – In calculating the average, 8 Operational Franchise Outlets (50%) were above the average and 8 Operational Franchise Outlets (50%) were below the average .			

Table 9

Operational Franchise Outlets – **Open for Less than 2 Years**: **2020 Calendar Year Gross Sales** (Operational Franchise Outlets Open for Less than 2 Years Prior to Start of 2019 Calendar Year)			
Average	Median	High	Low
$229,874	$212,852	$390,764	$145,460
Average – In calculating the average, 2 Operational Franchise Outlets (50%) were above the average and 2 Operational Franchise Outlets (50%) were below the average .			

Table 10

Operational Franchise Outlets - **All**: **2021 Calendar Year Gross Sales** (All Operational Franchise Outlets)			
Average	Median	High	Low
$316,155	$320,822	$534,252	$137,951
Average – In calculating the average, 12 Operational Franchise Outlets (52%) were above the average and 11 Operational Franchise Outlets (48%) were below the average.			

Table 11

Operational Franchise Outlets – **Open for 2 or More Years**: **2021 Calendar Year Gross Sales** (Operational Franchise Outlets Open for 2 or More Years Prior to Start of 2019 Calendar Year)			
Average	Median	High	Low
$326,998	$329,489	$534,252	$137,951
Average – In calculating the average, 10 Operational Franchise Outlets (50%) were above the average and 10 Operational Franchise Outlets (50%) were below the average.			

Table 12

Operational Franchise Outlets – **Open for Less than 2 Years**: **2021 Calendar Year Gross Sales** (Operational Franchise Outlets Open for Less than 2 Years Prior to Start of 2019 Calendar Year)			
Average	Median	High	Low
$243,869	$229,051	$336,894	$165,662
Average – In calculating the average, 1 Operational Franchise Outlet (33%) was above the average and 2 Operational Franchise Outlets (67%) were below the average.			

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

Other than the preceding financial performance representations, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting David Cutillo, President, at 485 Royer Drive, Suite 102, Lancaster, Pennsylvania 17601 and (800) 361-8060., the Federal Trade Commission and the appropriate state regulatory agencies.

Written substantiation of the data used in preparing these sales figures will be made available to you upon reasonable request.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table One: System-Wide Outlet Summary for Years 2019 to 2021				
Outlet Type	**Year**	**Outlets at the Start of the Year**	**Outlets at the End of the Year**	**Net Change**
Franchised	2019	18	20	+2
	2020	20	23	+3
	2021	23	24	+1
Company-Owned	2019	1	1	0
	2020	1	1	0
	2021	1	1	0
Total	2019	19	21	+2
	2020	21	24	+3
	2021	**24**	**25**	**+1**

Table Two: Transfers of Outlets from Franchisees to New Owners (Other than the Franchisor) for Years 2019 to 2021		
Maryland	2019	0
	2020	0
	2021	0
Total	2019	0
	2020	0
	2021	0

Table Three: Status of Franchised Outlets for Years 2019 to 2021								
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Terminations**	**Non-Renewal**	**Reacquired by Franchisor**	**Ceased Operations – Other Reasons**	**Outlets at End of Year**
AZ	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
FL	2019	1	1	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2

IN	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
KY	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
MD	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
MN	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
NC	2019	1	0	0	0	0	1	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
NJ	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
NY	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
PA	2019	9	2	0	0	0	0	11
	2020	11	1	0	0	0	0	12
	2021	12	0	0	0	0	0	12
TX	2019	2	0	0	0	0	1	1
	2020	1	2	0	0	0	0	3
	2021	3	1	0	0	0	0	4
VA	2019	0	1	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Totals	**2019**	**18**	**4**	**0**	**0**	**0**	**2**	**20**
	2020	**20**	**3**	**0**	**0**	**0**	**0**	**23**
	2021	**23**	**1**	**0**	**0**	**0**	**0**	**24**

Table Four: Status of Company-Owned Outlets for Years 2019 to 2021							
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Outlets Reacquired from Franchisee**	**Outlets Closed**	**Outlets Sold to Franchisee**	**Outlets at End of Year**
PA	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Totals	**2019**	**1**	**0**	**0**	**0**	**0**	**1**
	2020	**1**	**0**	**0**	**0**	**0**	**1**
	2021	**1**	**0**	**0**	**0**	**0**	**1**

We do not operate any company outlets, but our affiliated company, Infinity Health, LLC operates a similar hormone health center business in Lancaster, Pennsylvania, on which the franchise is based, shown here as a company-owned outlet.

PROJECTED OPENINGS

We estimate that during the 12-month period from our fiscal year end, we will sell the following number of franchises and open the following number of Franchisor (or Franchisor-affiliated) facilities, in the states shown below:

Table Five: Projected Openings as of December 31, 2021			
State	**Franchise Agreements Signed, but Not Yet Open**	**Projected New Franchisees in the Next 12 Month Period**	**Projected Franchisor (or Affiliate) Openings in the Next 12 Month Period**
Delaware	0	1	0
Florida	0	2	0
Georgia	0	0	0
New Jersey	0	2	0
New York	0	0	0
North Carolina	0	1	0
Pennsylvania	0	1	0
Texas	0	1	0
Virginia	0	1	0
Totals	**0**	**9**	**0**

Within the last three years, our current Franchisees have signed a Confidentiality and Non-Competition Agreement. In some instances, current and former franchisees may sign provisions restricting their ability to speak openly about their experience with Infinity Health Advisors. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

The names, addresses and telephone numbers of (i) our franchisees and former franchisees as of December 31, 2021, (ii) franchisees with signed franchise agreements who were not yet open as of December 31, 2021, and (iii) franchisees who had an outlet terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year are listed in Exhibit L. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

As of the date of this Franchise Disclosure Document, there are no BeBalanced Hormone Weight Loss Centers franchisee associations in existence, regardless of whether they use our trademark or not.

ITEM 21
FINANCIAL STATEMENTS

The audited financial statements for our last three years (ending December 31, 2021, December 31, 2020, and December 31, 2019) are attached as Exhibit C. Additionally, included is our unaudited financial statements from January 1, 2020, through June 30, 2022. Our fiscal year end is December 31.

ITEM 22
CONTRACTS

The following contracts are attached as Exhibits to this Disclosure Document:

Contract	Exhibit
Franchise Agreement	A
Development Agreement	B
Guaranty of Franchisee’s Obligations	E
Electronic Funds Transfer Form	F
Consent and Agreement of Landlord	H
Confidentiality and Non-Competition	I

General Release	M
Receipt	O

ITEM 23
RECEIPT

Two copies of an acknowledgement of your receipt of this Franchise Disclosure Document are attached hereto as Exhibit P. Please sign both, return one copy to us, and retain the other for your records.

EXHIBIT A

FRANCHISE AGREEMENT

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INFINITY HEALTH ADVISORS, LLC FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT is made and entered into on this ____ day of __________, 20__ ("Effective Date,") by and between Infinity Health Advisors, LLC, a Pennsylvania limited liability company, with its principal place of business at 485 Royer Drive, Suite 102, Lancaster, PA 17601 (hereinafter referred to as "Infinity Health Advisors" or "Franchisor"); and

____,

a (resident of) (corporation organized in) (limited liability company organized in) ________________ whose principal business address is _______________________________ (hereinafter referred to as "Franchisee").

RECITATIONS

WHEREAS, Franchisor, as a result of an expenditure of time, skill, effort, and money, has developed and owns a unique system related to the establishment, development, opening, and operation of hormone home and health centers under the name "BeBalanced Hormone Weight Loss Centers." The distinguishing characteristics of the system include, without limitation, operating procedures, advertising, marketing, specially-designed facilities, interior and exterior layout and identification, standards and specifications for fixtures and equipment, inventory stocking assortment and levels, methods for keeping books and records, and inventory purchasing sources (collectively the "System"), all of which may be changed, improved, and further developed by Franchisor from time to time. Franchisee hereby acknowledges and agrees that, although the System and Franchisor's related materials contain information that in isolated form could be construed as being in the public domain, they also contain significant proprietary and confidential information which makes the System unique in its final form and as a whole, and that the combined methods, information, procedures, and theories that make up the total System or are contained in the relevant manuals are proprietary and confidential; and

WHEREAS, Franchisor owns or has acquired a license to use and sublicense to others certain trade names, trademarks, and service marks, including the marks "BeBalanced" and "Becoming Balanced" and such other trade names, trademarks, and service marks (hereinafter "Proprietary Marks") as may be designated by Franchisor for use in connection with the System; and

WHEREAS, Franchisor has established substantial goodwill and business value in its Proprietary Marks, expertise, and System; and

WHEREAS, Franchisor is in the business of selling exclusive franchise rights to individual franchisees, authorizing such franchisees to use the System and Proprietary Marks in establishing and operating a BeBalanced Hormone Weight Loss Center (the "Franchised Business"). BeBalanced Hormone Weight Loss Centers are only involved in the areas of for hormone health weight loss and wellness services; and

WHEREAS, Franchisee recognizes the benefits to be derived from being identified with Franchisor and appreciates and acknowledges the distinctive and valuable significance to the public of the System and the Marks, desires to acquire a non-exclusive franchise for a limited territory, application, and term to use the Proprietary Marks and receive the other benefits, including training and assistance, of the System in connection with operation of a BeBalanced Hormone Weight Loss Centers franchise, and Franchisor is willing to grant such a franchise to Franchisee on the terms and conditions set forth herein; and

WHEREAS, Franchisee understands and acknowledges the importance of Franchisor's high and uniform standards of quality, appearance, and service to the value of the System.

NOW THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

Franchisee acknowledges and agrees to be bound by all obligations stated in the Recitals as though same were set forth herein below.

1. ACKNOWLEDGEMENT OF BUSINESS RISK AND ABSENCE OF GUARANTEE

A. Franchisee acknowledges and represents that Franchisor, itself or through any officer, director, employee, or agent, has not made, and Franchisee has not received or relied upon, any oral, written, visual, express, or implied information, representations, warranties, guarantees, or promises regarding the amount of sales levels or income Franchisee might expect to earn from the franchise granted hereby, except as set forth in the Franchise Disclosure Document.

B. The business venture contemplated by the Franchise Agreement involves business risks.

C. Franchisee's success will be largely dependent upon Franchisee's ability as an independent businessperson.

D. Franchisee has received, read, and does understand this Franchise Agreement and any attachments, including the Franchise Disclosure Document.

E. Franchisee understands and agrees that the hormone health, weight loss, and wellness services industry is highly competitive with constantly changing market conditions.

F. Franchisee acknowledges and agrees that Franchisor has fully and adequately explained each provision of this Franchise Agreement to Franchisee's satisfaction.

G. Franchisee has been advised to consult with Franchisee's own advisors with respect to the legal, financial, and other aspects of this Franchise Agreement, the business franchised hereby, and the prospects for such business. Franchisee either has consulted with such advisors or has deliberately declined to do so.

H. Any written inquiries made to Franchisor by Franchisee pertaining to the nature of this franchise have been answered in writing to the satisfaction of Franchisee.

I. Franchisee has had the opportunity and adequate time to independently investigate, analyze, and construe both the business opportunity being offered hereunder and the terms and provisions of this Franchise Agreement utilizing the services of legal counsel, accountants, and other advisors (if Franchisee so elects).

J. Any and all applications, financial statements, and representations submitted to Franchisor by Franchisee, whether oral or in writing, were complete and accurate when submitted and are complete and accurate as of the date of execution of this Franchisee Agreement unless the same have been otherwise amended in writing. Franchisee states that he/she is not presently involved in any business activity that could be considered competitive in nature to Franchised Business, unless heretofore disclosed to Franchisor in writing.

K. Franchisee agrees not to contest, directly or indirectly, Franchisor's ownership, title, right, or interest in its names or Proprietary Marks, trade secrets, methods, procedures, know-how, and advertising techniques which are part of Franchisor's business or contest Franchisor's sole right to register, use, or license others to use such names and Proprietary Marks, trade secrets, methods, procedures, and techniques.

L. Franchisee's signature to this Franchise Agreement has not been induced by any representation inconsistent with the terms of this Franchise Agreement or inconsistent with the Franchise Disclosure Document given to Franchisee by Franchisor.

M. Franchisee represents and warrants that Franchisee is not a party to or subject to any order or decree of any court or government agency which would limit or interfere in any way with the performance by Franchisee of the obligations under this Franchise Agreement and that Franchisee is not a party, and has not within the last ten (10) years been a party, to any litigation, bankruptcy, or legal proceedings other than those heretofore disclosed to Franchisor in writing.

2. GRANT OF FRANCHISE

A. Franchisor shall grant to Franchisee, subject to the terms, conditions, and obligations herein contained, a non-exclusive right and license to use the Proprietary Marks and receive the other benefits of the System, subject to the terms of this Franchise Agreement, in connection with the operation of one locations of the Franchised Business, at a mutually-agreeable location under the trade name and style of BeBalanced Hormone Weight Loss Centers (each, hereinafter referred to as the "Premises").

B. The parties expressly agree that the license granted herein relates solely to the Premises expressly described in this Franchise Agreement and affords to Franchisee no rights regarding such other franchise or locations, if any, as Franchisor, in its sole discretion, may elect to make available to Franchisee or to other franchisees or for Franchisor's own use at present and in the future. Franchisee shall not have the right to sub-franchise or sub-license any of its rights under this Franchise Agreement.

C. Franchisee expressly acknowledges and agrees that this license is non-exclusive and that Franchisor retains, among other and all rights not specifically granted herein to Franchisee, the right, in its sole discretion:

1. To grant other franchises and/or licenses for its Proprietary Marks in addition to those franchises and/or licenses already granted to existing franchisees;

2. To develop and establish other franchises or licensed Systems for the same or similar products or services utilizing the same or similar Proprietary Marks, or any other Proprietary Marks not now or hereafter designated as part of the System licensed by this Agreement, and to grant franchises and/or license thereto without providing Franchisee any right therein;

3. To enter into Franchise Agreements with other franchisees that may contain provisions, conditions, and obligations that differ from those contained in this Franchise Agreement, including without limitation, franchise agreements for the operation of the BeBalanced Hormone Weight Loss Centers facilities. The existence of different forms of agreement and the fact that Franchisor and other franchisees may have different rights and obligations does not affect the parties' duty to comply with the terms of this Franchise Agreement.

D. The Franchisee recognizes that variations and additions to the System may be required from time to time in order to preserve and/or enhance the System. Therefore, the Franchisor expressly reserves the right to add to, subtract from, revise, modify or change from time to time the System or any part thereof, and the Franchisee agrees to promptly accept and comply with any such addition, subtraction, revision, modification or change to make such reasonable expenditures as may be necessary to comply pursuant to Section 7.

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3. TERM AND RENEWAL

A. Unless previously terminated pursuant to this Franchise Agreement, the term of this Franchise Agreement shall be for a period of ten (10) years ("Initial Term") commencing as of the Effective Date.

If Franchisee wishes the Franchise Agreement to be renewed by Franchisor for one (1) additional term of five (5) years, Franchisee shall provide the Franchisor written notice of a request for renewal not less than six (6) months and not more than twelve (12) months prior to the end of the term of this Franchise Agreement. Failure to give notice of Franchisee's intention to extend its rights to operate the BeBalanced Hormone Weight Loss Centers business shall be considered an election not to extend Franchisee's rights to operate the BeBalanced Hormone Weight Loss Centers business.

Franchisor shall not unreasonably withhold its approval of such requests for renewal, provided however, that in order to be considered for renewal, Franchisee complies with the following conditions:

1. When the request for renewal is made or at the end of the initial term hereof, Franchisee is not in default of any provision of this Franchise Agreement, any amendment thereof or successor hereto, or any other agreement between Franchisee and Franchisor or the property lender, and, as determined by Franchisor in its sole discretion, Franchisee has complied with the terms and conditions of all such agreements during the term of the Franchise Agreement;

2. All obligations owed by Franchisee to Franchisor and to the property lessor have been satisfied prior to renewal and have been timely performed throughout the term of this Franchise Agreement;

3. Franchisee executes Franchisor's then-current Franchise Agreement in use with respect to new franchisees, which may contain terms and conditions substantially different from those set forth herein, including, without limitation, the then-current rate for royalties, advertising, and other payments to Franchisor as such Franchise Agreement may provide. In Franchisor's sole determination, the Franchisee may be deemed to have irrevocably declined to extend Franchisee's rights to operate the Franchise (and its option shall thereupon terminate) if it fails to execute and return to the Franchisor the then-current Franchise Agreement and any other documents required by Franchisor within thirty (30) days after their delivery to the Franchisee, or fails to comply in any other way with the provisions of this Section;

4. Franchisee pays the sum of Two Thousand and 00/100 Dollars ($2,000.00) as a renewal fee at least ninety (90) days prior to the renewal date. Franchisee shall not be required to pay an additional Initial Franchisee Fee at renewal;

5. Franchisee and/or the designated manager attends a prescribed training refresher course at least thirty (30) days before the expiration of the term of the Franchise Agreement and pays Two Thousand and 00/100 Dollars ($2,000.00), which shall pay for two (2) persons to be trained over one (1) week, or for whatever training schedule Franchisor is requiring for Franchisees at the time of renewal;

6. Franchisee executes a general release under seal, in a form satisfactory to Franchisor, of any and all claims it may have against Franchisor and its officers, directors, shareholders, and employees in their corporate and individual capacities, including without limitation, all claims arising under any federal, state, or local law, rule, or ordinance. If this franchise is situated in a state whose law, at the time of renewal,

prohibits the giving of a general release as a condition for the renewal of a franchise, this sub-paragraph 6 shall not, in such event, be a condition to renewal of this franchise. However, if a release of some, but not all, claims is permitted under state law at the time of renewal, the Franchisee shall give a release to the extent permitted;

7. Franchisee has participated in and supported the training procedures, purchasing, marketing, inventory sourcing, advertising, promotional, and other operational, training, and marketing programs recommended or provided by Franchisor, to the satisfaction of Franchisor;

8. Franchisee agrees, at its sole cost and expense, to re-image, renovate, refurbish, and modernize each of the Franchisee's BeBalanced Hormone Weight Loss Centers Premises within the time frame required by Franchisor, including the design, equipment, signs, interior and exterior décor items, displays, inventory assortment and depth, fixtures, furnishings, trade dress, color scheme, presentation of trademarks and service marks, supplies, and other products and materials to meet Franchisor's then-current standards, specifications, and design criteria for a BeBalanced Hormone Weight Loss Center, as contained in the then-current Franchise Agreement and Operations Manual, or otherwise in writing, including without limitation, such structural changes, remodeling and redecoration, and such modifications to existing improvements as may be necessary to do so; and

9. If Franchisee does not renew for an additional term prior to the expiration of this Agreement and continues to accept the benefits of this Agreement after the expiration of this Agreement, then at the option of the Franchisor, this Agreement may be treated as:
(1) expired as of the date of expiration with Franchisee then operating without a Franchise to do so and in violation of Franchisor's rights; or (2) continued on a month-to month basis ("Interim Period") until one party provides the other with written notice of such party's intent to terminate the Interim Period, in which case the Interim Period will terminate thirty (30) days after receipt of the notice to terminate the Interim Period. In the latter case, all obligations of Franchisee shall remain in full force and effect during the Interim Period as if this Agreement had not expired, an all obligations and restrictions imposed on Franchisee upon expiration of the Agreement shall be deemed to take effect upon termination of the Interim Period.

4. <u>TERRITORY</u>

Franchisor will designate a general marketing area (the "Site Selection Area") on the data sheet attached to the Franchise Agreement as Exhibit A (the "Data Sheet") wherein you must locate and secure the Premises for your BeBalanced Hormone Weight Loss Center. You do not have any territorial rights within the Site Selection Area. We may permit other new franchisees to search for premises for their locations within the Site Selection Area, if we determine the Site Selection Area is large enough to accommodate an additional BeBalanced Hormone Weight Loss Center. Once you have secured the Premises of your BeBalanced Hormone Weight Loss Center, we will define the area in which you will have the exclusive right to operated one BeBalanced Hormone Weight Loss Center (the "Designated Territory"). The Designated Territory will be clearly defined on the Data Sheet.

We will review the potential locations and resulting Designated Territories (as defined below) and will make decisions on a first-to-propose basis. You must secure the Premises we approve within six (6) months of executing your Franchise Agreement, or we may terminate it.

The Designated Territory will be determined by one or more zip codes, and based on population, with a minimum population of 100,000 people, as determined by the most recent publication of the United States Census

Bureau. Franchisee will be approved to operate a single BeBalanced Hormone Weight Loss Center within such Designated Territory. Once approved, Franchisor will identify and describe it in the Franchise Agreement as the Designated Territory.

Franchisor shall not open a company-owned facility or grant to another party any other franchise, which has as its primary business operating as a BeBalanced Hormone Weight Loss Centers business within Franchisee's Designated Territory for the term of this Franchise Agreement, provided Franchisee is not in material default of this Franchise Agreement.

Franchisee's Designated Territory is exclusive and is not dependent upon achievement of a certain sales volume, market penetration, or any other factors.

Franchisee's rights under this Franchise Agreement are limited to the location so listed. Franchisee shall not relocate the Premises without prior written approval from Franchisor and payment of a relocation fee to Franchisor. Franchisor, in considering a request for relocation, shall take into account the business desirability of the proposed new location, its distance from other and future-planned franchised locations, traffic patterns, security, cost, demographics of the area, and other such factors. Relocation approval shall not be unreasonably withheld.

If the Franchisee decides to relocate within a Designated Territory, the Franchisee shall make a written request to the Franchisor for consideration and approval. When Franchisee applies for review and approval of a new location to Franchisor, Franchisee shall pay the amount of One Thousand and 00/100 Dollars ($1,000.00) to reimburse the Franchisor for the cost of review, approval, oversight, and assistance in the preparation of the new location. All lease approval requirements and conditions contained in Sections 6 and 7 of this Agreement shall be applicable to the new location.

General area for the franchised location:

Description
____

City ________________ State _________ Zip __________

Franchisee shall have no territorial restrictions on accepting business from customers who reside or work outside Franchisee's Designated Territory, including sales to such customers by way of mail order or similar methods of sale, nor are there any such restrictions on Franchisor, or other franchisees; however, Franchisee will not be approved to conduct any independent advertising or marketing campaign outside Franchisee's Designated Territory except for advertising media that are distributed or published in multiple areas.

Franchisor will not add additional products or trademarks not associated with the franchised BeBalanced Hormone Weight Loss Centers business that are in the same industry as the franchised BeBalanced Hormone Weight Loss Centers business, compete directly with the franchised BeBalanced Hormone Weight Loss Centers business, and sell them within the Designated Territory during the term of this Franchise Agreement.

5. <u>FEES AND PAYMENTS</u>

A. In consideration of the rights and license granted herein, Franchisee shall pay to Franchisor the following fees:

1. An Initial Franchise Fee of Forty-Five Thousand and 00/100 Dollars ($45,000.00), which fee shall be deemed fully earned by Franchisor upon execution of this Franchise Agreement by Franchisee as consideration for Franchisor's services up to that time, including without limitation, screening of Franchisee candidate, counseling, training, consultation, and other efforts necessary to help Franchisee start the Franchised Business. Franchisor does not finance the Initial Franchise Fee in whole or in part.

2. Franchisee shall pay to Franchisor a continuing ("Royalty Fee") of: (a) six percent (6%) of Franchisee's Gross Sales (as hereinafter defined) during the period commencing on the Effective Date of this Agreement and continuing through the twelve (12) month anniversary of the Effective Date (the "Initial Royalty Fee Phase"); and (b) the greater of six percent (6%) of Franchisee's Gross Sales or $1,000 per month during the period commencing on the expiration of the Initial Royalty Fee Phase and continuing for the duration of the term of this Agreement.

3. Franchisee shall pay a continuing advertising fee contribution ("Advertising Fee") during the term of this Franchise Agreement equal to the greater of (a) 2% of the monthly Gross Sales, or (b) $100 per month, for the duration of the term of this Agreement.

4. Franchisee shall pay a monthly continuing Technology Support Fee of $450.00 for a for a cloud-based POS system with scheduling and integrated email marketing software, and ongoing website and search engine optimization to coincide with digital marketing efforts, and landing page and email maintenance.

5. Franchisee shall pay Fines of up to Five Hundred and 00/Dollars ($500.00) per incident if Franchisee fails to comply with a mandatory standard or operating procedure and if Franchisee does not cure the non-compliance within the timeframe we require.

B. All Royalty, Advertising Fee, and Technology Support Fee contributions required by this Section 5 shall be due and payable on a monthly basis. Payments are due at the mailing address of the Franchisor, or by an electronic method that will be designated in writing by the Franchisor, by the fifth (5th) calendar day of each month, for the previous month.

C. "Gross Sales" shall mean the dollar aggregate of the sales price on all goods, products, memberships, parts, merchandise, and services sold by Franchisee, either on a prepaid or as- provided basis, whether sold for cash, for payment by check, on credit, or otherwise, without reserve or deduction for the inability or failure to collect for the same from Franchisee's customer, and shall specifically include all other things of value received by Franchisee as payment in the course of such operations.

Gross Sales shall not include:

1. Authorized cash or credit refunds made upon transactions that were previously included with Gross Sales and accepted by Franchisee, not exceeding the selling price of the original transaction, which may be deducted from Gross Sales in the month made; or

2. The amount of any separately collected and stated city, county, state, or federal sales, luxury, or excise tax on such sales, which Franchisee actually pays to the taxing authorities; provided however, that no franchise, capital-stock, or any similar tax based income or profits on Gross Sales shall be deducted from Gross Sales as defined herein.

D. All payments due to Franchisor for merchandise, inventory, displays, special programs, facility equipment, training, or other such purchases shall be paid according to the terms established by Franchisor in writing. If any such payment is not received by Franchisor by the scheduled date due, Franchisee shall be in default under this Franchise Agreement. If any payment is overdue, Franchisee shall pay interest to the Franchisor, in addition to the overdue amount, at a rate of one and one-half percent (1.5%) per month, beginning from the date of non-payment or underpayment, until paid. Entitlement to collect such interest shall be in addition to any and all other remedies Franchisor may have. Franchisee agrees to pay thirty and 00/100 Dollars ($30.00), plus bank charges, for each check given or electronic transfer made to Franchisor that is dishonored, fails to process, or is returned.

E. No payments to be made to Franchisor by Franchisee, whether for royalties, advertising, merchandise, special programs, or otherwise, may be reduced on account of the imposition by any federal, state, or local authority of any tax, charge, or assessment, or by any claim Franchisee may have against Franchisor. All taxes, charges, or assessments shall be paid by Franchisee to the taxing authorities when due, in addition to the amounts due to Franchisor.

F. In the event Franchisee fails to provide to Franchisor any sales, financial statement, or other report which Franchisee is obligated by the Franchise Agreement to provide to Franchisor when such report is due and this failure continues for a period of ten (10) days after the date when due, regardless of the date when mailed, Franchisee shall pay to Franchisor a late fee with respect to each such report in the amount of Ten and 00/100 Dollars ($10.00) per day beginning with the eleventh (11^{th}) day after the date when the report was due. The imposition of late reporting fees shall be in addition to, and not in lieu of, any other remedy available to Franchisor for failure to report.

G. Franchisor, at all times and without notice to Franchisee, shall have the right to have access to and view Franchisee's BeBalanced Hormone Weight Loss Centers registers or computers via the internet, or by visiting the Premises, in order to obtain sales data and other available information about the Franchised Business.

H. Upon written request by Franchisor, Franchisee will authorize Franchisor to process Electronic Funds Transfers (EFTs or debit entries) against Franchisee's checking account(s) for monthly franchise, advertising, and other fees that are due to Franchisor on the date that payments are due. Franchisee agrees to complete, sign, and provide Franchisor a specific authorization form within ten (10) business days of the written request by Franchisor that provides bank account information. This authorization shall remain in effect during the term of the Franchise Agreement. Franchisee agrees to promptly notify Franchisor of any changes in account information within five (5) days of any such change. Franchisee agrees and acknowledges that failure to maintain sufficient funds in the account(s) so listed to cover fee amounts that are due, on every due date, shall place Franchisee in violation of this Franchise Agreement.

I. If Franchisee is unable to operate due to damage or loss to Franchisee's Premises caused or created by a casualty, act of God, condemnation, or other condition over which Franchisee has no control, Franchisor, in its sole determination, may elect to waive the Royalty Fee for a period no greater than one hundred twenty (120) days commencing with the month in which the Franchisee gives Franchisor notice of the damage or loss.

J. Franchisee shall pay a monthly continuing Technology Support Fee of $450.00 for a for a cloud-based POS system with scheduling and integrated email marketing software, and ongoing website and search engine optimization to coincide with digital marketing efforts, and landing page and email maintenance. Franchisor has negotiated a group rate and Franchisee will pay this fee monthly directly to Franchisor, instead of to the outside vendor.

K. If, upon Franchisor's determination, it is necessary to manage and operate the franchised business to prevent its closure, Franchisee agrees to pay Franchisor an Emergency Operation Fee of One Thousand Five Hundred and 00/100 Dollars ($1,500.00) per week, paid weekly on every Tuesday for the period of time the management and operation services have been provided.

6. DUTIES OF FRANCHISOR

A. Franchisor shall offer and make available an initial management training program for two (2) persons designated by Franchisee, who will be the owners and/or principal operators or managers of the BeBalanced Hormone Weight Loss Centers franchise, one (1) of whom must be Franchisee, to be conducted at a location designated by Franchisor, lasting one (1) week. The training shall be held prior to commencing business unless Franchisor has specifically permitted, in writing, the same to be held at another time. The cost of the instruction and required materials shall be borne by Franchisor. Franchisor will send, at its own expense, one of its representatives for a period of three (3) days to the Premises to assist with pre-opening and opening of Franchised Business. This period may overlap with the opening, and may extend into the first week of operations. All other expenses during the initial training period, including without limitation, accommodations, travel, workers' compensation insurance, and wages of the persons to be trained, shall be borne by Franchisee. Franchisor may make available to Franchisee or to Franchisee's managers (or its independent consultants), if any, such additional training programs as Franchisor, in its sole discretion, may choose to conduct. Attendance at said training programs may be made mandatory by Franchisor.

B. Franchisor shall loan one (1) copy of the Operations Manual to the Franchisee, as more fully described in Section 9 hereof. Within the Operations Manual, Franchisor will provide a list of necessary equipment, supplies, and vendors that Franchisee will be required to use, along with an approved layout of Franchisee's location.

C. Franchisor shall provide general guidance in selecting a location for each of the Franchisee's premises and provide prototypical information including general layout along with the standard required décor.

D. If Franchisee operates from a leased location, Franchisor shall review and approve or disapprove the lease for the Premises. The review by Franchisor of Franchisee's location will be completed within thirty (30) days of Franchisee's submittal.

E. Franchisor shall assist Franchisee in approving materials and expenditures Franchisee proposes to use in the Grand Opening Advertising Program (as described in Section 10 below) for the Franchised Business, which program shall be conducted at Franchisee's expense.

F. Franchisor may, at its option, in its sole discretion, and upon such terms as it deems advisable, provide opening assistance and continuing advisory assistance in the operation of the licensed business.

G. Franchisor shall review and shall have the right to approve or disapprove all advertising and promotional materials that Franchisee proposes to use, pursuant to Section 10 below.

H. Franchisor shall list Franchisee's location on Franchisor's website to promote and provide a means for Franchisee to be contacted through the website.

I. Franchisor may directly, or indirectly through Franchisor affiliates or designated vendors, provide merchandise using the Proprietary Marks. Franchisee must pay Franchisor, its affiliates, or designated vendors for this merchandise.

J. Franchisor shall continue in its efforts to maintain high standards of quality, cleanliness, appearance, and service at all franchised and company facilities, and to that end shall:

1. Conduct periodic inspection of the Premises licensed herein and periodic evaluation

of the services provided, along with the products sold and used by Franchisee; and

2. When deemed advisable by Franchisor, provide to Franchisee copies of particular standards and specifications.

K. Franchisor shall administer an Advertising Fund in the manner set forth in Section 10 below.

L. Franchisor shall not, by virtue of any approvals or advice provided to the Franchisee, including without limitation, site selection, or approval as provided under Section 6 hereof, assume responsibility or liability to Franchisee or to any third party to which it would not otherwise be responsible or liable.

M. Franchisee acknowledges and agrees that any designee, employee, or agent of Franchisor may perform any duty or obligation imposed on Franchisor by the Agreement, as Franchisor may direct.

N. If Franchisee believes Franchisor has failed to provide adequate pre-opening services as provided in this Agreement, Franchisee shall notify Franchisor in writing within thirty (30) days following the opening of each Franchised Business location. Absent this notice to Franchisor, Franchisee shall grant that all pre-opening and opening services required to be provided by Franchisor were sufficient and satisfactory in Franchisee's judgment.

O. Franchisor may, but need not, create a franchise advisory council to provide Franchisor with suggestions to improve the System, including matters such as marketing, operations and new product or service suggestions. Franchisor would consider all suggestions from the advisory council in good faith, but Franchisor would not be bound by any such suggestions. The advisory council would be established and operated according to rules and regulations Franchisor periodically approves, including procedures governing the selection of representatives of the advisory council to communicate with Franchisor on matters raised by the advisory council. Franchisee would have the right to be a considered as a member of the advisory council as long as Franchisee is not in default under the Franchise Agreement and Franchisee does not act in a disruptive, abusive or counter-productive manner, as determined by Franchisor in its discretion. As a member, Franchisee would be entitled to all voting rights and privileges granted to other members of the council. Any (Franchise Name) business operated by Franchisor or Franchisor's affiliates would also be a member of the Advisory Council. Each member would be granted 1 (one) vote on all matters on which members are authorized to vote. Franchisor would have the power to form, change or dissolve the advisory council in Franchisor's discretion.

P. If Franchisee requests, and Franchisor is able to provide, additional or special guidance or training, Franchisee must pay Franchisor's then-current Operating and Special Assistance charges, including Franchisor personnel's per diem charges and travel and living expenses.

7. <u>DUTIES OF FRANCHISEE</u>

A. Franchisee shall find a location for the Franchised Business that is first approved by Franchisor in writing. If the business requires Franchisee to lease the premises, Franchisee must operate the BeBalanced Hormone Weight Loss Centers business from an approved location and under a written lease. It is Franchisee's sole responsibility to identify a proposed location for operation of the Franchised Business, and to make a written request to Franchisor for approval of the proposed location. Franchisor shall evaluate and respond to Franchisee's written request for approval within thirty (30) days. Franchisor will evaluate and approve or disapprove the location, in Franchisor's sole discretion, based on the general location and neighborhood, visibility, ease of access to the proposed site, pedestrian and traffic patterns, parking, terms of the proposed lease, utilities and zoning issues. The location, site, and lease must be approved by Franchisor. If Franchisor and Franchisee are unable to come to an agreement on a particular site, Franchisee shall identify and propose a different location. Franchisee shall enter into a lease for the Premises. Franchisor shall not be a signatory on any lease entered into by Franchisee. Failure to find a suitable and approved location shall not be cause for an automatic extension of the deadlines established in Section 7(E) of this Franchise Agreement, but Franchisor may extend the time period at its option for another ninety (90) days, at its option.

B. If the location is leased, it shall be Franchisee's responsibility to see that the premises lease contains the following covenants by the property lessor (the "Landlord"), and it shall be a condition to Franchisor's approval of a premises lease that the property lessor shall agree as follows:

1. The leased premises will only be used as a BeBalanced Hormone Weight Loss Centers offering hormone health weight loss and wellness services products, accessories, and services and operate under the name BeBalanced Hormone Weight Loss Centers.

2. Franchisor has the right to enter the premises to make any modifications necessary to protect Franchisor's Proprietary Marks.

3. Upon Franchisor's written request, the property lessor shall supply Franchisor with a current copy of the lease.

4. The Landlord will notify Franchisor in writing of and upon the failure of Franchisee to cure any default by Franchisee under the lease.

5. Franchisor will have the option, but not the obligation, to assume or renew the lease and the occupancy of the business premises, including the right to sublease to another Franchisee, for all or any part of the remaining term of the lease upon Franchisee's default or termination hereunder or upon Franchisee's default, termination, or expiration of the Franchise Agreement. In connection with said assumption, Franchisor will not be obligated to pay to the landlord past due rent, common area maintenance, and/or other charges attributable to more than one (1) month. The landlord shall give Franchisor thirty (30) days upon termination of Franchisee's rights under the lease to exercise this option.

6. The lease may not be amended, assigned, or sublet without Franchisor's prior written approval.

7. For the period of this Agreement and two (2) years after termination or expiration of Franchisee's Franchise Agreement, the property lessor, must agree to not enter into a lease with the Franchisee at the businesses premises for the sale of services related to hormone health weight loss and wellness services, in any capacity, and/or the sale of related items, within the building in which the Premises is located.

C. Franchisee shall apply for all required operating permits and licenses for a Premises within thirty (30) calendar days after Franchisee signs the lease for the Premises.

D. Upon the surrender of the Premises, Franchisee shall conduct a physical inventory so that there is an accurate accounting of inventory and equipment on hand, goods and sellable merchandise, fixtures, equipment, and supplies and shall provide a signed copy of the physical inventory to

Franchisor as of the date of surrender of the Premises. Franchisor shall have the right to enter the Premises at its convenience and conduct said physical inventory on its own. In the event the landlord shall elect to terminate the lease for reasons of default by Franchisee, such lease termination shall constitute a breach of this Franchise Agreement by Franchisee. In the event Franchisor assumes control of the Premises and the operation of the business conducted there, the future operation of that business by Franchisor shall not be as an agent of Franchisee, and Franchisor shall not be required to account to Franchisee as a result thereof

E. The Premises, whether leased or owned, will only be used for the operation of the licensed under the Franchise Agreement. Franchisee shall complete or arrange for the completion of the construction of the franchised BeBalanced Hormone Weight Loss Centers at each Premise in accordance with the approved site and building plan and open the Franchised Business to the public not later than six (6) months after signing the Franchise Agreement. Franchisee shall reserve to Franchisor and its agents the right to inspect the construction at any reasonable time.

F. Should Franchisee fail to open the Franchised Business for operation within the stated period or, if applicable, within an extension of time approved in writing by Franchisor, this Franchise Agreement shall be deemed terminated upon written notice from Franchisor to Franchisee, without the necessity of further action or documentation by either party. Franchisee's failure to open the Franchised Business within this time period shall result in the Designated Territory for such location to be forfeited and shall constitute an event of default under Section 16 below.

G. Franchisee shall offer and sell all approved products and services required by Franchisor, and only in the manner Franchisor has prescribed in the Operations Manual and otherwise in writing. Franchisee will provide and sell only products and services approved by Franchisor. Franchisee agrees not to deviate from these standards and specifications, unless Franchisor has provided written consent and Franchisee agrees to cease to offer any product or service Franchisor disapproves in writing. Franchisor has the right, without limit, to add additional, or modify approved products or services in the Operations Manual and otherwise in writing.

H. Franchisee is specifically prohibited from installing, displaying, or maintaining any vending machines, gaming machines, automatic teller machines, internet kiosks, public telephones, or any other electrical or mechanical device in the premises without Franchisor's written consent.

I. Franchisee shall maintain at all times during the term of this Franchise Agreement and any renewals hereof, at Franchisee's expense, the Premises and all fixtures, furnishings, signs, and
inventory therein in conformity and compliance with Franchisor's standards and specifications as prescribed in the Operations Manual or otherwise in writing and, in connection therewith, shall make such additions, alterations, repairs, and replacements thereto (but no others without the Franchisor's prior written consent) as may be required for that purpose.

J. Franchisee shall at all times conduct and operate the franchised business in accordance with all federal, state, and local laws, ordinances, and regulations applicable thereto and, in addition, shall observe and operate in compliance with all leasehold covenants and regulations of the building in which such facility is located. Franchisee shall offer for sale only such types of products and services which have been expressly approved for sale in writing by Franchisor, obtained from approved vendors, and using approved methods and procedures, and shall maintain at all times a sufficient supply of approved products and equipment, as prescribed in the Operations Manual and as provided and revised in writing from time to time by Franchisor. In the event of a dispute between Franchisee and Franchisor concerning Franchisee's right to carry any particular product or product line or to offer any specific service, Franchisee will immediately remove the disputed products from inventory, remove the disputed service from those services offered at the Premises, or, if the same are not already in inventory or such services not yet being offered, will defer offering for sale such products and services pending resolution of the dispute.

K. Franchisee shall purchase all proprietary products, supplies, inventory, fixtures, parts, and uniquely-branded materials required for the operation of the Franchised Business from Franchisor (expressly excluding general office supplies, equipment and fixtures), or vendors who demonstrate, to the satisfaction of Franchisor, the ability to meet all of Franchisor's standards and specifications for such items, who possess adequate capacity and facilities to supply Franchisee's needs in the quantities, at the times, and with the reliability requisite to an efficient operation, and who have been approved by Franchisor. Such purchase of proprietary products from Franchisor must be transacted directly with Franchisor and not another Franchisee in the system. A list of approved products and vendors from whom products may be purchased is published in the Operations Manual and/or in policy notifications from Franchisor or provided through other communication. This list may be amended by Franchisor from time to time. If Franchisee wishes to submit additional vendors for consideration, the request may be submitted on the "Vendor Approval Criteria and Request Form." If the vendor submitted has previously been used by Franchisor and if their service was satisfactory, Franchisor will either approve the vendor on a single-use basis or add the vendor to Franchisor's permanent list. If the vendor has not been used by Franchisor previously, Franchisor will evaluate and consider the vendor after receipt of vendor samples and Franchisee's payment of Five Hundred and 00/100 Dollars ($500.00) for processing and evaluation. Based on the information and samples provided to Franchisor, Franchisor will test the items supplied and review the proposed vendor's financial records, business reputation, delivery performance, credit rating, and other information. This review is typically completed in thirty (30) days. Franchisee may not purchase from any proposed vendor until Franchisee receives Franchisor's written approval. Franchisor reserves the right, at their option, to periodically re-inspect the facilities and products of any approved
supplier and revoke approval if the supplier does not continue to meet any of Franchisor's then-current criteria. If Franchisor decides to revoke the approval Franchisor will provide Franchisee with a written thirty (30) day notice.

L. Franchisee acknowledges and agrees that Franchisee is solely responsible for protecting itself from computer viruses, bugs, power disruptions, communication line disruptions, internet access failures, internet content failures, date-related problems, and attacks by hackers and other unauthorized intruders.

M. Franchisee will maintain a stated minimum inventory consisting of a minimum equal to the greater of the following: (1) 20 program kits (20 starter packages and 20 upgrades) and 20 of each hormone-balancing creams, or (2) an average quantity of such kits and creams, based on Franchisee's most recent 6-month average sales of such kits and creams. These figures are over and above Franchisee's monthly projections for the first 6 months to always have a one-month back-up over and above Franchisee's intended sales for the current month. The Franchisee will honor the product and service consumer warranties as determined by Franchisor. Franchisee will openly and prominently display franchise promotional materials provided by Franchisor.

N. Franchisee and its manager(s) shall attend and pass to the Franchisor's satisfaction such training programs as required by Franchisor, prior to the opening of the first location of the Franchised Franchisee's Business. If Franchisor determines, in its sole discretion, that Franchisee does not pass said training program, Franchisor may terminate this Franchise Agreement, effective upon immediate delivery of written notice to Franchisee. Franchisor will not be liable to return any portion of the Initial franchise fee or pay any costs or expenses Franchisee incurs if Franchisor terminates this agreement due to failure of said training program. Franchisor may require, during the term of this Franchise Agreement, that Franchisee attend Franchisor's monthly and annual national meetings and conventions. Franchisee shall stay at the hotel or resort where the convention is hosted, unless Franchisee lives within 10 miles of the facility. Franchisee must pay for travel, lodging and living expenses.

O. To the extent Franchisor decides to offer, or require that Franchisee attends, any additional training courses, conventions, or meetings in the future, Franchisor will develop and determine the cost, location, content, duration, and frequency of those programs at a later time.

P. Franchisee will also be responsible to pay the travel, lodging, and meal expenses for the trainers required to travel to Franchisee's Premises, if training at the Premises is required.

Q. Franchisee shall conduct training classes for the Franchisee's employees (or its independent consultants) on training, sales, and maintenance techniques as may be prescribed in the Operations Manual and from time to time by Franchisor through other written and verbal communication.

R. Franchisee shall keep the business open and in normal operation for such minimum hours and days as Franchisor may prescribe in the Operations Manual or otherwise in writing, and Franchisee shall refrain from using or suffering the use of the Premises for any purpose or activity other than for the operation of the licensed business at any time without first obtaining the written consent of Franchisor.

S. Franchisee shall operate the licensed business in conformity with the methods, standards, and specifications of the Franchisor as they are prescribed in the Operations Manual or otherwise in writing. Franchisee shall maintain the Premises in a clean and orderly manner and shall see that all inventory remains in good, clean condition and is properly priced and displayed. Franchisee shall at all times maintain a customer list and a copy of all customers' contracts in the Premises and make such available for inspection by Franchisor upon request.

T. Franchisor shall deliver to Franchisee, prior to the Scheduled Opening Date, Franchisor's current list of suggested prices, which may vary among various franchises. Franchisor shall give Franchisee written notice of all changes to suggested prices (including any temporary promotional changes) and such changes shall be effective upon receipt, unless otherwise stated in the notice. Franchisee is under no obligation to adhere to the suggested prices, but should be aware that promotional and marketing materials and campaigns prepared and provided by the Franchisor may include such prices.

U. Franchisee shall manage and operate the Franchised Business in an ethical and honorable manner, providing courteous and professional services to customers and always keeping its clients' interests in mind while upholding the good name of BeBalanced Hormone Weight Loss Centers and the Franchised Business. Franchisee shall handle all client complaints and requests for returns and adjustments in a manner that will not detract from the name and goodwill enjoyed by Franchisor and shall consider and act promptly upon the recommendations of Franchisor with respect to the handling of client complaints.

V. To determine whether Franchisee and the Franchised BeBalanced Hormone Weight Loss Centers business are complying with this Agreement, the Operations Manual and the System, Franchisor and its designated agents or representatives may at all times and without prior written notice to Franchisee: 1) inspect the Premises; 2) observe and monitor the operation of the Franchised BeBalanced Hormone Weight Loss Centers business for consecutive or intermittent periods as Franchisor deems necessary; 3) interview personnel and clients of the Franchised BeBalanced Hormone Weight Loss Centers business; and 4) inspect and copy any books, records, and agreements relating to the Franchised BeBalanced Hormone Weight Loss Centers business' operation. Franchisee agrees to cooperate with Franchisor fully. If Franchisor exercises any of these rights, Franchisor will not interfere unreasonably with the operation of the Franchised BeBalanced Hormone Weight Loss Centers business.

W. It is recommended but not required that Franchisee personally participate in the direct operation of the Franchised Business on a full-time basis. However, Franchisee is responsible for all aspects of the operation of the BeBalanced Hormone Weight Loss Centers and must be certain that all the information, terms, conditions, and requirements as contained in this Franchise Agreement and in the Operations Manual are met and kept.

X. Franchisee agrees to accept credit cards at the Premises to facilitate sales. Credit cards accepted shall include Visa, MasterCard, and Discover, and American Express at Franchisee's option. Franchisee will be charged a merchant processing fee in connection with the processing of credit card transactions. Franchisee shall also accept debit cards unless accepting debit cards requires a separate credit card processing terminal or an additional expense.

Y. Franchise agrees to attend all manufacturer-required training that Franchisor specifies and become certified as necessary in order to become authorized to service specific brands and types of equipment.

Z. Franchisee agrees to promptly pay Franchisor all payment and contributions that are due to Franchisor or its affiliates.

Franchisee agrees to be solely responsible for all employment decisions and to comply with all state, federal, and local hiring laws and functions of the Franchised BeBalanced Hormone Weight Loss Centers business, including without limitation, those related to hiring, firing, training, wage and hour requirements, compensation, promotion, record-keeping, supervision, and discipline of employees, paid or unpaid, full or part-time, and its independent consultants. Franchisee's employees must be competent, conscientious, and properly trained. Franchisee shall have all officers, agents, directors, shareholders, trustees, beneficiaries, and partners sign the confidentiality agreement described in Section 9 below. Without limiting the generality of the foregoing, Franchisee may retain independent contractors, but Franchisee shall be solely responsible for determining the tax treatment and status of such contractors and in doing so, shall comply with all state, federal, and local laws relating thereto.

8. PROPRIETARY MARKS

A. Franchisee acknowledges the exclusive ownership and/or right to use of the Proprietary Marks by Franchisor, and Franchisee agrees that during the term of this Franchise Agreement and after its expiration or termination Franchisee will not directly or indirectly contest or aid in contesting the validity of the Proprietary Marks or the ownership or rights of the Proprietary Marks by Franchisor. Furthermore, Franchisee intends and hereby concedes that any commercial use Franchisee may make of the Marks shall contribute and inure to the commercial use and benefit of Franchisor, which Franchisor may claim to strengthen and further secure ownership of the Proprietary Marks.

B. It is understood and agreed that the use by Franchisee of Franchisor's Proprietary Marks applies only in connection with the operation of the franchise at the Premises, includes only such Proprietary Marks as are now designated, or which may hereafter be designated in the Operations Manual or otherwise in writing as part of the System (which might or might not be all of the Proprietary Marks pertaining to the System owned by the Franchisor), and does not include any other mark, name, or indicia of origin of Franchisor now existing or which may hereafter be adopted or acquired by Franchisor.

C. To develop and maintain high, uniform standards of quality and service and thereby protect Franchisor's reputation, goodwill, and that of the System, Franchisee agrees to:

1. Operate and advertise the Franchise only under the Proprietary Marks authorized by Franchisor as specified in the Franchise Agreement or Operations Manual; and

2. Maintain and display signs reflecting the current commercial image of the System and, upon notice from Franchisor, to immediately discard and cease use of imagery that has become obsolete and no longer authorized by Franchisor.

D. Franchisee acknowledges that the Proprietary Marks, System, Operations Manual, and all other information and items delivered to Franchisee by Franchisor pursuant to this Agreement or in furtherance of the System, including without limitation, video and audio tapes or disks, information communicated by electronic means, and intellectual property, are the sole and
exclusive property of Franchisor, and Franchisee's rights to use same are contingent upon Franchisee's continued full and timely performance under this Franchise Agreement. Franchisee acknowledges it acquires no rights, interests, or claims to any of said property, except for Franchisee's rights to use the same under this Franchise Agreement for the term hereof and strictly in the manner prescribed. Franchisee agrees that at no time during the term of this Franchise Agreement or at any time after the termination or expiration and non-renewal of this Franchise Agreement shall Franchisee contest the sole and exclusive rights of Franchisor to the Proprietary Marks, System, Operations Manual and other information, intellectual property, and items delivered or provided or to which Franchisee obtains access under this Franchise Agreement, nor shall Franchisee claim any proprietary interest in such property. Franchisee agrees that neither during the term of this Franchise Agreement nor at any time after its termination or expiration and non-renewal shall Franchisee adopt or employ any names, marks, insignias, or symbols in any business that are or may be confusingly similar to the Proprietary Marks licensed under this Franchise Agreement. Furthermore, Franchisee agrees to cooperate with and assist Franchisor in connection with any legal action brought by or against either of them regarding the protection and preservation of the Proprietary Marks, System, or Operations Manual and other information and intellectual property delivered to Franchisee or used by Franchisee under this Franchise Agreement.

E. Franchisee agrees that all documents, papers, notes, and other materials, as well as work products containing or derived from the proprietary information or from the knowledge of, or in connection with, the operation of the franchise, shall be Proprietary Information (as hereinafter defined) shall be owned exclusively by Franchisor. Franchisee agrees that it will have no proprietary interest in any work product developed or used by it and arising out of the operation of the Franchise. Franchisee will, from time to time as may be requested by Franchisor, do all things that may be necessary to establish or document Franchisor's ownership of any such work product, including, without limitation, the execution of assignments.

F. Franchisee agrees to disclose promptly to Franchisor any and all inventions, discoveries, and improvements, whether or not patentable or copyrightable, that are conceived or made by Franchisee or its agents (including its independent contractors) and are related to the operation of the Franchise, all of which shall be automatically owned by Franchisor without compensation to Franchisee. Whenever requested to do so by Franchisor, Franchisee will execute any and all applications, assignments, or other instruments that Franchisor may deem necessary to apply for and obtain intellectual property protection or to otherwise protect Franchisor's interest therein. These obligations shall continue beyond the termination or expiration of this Franchise Agreement.

G. No representation or warranty, express or implied, is made by Franchisor to the effect that the use of the System does not constitute an infringement upon the patent, copyright, or other proprietary rights of other persons. Franchisee hereby agrees that Franchisor shall have no liability to Franchisee in the event the System is held not to be secret or confidential or in the event that any infringement of others' proprietary rights occurs because of Franchisee's use of the System.

H. If in Franchisor's reasonable determination, the use of Proprietary Marks in connection with the services or products of Franchised Business will infringe or potentially infringe upon the rights of any third party, weakens or impairs Franchisor's rights in the Proprietary Marks, or it otherwise becomes advisable at any time in Franchisor's sole discretion for Franchisor to modify, discontinue, or to use one (1) or more additional or substitute trade or service Proprietary Marks, then upon notice from Franchisor, Franchisee will terminate or modify, within a reasonable time, such use in the manner prescribed by Franchisor. If Franchisor changes the Proprietary Marks, Franchisor will not reimburse Franchisee for any out-of-pocket expenses Franchisee incurs to implement such modifications or substitutions. Franchisor is not obligated to reimburse Franchisee for any loss of goodwill or revenue associated with any modified or discontinued Proprietary Mark, nor is Franchisor responsible for reimbursing Franchisee for any other costs or damages.

I. Franchisee agrees not to make any changes or amendments whatsoever in or to the use of the Proprietary Marks unless directed by Franchisor in writing.

J. Upon termination or expiration and non-renewal of this Franchise Agreement, Franchisee agrees to immediately cease use, in any manner whatsoever, of any of the Proprietary Marks or any other Marks or trade names that may be confusingly similar to the Proprietary Marks.

K. Franchisee acknowledges that there will be substantial confusion among the public if, after the termination or expiration and non-renewal of this Franchise Agreement, Franchisee continues to use advertisements and/or the telephone number listed in the telephone directory under the name "BeBalanced Hormone Weight Loss Centers" or any name similar to it. Thus, effective upon the termination or expiration and non-renewal of this Franchise Agreement, Franchisee agrees to direct the telephone company servicing Franchisee to disconnect the telephone number listed under Franchisee's BeBalanced Hormone Weight Loss Centers business-related name in the then-existing telephone directory or transfer such number to Franchisor or to any person or

location of Franchisor's choosing. If Franchisee fails to take these steps, Franchisee shall be deemed to have hereby irrevocably appointed Franchisor as Franchisee's attorney-in-fact for purposes of directing and accomplishing such transfer. Franchisee understands and agrees that, notwithstanding any billing arrangements with any telephone company or yellow pages directory company, Franchisor will be deemed for purposes hereof to be the subscriber of such telephone numbers, with full authority to instruct the applicable telephone or yellow pages directory company as to the use and disposition of telephone listings and numbers. Franchisee hereby agrees to release, indemnify, and hold such companies harmless from any damages or loss as a result of following Franchisor's instructions.

L. Franchisee understands and agrees that its right to use the Proprietary Marks is non-exclusive, that Franchisor in its sole discretion has the right to grant licenses to others to use the Proprietary Marks and obtain the benefits of the System in addition to the licenses and rights granted to Franchisee under this Franchise Agreement, and that Franchisor may develop and license other trademarks or service marks in conjunction with systems other than the System on any terms and conditions as Franchisor may deem advisable where Franchisee will have no right or interest in any such other trademarks, licenses, or systems.

M. With respect to Franchisee's use of the Proprietary Marks pursuant to this Franchise Agreement, Franchisee acknowledges and agrees that:

1. Franchisee shall not use the Proprietary Marks as part of Franchisee's corporate or any other business name;

2. Franchisee shall not hold out or otherwise use the Proprietary Marks to perform any activity or incur any obligation or indebtedness in such a manner as might in any way make Franchisor liable therefore without Franchisor's prior written consent; and

3. Franchisee shall execute any documents and provide such other assistance deemed necessary by Franchisor or its counsel to obtain protection for Proprietary Marks or to maintain the continued validity of such Proprietary Marks. Franchisee acknowledges that the use of the Proprietary Marks outside the scope of this license without Franchisor's prior written consent is an infringement of Franchisor's exclusive right to use the Proprietary Marks and, during the term of this Franchise Agreement and after the expiration or termination hereof, Franchisee covenants not to directly or indirectly commit an act of infringement, contest or aid in contesting the validity or ownership of Franchisor's Proprietary Marks, or take any other action in derogation thereof.

N. Franchisee shall notify Franchisor as soon as possible, but no later than thee (3) calendar days of any suspected infringement of, or challenge to, the validity of the ownership of, or Franchisor's right to use, the Proprietary Marks licensed hereunder. Franchisee will not communicate with any persons other than Franchisor or Franchisor's legal counsel in connection with any such infringement, challenge, or claim. Franchisee acknowledges that Franchisor has the right to control any administrative proceeding or litigation involving the Proprietary Marks. In the event Franchisor undertakes the defense or prosecution of any litigation relating to the Proprietary Marks, Franchisee agrees to execute any and all documents and to do such acts and things as may be necessary in the opinion of counsel for Franchisor to carry out such defense or prosecution.

O. Except to the extent that such litigation is the result of Franchisee's use of the Proprietary Marks in a manner inconsistent with the terms of this Franchise Agreement, Franchisor agrees to
indemnify and defend Franchisee against all claims or actions arising out of Franchisee's use of the Marks as authorized by Franchisor and to reimburse the Franchisee for its out-of-pocket costs in doing such acts and things, except that Franchisee shall bear the salary costs of its employees (and its independent contractors).

P. In addition to all other obligations of Franchisee with respect to the Proprietary Marks licensed herein, Franchisee agrees:

1. To feature and use the Proprietary Marks solely in the manner prescribed by Franchisor and not use the Proprietary Marks on the internet except as approved in writing by Franchisor; and

2. To observe all such requirements with respect to service mark, trademark and copyright notices, fictitious name registrations, and the display of the legal name or other identification of Franchisee as Franchisor may direct in writing from time to time.

9. OPERATIONS MANUAL

A. In order to protect the reputation and goodwill of Franchisor and the System, and to maintain uniform standards of operation under Franchisor's Proprietary Marks, Franchisee shall conduct the Franchised Business in strict accordance with Franchisor's Operations Manual.

B. Franchisee acknowledges the Operations Manual provided by Franchisor to Franchisee is intended to protect Franchisor's standards, systems, names, and marks and is not intended to control day-to-day operation of Franchisee's business. Franchisee further acknowledges and agrees that Franchisee's business will be under the control of the Franchisee at all times. Franchisee will be responsible for the day-to-day operation of the business.

C. In connection with the operation of the Franchised Business, Franchisee will from time to time become acquainted with, work with, and even generate certain information, procedures, techniques, data, and materials that are and, by this Franchise Agreement, will become, proprietary to Franchisor. Franchisee and all persons signing this Franchise Agreement agree to keep confidential any of Franchisor's trade secrets or proprietary information as defined below and will not use such for its or their own purpose or supply or divulge same to any person, firm, association, or corporation except as reasonably necessary to operate the Franchised Business.

D. The confidentiality requirements set forth in the preceding paragraph will remain in full force and effect during the term of this Franchise Agreement and in perpetuity after its termination or expiration and non-renewal. Franchisor's trade secrets and proprietary information include the following:

1. The Operations Manual; and

2. Information that relates in any manner to Franchisor's business or the System, including without limitation, information relating to Franchisor's marketing materials and methods whether oral or reduced to writing, that is not generally known to, or readily ascertainable by, other persons who might derive economic benefit from its disclosure or use; and

3. Any other information that may be imparted to Franchisee from time to time and designated by Franchisor as confidential.

E. Franchisee acknowledges and agrees that the Proprietary Information and any business goodwill of the Franchise are Franchisor's sole and exclusive property and that Franchisee will preserve the confidentiality thereof. Upon the termination or expiration and non-renewal of this Franchise Agreement, all items, records, documentation, and recordings incorporating any Proprietary Information will be immediately turned over by Franchisee, at Franchisee's sole expense, to Franchisor or to Franchisor's authorized representative.

F. Excepted from Proprietary Information for purposes of non-disclosure to any third parties by Franchisee and/or its Restricted Persons (as hereinafter defined) is information which:

1. Becomes publicly known through no wrongful act of Franchisee or Restricted Persons; or

2. Is known by Franchisee or Restricted Persons without any confidential restriction at the time of the receipt of such information from Franchisor or becomes rightfully known to them without confidential restriction from a source other than Franchisor.

Franchisee shall at all times treat the Proprietary Information as confidential and shall use all reasonable efforts to keep such information secret and confidential. You must prevent all others from accessing our Operations Manual online, in its digital format, or in print. Franchisee shall not, at any time without Franchisor's prior written consent, copy, scan, duplicate, record, distribute, disseminate, or otherwise make the Operations Manual available to any unauthorized person or entity, in whole or in part. The Operations Manual shall be treated as Proprietary Information and Franchisee shall use its best efforts to maintain the confidentiality of all approved copies of the Operations Manual, as if originals hereunder.

G. Franchisee shall adopt and implement all reasonable procedures as Franchisor may prescribe from time to time to prevent the unauthorized use or disclosure of any of the Proprietary Information. Franchisee shall require that all of its officers, agents, directors, shareholders, trustees, beneficiaries, partners, and independent contractors who may obtain or who are likely to obtain knowledge concerning the Proprietary Information ("Restricted Persons") execute an agreement in the form marked Exhibit I to the Franchise Disclosure Document ("Confidentiality and Non-Competition Agreement") binding such persons to preserve the confidentiality of the Proprietary Information as part of the terms and conditions of such person's association with Franchisee. Franchisee must obtain a Confidentiality and Non-Competition Agreement signed by any such person prior to or at the same time of its association with that person. Franchisee's spouse or significant other shall also be bound by the same requirement and shall sign the same Confidentiality and Non-Competition Agreement. Franchisee shall send to Franchisor a duplicate original of each signed Confidentiality and Non-Competition Agreement.

H. Franchisor will loan one (1) copy of the Operations Manual to Franchisee. The Operations Manual shall at all times remain the sole property of Franchisor and all print or electronic copies and materials must be returned to Franchisor upon termination or expiration and non-renewal of this Franchise Agreement.

I. In order for Franchisee to benefit from new knowledge, information, methods, and technology adopted and used by Franchisor in the operation of the System, Franchisor may from time to time revise the Operations Manual, and Franchisee agrees to adhere to and abide by all such revisions.

J. Franchisee agrees at all times to keep its copy of the Operations Manual current and up-to-date based upon electronic and hard-copy updates provided by Franchisor without charge and, in the event of any dispute as to the contents of Franchisee's Manual, the terms of the master copy of the Operations Manual maintained by Franchisor at Franchisor's home office shall be controlling. Out-of-date pages shall be returned to Franchisor immediately upon replacement, as instructed in the Operations Manual.

K. The Operations Manual is intended to further the purposes of this Franchise Agreement and is specifically incorporated by reference into this Franchise Agreement. Except as set forth in this Franchise Agreement, in the event of a conflict between the terms of this Franchise Agreement and the terms of the Operations Manual, the terms of this Franchise Agreement shall control.

10. ADVERTISING

A. Franchisee acknowledges that advertising is required in connection with the operation of the Franchised Business. As such, Franchisee shall advertise and promote the Franchised Business at Franchisee's own expense and all advertising, marketing, and promotional plans Franchisee utilizes must be in the media and type of format that is approved by Franchisor. Franchisee shall submit to Franchisor for prior written approval, samples of all advertising and promotional plans and materials that Franchisee desires to use that have not been prepared by Franchisor or previously approved by Franchisor. Franchisee shall not use any advertising materials or any advertising or promotional messages in connection with the promotion of its business absent prior written approval by Franchisor. Franchisor will approve or disapprove in writing the advertisement for use, and such approval shall not be unreasonably withheld and/or delayed, with such decision to be communicated to Franchisee within thirty (30) days of Franchisor's receipt of Franchisee's advertisement proposal.

B. Franchisee will spend a minimum of Twelve Thousand and 00/100 Dollars ($12,000.00) for promotional advertising during the period beginning sixty (60) days after signing this Franchise Agreement and ending ninety (90) days following the opening of the Franchised Business ("Grand Opening Advertising"). All advertising materials Franchisee uses in connection with the Grand Opening Advertising requirement (and otherwise) must be approved by Franchisor.

C. Each month, Franchisee will spend the greater of Three Thousand, Five Hundred and 00/100 Dollars ($3,500.00) or 8% of Franchisee's monthly Gross Sales (to be calculated based on Franchisee's average monthly Gross Sales over the most recent 6-month period) for local advertising and marketing within each of Franchisee's Designated Territory that conforms to Franchisor's standards ("Local Advertising Expenditure"). Salaries for marketing support personnel are separate expenses that are not included in the amount Franchisee spends on local advertising.

D. We must approve in writing all social media accounts (i.e., Facebook, LinkedIn, Twitter, YouTube, Pinterest, etc.) and social media posts made under our Proprietary Marks and/or using Franchisor's name. Franchisee must establish a landing page tied to the BeBalancedCenters.com website, and franchisor will provide Franchisee with their web designer for this purpose. Franchisor will establish the design and specified content of all Franchisee landing pages, so they are consistent with the other BeBalanced Hormone Weight Loss Centers Franchisee landing pages. Clients within your territory can be directed to this landing page to learn location specific information about your center, including upcoming events and specials. The cost of this is covered by the Franchisee, detailed in Item 6. All landing page content is subject to Franchisor approval. Franchisee may not establish its own website to communicate content related to the subject matter of franchisor, nor can such a website utilize or display Franchisors proprietary marks.

E. Beginning ninety (90) days after the opening of the Franchised Business, and in addition to, and not in lieu of the Local Advertising Expenditure, the Franchisee shall contribute the greater of: (a) $100 per month, or (b) two percent (2%) of the Gross Sales for the preceding month for advertising and promotion to the Advertising Fund ("Advertising Fee"), as more fully set forth in paragraph G, below. Salaries for marketing support personnel are separate expenses that are not included in the Advertising Fee.

F. At Franchisor's request, Franchisee will submit to Franchisor an accounting of Franchisee's previous month's expenditures for advertising and promotion on a form approved by Franchisor, and Franchisor reserves the right to require Franchisee to provide actual receipts documenting such expenditures.

G. Franchisor has established an Advertising Fund for the System and requires Franchisee to contribute to the Advertising Fund. This will be a contribution of two percent (2%) of the monthly Gross Sales of the preceding month for your first year of operations, or a monthly minimum of $100.00. All payments by Franchisee to the Advertising Fund are non-refundable and shall be in addition to, and not in lieu of, required local and grand opening and other advertising expenditures by Franchisee described in this Section and Section 5 above. All company-owned BeBalanced Hormone Weight Loss Centers businesses will contribute to the Advertising Fund on the same basis as franchisees. Franchisor will account separately for all sums paid to the Advertising Fund. The Advertising Fund shall be maintained and administered by Franchisor or Franchisor's designee as follows:

1. Franchisor will use Advertising Fund, all contributions to it, and any earnings on it, exclusively for preparing, directing, conducting, placing, and administering advertising, marketing, public relations, and/or promotional programs and materials, and any other activities, which Franchisor believes would enhance the image of the System, Proprietary Marks, and products or services.

2. Franchisor is not obligated to spend monies from the Advertising Fund in any particular Franchisee's market in proportion to the payments to the fund made by the Franchisee in that market. Franchisor does not represent that it will spend any particular amount of advertising funds locally, regionally, or nationally.

3. The Advertising Fund may be used to meet any and all costs of maintaining, administering, directing, and preparing advertising. This includes, among other things, direct mail advertising, marketing surveys and other public relations activities, developing and maintaining the BeBalanced Hormone Weight Loss Centers flagship website, employing advertising and public relations agencies, purchasing promotional items, and other marketing materials and services to the BeBalanced Hormone Weight Loss Centers businesses operating under the System. These costs may include the proportionate share of Franchisor's employees (and its independent contractors) who devote time and render services for advertising and promotion or the administration of the Advertising Fund, including administrative costs, salaries, and overhead expenses related to administering the Advertising Fund and its programs.

4. Franchisor will not use Advertising Fund contributions to create or place any advertisement that is principally a solicitation for new franchisees, however, may include in all advertising prepared from Advertising Fund contributions (including Internet advertising) information concerning franchise opportunities, and a portion of these contributions may be used to create and maintain one (1) or more interior pages on Franchisor's website devoted to advertising franchise opportunities and identifying and screening requirements and applications submitted by franchise candidates.

5. No part of the Advertising Fund shall be used by Franchisor to defray any of its general operating expenses, other than those reasonably allocable to such advertising or other activities reasonably related to the administration or direction of the Advertising Fund. Franchisor may, in its sole discretion from time to time, advance monies to the Advertising Fund and charge the Advertising Program interest on such advances at an annual rate of one percent (1%) above the prime rate then designated by The Bank of America (or if no such rate is then so being designated, at such annual rate as reasonably determined by Franchisor is an equivalent rate) and may authorize repayment of such advances from the Advertising Fund, all in accordance with such terms as the Franchisor deems necessary or appropriate.

6. Franchisor shall administratively segregate all contributions to the Advertising Fund on its books and records. All such payments to the Advertising Fund may be deposited in Franchisor's general operating account, may be commingled with Franchisor's general operating funds, and may be deemed an asset of Franchisor, subject, however, to the Franchisor's obligation to expend the monies in the Advertising Fund in accordance with the terms hereof. Franchisor may, in its sole discretion, elect to

accumulate monies in the Advertising Fund for such periods of time, as it deems necessary or appropriate, with no obligation to expend all monies received in any fiscal year during such fiscal year. In the event Franchisor's expenditures for Advertising Fund in any one (1) fiscal year shall exceed the total amount contributed to the Advertising Fund during such fiscal year, Franchisor shall have the right to be reimbursed to the extent of such excess contributions from any amounts subsequently contributed to the Advertising Fund or to use such excess as a credit against its future contributions. The parties do not intend that the Advertising Fund be deemed a trust.

7. Franchisor shall, on an annual basis, account for the operation of the Advertising Fund and prepare a financial statement, which may be unaudited, evidencing such accounting. The annually-prepared financial accounting for the operation of the Advertising Fund shall be provided upon request in writing to Franchisee.

8. Franchisor, in the future and in its sole determination, may establish an Advertising Council to administer the Advertising Fund, consisting of franchisees, management representatives, or employees selected by Franchisor. If an Advertising Council is established by Franchisor, the membership of such Council, along with the policies and procedures by which it operates, shall be determined by Franchisor.

H. Franchisor may, but need not, at its cost and in its sole discretion, disseminate advertising coverage that is regional or national in coverage to promote the BeBalanced Hormone Weight Loss Centers System.

I. If an association of BeBalanced Hormone Weight Loss Centers Businesses is established in a geographic area in which the Center is located (the “Co-op” or “Cooperative”), Franchisor may require Franchisee to join and actively participate in it. Franchisor may determine the area and membership of each Co-op by media coverage or other criteria which Franchisor may establish at its discretion. Franchisor will determine whether a Co-op should be formed, changed, dissolved or merged for Franchisee’s market. Each Co-op will operate from written governing documents approved by their members. Franchisor reserves the right to require that each Co-op prepare annual financial statements for its members. Franchisor also reserve the right to audit any accounts or funds collected by the Co-op. Franchisee must contribute to the Co-op such amounts as are determined from time to time by the Co-op. Franchisor or affiliate-owned Centers are not required to contribute on the same basis as Franchisee, but may choose to do so. Franchisor will not set the amount of those contributions and there is no limit. If Franchisor requires Franchisee to participate in a Co-op, Franchisee’s Local Advertising Expenditure requirement will be reduced by the amount that Franchisee contributes to the Co-op (dollar for dollar), up to the amount of Franchisee’s Local Advertising Expenditure requirement. The Co-op will adopt its own written rules, regulations and procedures which will be available for Franchisee to review and which Franchisee must follow. Franchisee must enter into any and all acknowledgement agreements, consent agreements and by-laws in the forms designated or approved by Franchisor in connection with Franchisee’s required participation in any Co-op. However, the rules, regulations and procedures of the Co-op must be approved by Franchisor in advance. The Co-op is not permitted to use advertisements unless the advertisements have been reviewed and approved by Franchisor in advance. Franchisor has the right to participate in any Co-op meetings and in any meetings of the members of the Co-op. Franchisee’s failure to timely contribute the amounts required by the Co-op constitutes a breach of Franchisee’s obligations under the Franchise Agreement.

11. <u>ACCOUNTING AND RECORDS</u>

Franchisee shall, in a manner satisfactory to Franchisor and in accordance with generally accepted accounting principles, maintain original, full, and complete register tapes, computer files, back-up files, other records, accounts, books, data, licenses, contracts, and product vendor invoices which shall accurately reflect all particulars relating to Franchisee's business, as well as such statistical and other information or records as Franchisor may require. All of this information shall be kept for not less than three (3) years, even if this Franchise Agreement is no longer in effect. Upon Franchisor's request, Franchisee shall furnish the Franchisor with copies of any or all product or equipment supply invoices reflecting purchases by or on behalf of the Franchised Business. In addition, Franchisee shall compile and provide to Franchisor any statistical or financial information regarding the operation of the Franchised Business, the products and services sold by it, or data of a similar nature, including without limitation, any financial data that Franchisor believes that it needs to compile or disclose in connection with the sale of franchises or that Franchisor may elect to disclose in connection with the sale of franchises. All data provided to the Franchisor under this Section 11 shall belong to Franchisor and may be used and published by Franchisor in connection with the System. Franchisor and its designated agents shall have the right to examine and audit such records, accounts, books, computer files, and data at all reasonable times to ensure that Franchisee is complying with the terms of this Franchise Agreement. Franchisor shall bear the cost of such inspection and audit, except that in the case of an inspection or audit that discloses that the Gross Sales of the business during any scheduled reporting period equals or exceeds five percent (5%) of the correct amount reported by Franchisee as its Gross Sales, Franchisee shall bear the entire costs of such inspection and/or audit.

A. Franchisee shall record all sales on a point-of-sale terminal, computer, or other register device as approved by Franchisor, containing a device that will record accumulated sales and which cannot be turned back, reset, or erased. Franchisee's record of sales shall show register readings and a summary of totals at the beginning and ending of each day. Franchisor shall, at all times and without notice to Franchisee, have the right to access and view Franchisee's BeBalanced Hormone Weight Loss Centers registers or computers via the internet or by visiting the Premises, in order to obtain sales data and other available information about the Franchised Business.

B. Franchisee shall, at its own expense, use such computer equipment and software, internet management and operating systems, bookkeeping and recording forms, stationary, business cards, sales slips, invoices, purchase order forms, reprints, and other miscellaneous operating forms as Franchisor may specify in the Operations Manual or otherwise in writing.

C. Franchisee will not install or load any computer software on the hard disks of the computers located at the Premises or used by the Franchised Business, except when such software has previously been approved by Franchisor. The passwords to access all computers located at the Premises or used by the Franchised Business, and the passwords to all files located on said computers, shall exclusively be and remain the property of Franchisor. All computer and file passwords shall be supplied as a list to Franchisor by Franchisee, which list shall be updated the same day that any passwords are changed or modified by Franchisee or by any other person.

D. No later than the fifth (5^{th}) day of each month, Franchisee shall deliver to Franchisor, on forms or electronic methods as prescribed by Franchisor, a report showing the fees due to Franchisor during the preceding week ending Saturday. The report shall be itemized by revenue-producing activity as specified from time to time by Franchisor, shall show the Net Sales at the Premises for the prior week and such other information as Franchisor may require, all shall be signed and certified as true and correct by an authorized agent of Franchisee. Together with such statements, Franchisee shall pay Franchisor all amounts due hereunder with respect to the period covered by each such statement.

E. At any time and upon request of Franchisor, Franchisee shall provide Franchisor with a copy or summary listing, at Franchisor's discretion, of all current contracts, listings, agreements, and projects that Franchisee is involved in or working with.

F. Upon Franchisor's request, Franchisee shall furnish the Franchisor with a copy of each of its reports, returns of sales, use and gross receipt taxes, and complete copies of any state or federal income tax returns covering the operation of the Franchised Business, all of which Franchisee shall certify as true and correct.

G. Franchisee shall prepare and deliver to Franchisor on a monthly basis, no later than the twentieth (20^{th}) day of each month, an unaudited profit and loss statement, in a form satisfactory to Franchisor, acting in its sole and subjective discretion, covering Franchisee's business for the prior month and such additional reports as Franchisor may require, all of which shall be certified by Franchisee as true and correct. Franchisee shall also submit to Franchisor by March 1 and September 1 of each year during the term of this Franchise Agreement an unaudited balance sheet reflecting the financial position of the Franchised Business as of the preceding December 31 and June 30. In addition, Franchisee, as well as any guarantor(s) of this Franchise Agreement, shall deliver to Franchisor a financial statement, certified as correct and current, in a form which is satisfactory to Franchisor and which fairly represents the total assets and liabilities of Franchisee and any such guarantor(s), within sixty (60) days after request from Franchisor.

H. Each quarter, Franchisee will provide Franchisor with a copy of Franchisee's sales tax report that is sent to the state Board of Equalization or equivalent agency in Franchisee's state.

I. Within ninety (90) days after the close of each fiscal year of Franchisee, Franchisee shall furnish to Franchisor financial statements which shall include a statement of income and retained earnings, a statement of changes in financial position, and a balance sheet of the Franchised Business, all as of the end of such fiscal year, which shall be certified by Franchisee as being true and correct.

J. Upon the request of Franchisor, in addition to the foregoing unaudited statements, within one hundred twenty (120) days after the close of each fiscal year of Franchisee, Franchisee shall furnish to Franchisor, at the Franchisee's expense, an audited statement of income and retained earnings of Franchisee for such fiscal year and an audited balance sheet of Franchisee as of the end of such fiscal year, all prepared in accordance with generally accepted accounting principles and certified to by a certified public accountant.

K. In addition to the foregoing statements, promptly upon request by Franchisor and within sixty (60) days after the close of each fiscal year of Franchisee, Franchisee shall furnish to Franchisor a list of all holders of legal and beneficial interests in Franchisee, certified as complete by Franchisee. If any of Franchisee's general partners, officers, or directors cease to serve as such, or if any individual is elected as a general partner, officer, or director after execution of this Franchise Agreement, or if Franchisee changes the legal structure under which Franchisee entered into this Franchise Agreement, Franchisee will notify Franchisor within ten (10) days after such change. Promptly upon request by Franchisor, Franchisee shall furnish a list of all holders of legal and beneficial interests in Franchisee, together with a description and percentage amounts, names, addresses, and telephone numbers.

12. <u>INSURANCE AND INDEMNIFICATION</u>

A. Franchisee shall, at its own expense and no later than the earliest of (a) the date on which Franchisee uses any of the Proprietary Marks, (b) the date of commencement of initial merchandising and layout of the Premises, or (c) the arrival of any of the initial inventory, whether the location is open or not, procure and maintain in full force and effect throughout the term of this Franchise Agreement the types of insurance coverage listed below. The required amounts may be adjusted by Franchisor according to situations in different states and locations, and changes in coverage common in Franchisor's industry, or experience. The coverage must include the type and amount shown below, and/or coverage required by the landlord (if one):

Type of Coverage	Amount	Maximum Deductible
General Liability		
General Aggregate Limit	$2,000,000	N/A
Products/Completed Ops. Aggregate Limit	$2,000,000	N/A
Personal & Advertising Injury Limit	$1,000,000	N/A
Each Occurrence Limit	$1,000,000	N/A
Fire Damage Limit (Any one fire)	$300,000	N/A
Medical Expense (Any one person)	$5,000	N/A
Professional Liability*		
Each Occurrence Limit	$1,000,000	N/A
Umbrella Liability		
Each Occurrence Limit	$1,000,000	N/A
Aggregate Limit	$1,000,000	N/A
Employers Liability (Workers' Compensation)		
Each Accident Limit	$500,000	N/A
Each Person-disease limit	$500,000	N/A
Aggregate- disease limit	$500,000	N/A
Property Coverage		
Adequate limit to cover personal property of franchise		N/A

*Covers a "professional incident" which means an act, error or omission in the rendering of "professional services" which includes physical training, fitness counseling, and nutritional counseling services provided to others for a fee.

Franchisee must buy insurance only from carriers rated A-VIII or better the most recent *Key Rating Guide* published by the A.M. Best Company (or a similar publication approved by Franchisor). The polices must provide protection against any demand or claim relating to personal injury, death, negligence, or property damage, or any loss, liability or expense arising from the operation of the franchised BeBalanced Hormone Weight Loss Centers. All policies must name the Franchisor and any affiliates the Franchisor may designate as additional insureds and must provide that each policy cannot be cancelled or modified unless Franchisor is given 30 days' prior written notice. Franchisor may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, changing economic conditions, or other relevant changes or circumstances. Franchisee must deliver to us (and in the future, maintain on file with us) valid and current certificates of insurance showing that all required insurance is in full force and effect. The cost of Franchisee's premiums will depend on the insurance carrier's charges, terms of payment, and the Franchisee's insurance history.

B. Should Franchisee for any reason fail to procure and maintain such insurance coverage, Franchisor shall have the right and authority, without having any obligation to do so, to immediately procure such insurance coverage and to charge the same to Franchisee who shall pay Franchisor such charges upon demand, plus a reasonable fee for the expenses incurred by Franchisor in connection with procuring such insurance.

C. Franchisee, as a material part of the consideration to be rendered to Franchisor, shall hold Franchisor harmless from and indemnify and defend Franchisor and Franchisor's directors, officers, principals, managers, shareholders, subsidiaries, employees, servants, agents (including independent contractors), and assignees from and against any and all loss, losses, damage, claims, demands, damages, liabilities (including injuries to Franchisor), and causes of actions of every kind or character and nature, as well as costs and expenses incident thereto, including reasonable attorneys' fees ("Claims") which in any manner arises out of or is connected to Franchisee's ownership, management, or operation of the franchise hereunder. Notwithstanding the foregoing, Franchisor will have the right, at Franchisor's option, to defend any such Claims and may require immediate reimbursement from the Franchisee of all expenses and fees incurred in connection with such defense.

13. INDEPENDENT CONTRACTOR

A. In all dealings with third parties, including without limitation, employees, suppliers, customers, and its independent contractors, Franchisee shall disclose in an appropriate manner acceptable to Franchisor that it is an independent entity licensed by Franchisor. Nothing in this Franchise Agreement is intended by the parties hereto either to create a fiduciary relationship between them or to constitute that the Franchisee is an agent, legal representative, subsidiary, joint venture, partner, employee, or servant of Franchisor for any purpose whatsoever.

B. It is understood and agreed that Franchisee is an independent contractor and is in no way authorized to make any contract, agreement, warranty, or representation or to create any obligation on behalf of Franchisor.

14. TRANSFER AND ASSIGNMENT

This Franchise Agreement and all rights and duties hereunder may be freely assigned or transferred by Franchisor, in whole or in part, in its sole discretion, without Franchisee's consent, to any person or legal entity that agrees to assume Franchisor's obligations hereunder, including a competitor of Franchisor, and shall be binding upon and inure to the benefit of Franchisor's successors and assigns, including without limitation, any entity which acquires all or a portion of the capital stock of Franchisor or any entity resulting from or participating in a merger, consolidation, or reorganization in which Franchisor is involved and to which Franchisor's rights and duties hereunder (in whole or in part) are assigned or transferred.

A. Franchisee understands and acknowledges that the rights and duties created by this Franchise Agreement are personal to Franchisee (and Franchisee's owners, if Franchisee is a legal entity) and that Franchisor has granted this Franchise in reliance on many factors, including without limitation, the individual or collective character, skill, aptitude, and business and financial capacity of Franchisee and any persons owning an interest in Franchisee. Accordingly, neither Franchisee nor any person owning any direct or indirect equity interest therein shall directly or indirectly pledge, mortgage, or otherwise encumber any interest in: 1) this Franchise Agreement or any portion or aspect thereof, 2) the Franchised Business, 3) the Premises, 4) the inventory, or
5) any equity or voting interest in Franchisee, nor permit the Franchised Business to be operated, managed, directed, or controlled, directly or indirectly, by any person other than Franchisee (any such act or event being referred to as a "Transfer") without the prior written approval of Franchisor. Any such purported Transfer occurring by operation of law or otherwise without Franchisor's prior written consent, including any Transfer by a trustee in bankruptcy, shall be a material default of this Franchise Agreement, but the transferor shall remain obligated under this Franchise Agreement until released by Franchisor or until this Franchise Agreement is terminated and all post-term obligations pursuant to Section 17 are fulfilled.

B. A change in the initial equity and voting owners may constitute a Transfer as defined in this Section, and if so shall meet all of the requirements contained in this Section 14. If the proposed Transfer, whether alone or together with all other previous, simultaneous, and/or proposed Transfers, directly or indirectly would have the effect of reducing to less than a majority (1) in the event Franchisee is a partnership or privately-held corporation, the percentage of equity and voting interest (as reasonably determined by Franchisor) in this Franchisee by the initial owners identified in the document marked as Exhibit D to the Franchise Disclosure Document ("Acknowledgement Regarding Ownership") or (2) in the event Franchisee is a natural person, Franchisee's equity or voting interest (as reasonably determined by Franchisor) in this Franchise or, if any proposed transfer directly or indirectly would mean a change of the unrestricted power to direct the management and/or policies of Franchisee, including those related to payment of financial obligations or transfer of control with respect to a general partnership interest, whether through ownership of interests, by contract, or otherwise, such shall constitute a Transfer and be governed by the Transfer requirements defined in this Section. In computing the percentages of equity and voting interest owned in Franchisee for purposes of this Section 14, general partnership interests shall not be distinguished from limited partnership interests.

C. Franchisee understands and acknowledges the vital importance of the performance of the Franchised Business to the market position and overall image of Franchisor. Franchisee also recognizes that there are many subjective factors that comprise the process by which Franchisor selects a suitable franchise owner. The consent of Franchisor to a Transfer by Franchisee shall not be unreasonably withheld but shall remain a subjective determination and shall include, but not be limited to, the following conditions:

1. The proposed transferee confirmed to be a person or entity that meets Franchisor's standards of qualification then applicable with respect to all new applicants for similar BeBalanced Hormone Weight Loss Centers Franchise owners.

2. Prior to any proposed Transfer, Franchisee shall pay an amount to Franchisor equal to 25% of the then-current Franchise Fee (the "Transfer Fee").

3. As of the effective date of the proposed Transfer, all obligations of Franchisee hereunder and under any other agreements between Franchisee and Franchisor are fully satisfied.

4. As of the effective date of the proposed Transfer, all obligations of the proposed transferee to Franchisor under all other agreements of any kind between the proposed transferee and Franchisor are fully satisfied.

5. As of the effective date of the proposed Transfer, Franchisor shall have forwarded to Franchisee its approval of the proposed Transfer to the proposed transferee in accordance with the provisions of this Section 14. Franchisor shall not unreasonably withhold its consent to transfer.

6. Prior to any proposed Transfer of any equity or voting interest in Franchisee, and at any other time upon request, Franchisee shall submit to Franchisor a list of all holders of direct or indirect equity and voting interests in Franchisee reflecting their respective present and/or proposed direct or indirect interests in Franchisee, in such form as Franchisor may require.

7. Prior to any proposed Transfer, Franchisee must have requested that Franchisor provide the prospective transferee with Franchisor's current form of Franchise Disclosure Document required by the Federal Trade Commission's Trade Regulation

Rule on Franchising and/or other applicable state franchise registration/disclosure laws, and a receipt for such document shall have been delivered to Franchisor; provided, however, Franchisor shall not be liable for any representations other than those contained in such Franchise Disclosure Document.

8. The proposed transferee must have agreed to execute a new Franchise Agreement, namely Franchisor's then-current form of Franchise Agreement, which may contain terms and conditions substantially different from those in this Franchise Agreement, for an initial term equal to the time remaining in the term of this Franchise Agreement as of the date of such transfer.

9. If permitted by applicable law, the transferor and the transferee shall have executed a general release, under seal where required, in a form satisfactory to Franchisor, of any and all claims against Franchisor, its parent, subsidiaries, affiliates, and their officers, directors, attorneys, shareholders, and employees, in their corporate and individual capacities, including without limitation, claims arising under federal, state, and local laws, rules, and ordinances arising out of, or connected with, the performance of this Franchise Agreement or any other agreement.

10. The transferee shall have demonstrated to Franchisor's sole satisfaction that it meets all of Franchisor's requirements for becoming a franchise owner, including without limitation, that it meets Franchisor's managerial and business standards then in effect for similarly- situated franchise owners, possesses good moral character, business reputation, and satisfactory credit rating, is not a competitor of Franchisor, will comply with all instruction and training requirements of Franchisor; and has the aptitude and ability to operate the Franchised Business (as may be evidenced by prior related business experience or otherwise).

11. The transferee and/or its designated managerial personnel (as applicable) shall have completed the training then required by Franchisor to Franchisor's satisfaction.

12. The transferee agrees to complete refurbishing and remodeling of the premises as required by the Franchisor, to Franchisor's satisfaction, which cost shall be estimated by Franchisor prior to the completion of the transfer process.

D. Upon the death or mental or physical incompetency (as reasonably determined by an independent third party such as a licensed doctor) of any person with any direct or indirect interest in Franchisee and who has managerial responsibility for the operation of the Franchised Business, the executor, administrator, or personal representative of such person shall transfer the interest of such person to a third party approved by Franchisor within six (6) months after the death or finding of incompetency. Such transfers shall be subject to the same conditions as any lifetime Transfer. If the heirs or beneficiaries of any such person are unable to meet the conditions in Section 14 hereof, Franchisor may terminate this Franchise Agreement.

E. If Franchisee shall at any time determine to sell, assign or transfer this Agreement, then Franchisee shall provide Franchisor with a copy of the written offer from a fully disclosed purchaser. Franchisor shall have the right, exercisable by written notice delivered to Franchisee within 15 days from the date of delivery of a bona fide offer, to purchase such interest for the price and on the terms and conditions contained in such offer, provided that Franchisor may substitute cash for any form of payment proposed in such offer and shall have not less than sixty
(60) days to prepare for closing. Franchisor may, at closing, pay any of Franchisee's trade

creditors out of the purchase price, and set off against the purchase price any unpaid debts of Franchisee to Franchisor. If Franchisor does not exercise its right of first refusal, Franchisee (or other vendor) may complete the sale to such purchaser pursuant to and on the terms of such offer, subject to compliance with the consent and approval requirements of this Section 14; provided, however, that if the sale to such purchaser does not complete within ninety (90) days after delivery of such offer to Franchisor, or if there is a material change in the terms of the sale, then Franchisor shall again have a new right of first refusal as herein provided.

F. In the event the consideration, terms, and/or conditions offered by a third party are such that Franchisor may not reasonably be able or required to furnish the same consideration, terms, and/or conditions, then Franchisor may purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties cannot agree within a reasonable time on the reasonable equivalent in cash of the consideration, terms, and/or conditions offered by the third party, three (3) independent appraisers shall be designated in the following manner: Franchisee shall select and pay the costs of one (1), Franchisor shall select and pay the costs of one (1), and the two (2) appraisers so chosen shall select a third appraiser. The decision of the majority of the appraisers so chosen shall be conclusive and binding. The parties shall share the cost of the third appraiser equally.

G. Notwithstanding the foregoing, it is understood that Franchisee (if an individual) may assign this Franchise Agreement, the Franchised Business, and/or Franchisee's rights and obligations hereunder on a single occasion to a legal entity organized by Franchisee for that purpose only, provided that at least a majority of all the issued and outstanding shares of voting stock and/or equity interest of which shall be owned and voted continuously by Franchisee, and further provided that Franchisor shall have approved in advance all other shareholders of such corporation or others holding equity or voting interests, which consent shall not be unreasonably withheld. Franchisor shall be given written notice of such assignments and delegation, and,

thereupon, such corporation shall have all such rights and obligations, and the term "Franchisee" as used herein shall refer to such legal entity, provided however, that such assignment shall in no way affect the obligations hereunder of the individual above-designated "Franchisee," who shall remain fully bound by and responsible for the performance of all of such obligations, jointly and severally, with such legal entity. Such legal entity shall at no time engage in any business or activities other than the exercise of the rights herein granted to Franchisee and the performance of its obligations as Franchisee hereunder.

H. Franchisor's consent to a Transfer of any interest in the Franchisee granted herein shall not constitute a waiver of any claims it may have against the transferring party, nor shall it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Franchise Agreement by the transferee.

I. Franchisor will not require approval of the assignment of all or any part of the assets of the Franchise or the stock or other interests in a Franchisee, excluding this Franchise Agreement or the Franchise, to a bank or other lending institution as collateral security for loans made directly to or for the benefit of the Franchise. Such approval will be required for any proposed assignment or hypothecation of this Agreement or the Franchise, which approval will not permit further transfers or assignments of this Agreement or the Franchise without compliance by the transferee or assignee with the provisions of Section 14 hereof.

15. COVENANTS

A. During the term of this Franchise Agreement, Franchisee covenants (and in the case of item 2 below, each guarantor hereof individually covenants):

1. To use reasonable best efforts in operating the Franchised Business and in recommending, promoting, and encouraging patronage of the Franchised Business and all franchises of the Systems; and

2. Not to directly or indirectly engage, as an owner, operator, employee, consultant, or in any managerial capacity in any hormone health weight loss and wellness services business similar to those services offered by BeBalanced Hormone Weight Loss Centers, other than as a franchise owner of the System, provided however, that Franchisee shall not be prohibited hereby from owning equity securities of any hormone health weight loss and wellness services business whose shares are traded on a stock exchange or on the over-the-counter market, so long as Franchisee's ownership interest shall represent two percent (2%) or less of the total number of outstanding shares of such business.

B. In the event this Franchise Agreement is terminated, expires and is not renewed, or if Franchisee or any guarantor assigns or transfers its interest herein to any person or business organization except pursuant to Section 14, Paragraph D hereof, then in such event Franchisee and any such guarantor covenants for a period of two (2) years after such termination, expiration and non-renewal, transfer, or assignment not to directly or indirectly engage, as an owner, operator, or in any managerial capacity in any business that provides hormone health weight loss and wellness services, or in any business selling similar or the same types of products and services as BeBalanced Hormone Weight Loss Centers, in any way, within a forty (40) mile radius of the border of the former Designated Territory, other than as an authorized franchise owner of another BeBalanced Hormone Weight Loss Centers System. It is understood and agreed that the purpose of this covenant is not to deprive Franchisee of a means of livelihood and will not do so, but is rather to protect the goodwill and interest of Franchisor and the System.

C. During the term of this Franchise Agreement and thereafter, Franchisee and each guarantor covenants not to directly or indirectly communicate, divulge, or use for its benefit or the benefit of any other person or legal entity, any trade secrets which are proprietary to Franchisor or any information, knowledge, or know-how deemed confidential under Section 9 hereof, except as permitted by Franchisor. In the event of any termination or expiration and non-renewal of this Franchise Agreement, Franchisee agrees that it will never use Franchisor's confidential information, trade secrets, methods of operation, or any proprietary components of the System in the design, development, or operation of a BeBalanced Hormone Weight Loss Center, or in any business selling similar or the same types of products and services as BeBalanced Hormone Weight Loss Centers. Franchisee agrees that if it engages as an owner, operator, or in any managerial capacity in any such business, it will assume the burden of proving that it has not used Franchisor's confidential information, trade secrets, methods of operation, or any proprietary components of the System. The protection granted hereunder shall be in addition to and not in lieu of all other protections for such trade secrets and confidential information as may otherwise be afforded in law or in equity.

D. As part of the Confidentiality and Non-Competition Agreement mentioned in Section 9, Paragraph G, the non-disclosure restriction shall prohibit disclosure of proprietary and confidential information by officers, agents (including independent contractors), directors, shareholders, trustees, and partners, during and for a period of five (5) years after termination of such employment or involvement with Franchisee. Franchisee agrees to provide Franchisor with all such required Confidentiality and Non-Competition Agreements.

E. The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Franchise Agreement. Should any part of one or more of these restrictions be found to be unenforceable by virtue of its scope in terms of area, business activity prohibited, or length of time by any state, court of law, or by legal requirement, and should such part be capable of being made enforceable by reduction of any or all such restrictions, Franchisee and Franchisor agree that the same shall be enforced to the fullest extent permissible under the law. In addition, Franchisor may unilaterally and at any time in its sole discretion, revise any of the covenants in this Section 15 so as to reduce the obligations of Franchisee hereunder. Franchisee further expressly agrees that the existence of any claim it may have against Franchisor, whether or not arising from this Franchise Agreement, shall not constitute a defense to the enforcement by the Franchisor of the covenants in this Section 15

16. DEFAULT AND TERMINATION

A. Franchisor may not terminate this Franchise Agreement prior to the expiration of its term except for "good cause," which shall mean the occurrence of any event of default described herein and below. Upon the occurrence of any event of default, Franchisor may, at its option and without waiving its rights hereunder or any other rights available at law or in equity, including its rights to damages, terminate this Franchise Agreement and all of Franchisee's rights hereunder effective immediately upon the date Franchisor gives written notice of termination, upon such other date as may be set forth in such notice of termination, or in those instances enumerated below in subparagraph 1, automatically upon the occurrence of, or the lapse of the specified period following, an event of default. The occurrence of any one (1) or more of the following events shall constitute an event of default and grounds for termination of this Franchise Agreement by Franchisor:

1. Automatically without notice or action required by Franchisor if:

a) The Franchisee becomes insolvent or makes a general assignment for the benefit of creditors, unless otherwise prohibited by law;

b) A petition in bankruptcy is filed by Franchisee or such a petition is filed against and consented to by Franchisee or not dismissed within thirty (30) days;

c) A bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee;

d) A receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed; or

e) A final judgment in excess of Ten Thousand and 00/100 Dollars ($10,000.00) remains unsatisfied or of record for sixty (60) days or longer (unless a bond is filed or other steps are taken to effectively stay enforcement of such judgment in the relevant jurisdiction);

2. If Franchisee fails to pay any financial obligation pursuant to this Franchise Agreement within ten (10) days of the date on which the Franchisor gives notice of such delinquency, immediately upon written notice if such payment has not been made within thirty (30) days after the date on which it is required to be paid, or immediately upon written notice if Franchisee is determined to have under-reported its Gross Sales during any month by five percent (5%) or more of the actual Gross Sales during such month on two (2) or more occasions during the term of this Franchise Agreement, whether or not Franchisee subsequently rectifies such deficiency;.

3. If Franchisee fails to commence operation of the Franchise as required by Section 7.D hereof;

4. If Franchisee makes, or has made, any materially false statement or report to Franchisor in connection with this Franchise Agreement or application therefor;

5. If there is any violation of any transfer and assignment provision contained in Section 14 of this Agreement;

6. If Franchisee receives from Franchisor three (3) or more notices to cure the same or similar defaults or violations of this Franchise Agreement during any twelve (12) month period;

7. If Franchisee or its designated manager fails to complete to Franchisor's reasonable satisfaction any of the training required pursuant to Section 6 of this Agreement;

8. If Franchisee fails, for a period of fifteen (15) days after notification of non-compliance by appropriate authority, to comply with any law or regulation applicable to the operation of the Franchise;

9. If Franchisee violates any covenant of confidentiality or non-disclosure contained in Section 15 of this Agreement or otherwise discloses, uses, permits the use of, copies, duplicates, records, transmits, or otherwise reproduces any manuals, materials, goods, or information created or used by the Franchisor and designated for confidential use within the System without Franchisor's prior approval.

10. If Franchisee, any person controlling, controlled by, or under common control with the Franchisee, any principal officer of Franchisee, or any person owning an interest in Franchise is convicted of a felony or any other crime or offense (even if not a crime) that is reasonably likely in the sole opinion of Franchisor to adversely affect the System, any System unit, the Proprietary Marks, or the goodwill associated therewith;

11. If Franchisee fails to perform or breaches any covenant, obligation, term, condition, warranty, or certification herein, fails to operate the Franchise as specified by Franchisor in the Operations Manual, or fails to pay promptly any undisputed bills from vendors and fails to cure such non-compliance or deficiency within thirty (30) days (or such longer term as granted by the Franchisor) after Franchisor's written notice thereof;

12. If Franchisee abandons or ceases to operate all or any part of the Franchise conducted under this Franchise Agreement for twenty-four (24) hours or longer or defaults under any mortgage, deed of trust, or lease with Franchisor or any third party covering the Franchised Business or the Premises, whereupon Franchisor or such third party treats such act or omission as a default, and Franchisee fails to cure such default to the satisfaction of Franchisor or such third party within any applicable cure period granted Franchisee by Franchisor or such third party;

13. If Franchisee or any guarantor(s) hereof default on any other agreement with Franchisor or any affiliate or parent corporation of Franchisor and such default is not cured in accordance with the terms of such other agreement;

14. If Franchisee's interest in any lease relating to the operation of the Franchised Business

at the Premises is terminated or expires, or if Franchisee's right of possession of the Premises shall be terminated at any time for any cause whatsoever;

15. If Franchisee commits repeated, material violations of any health, zoning, sanitation, or other regulatory law, standard, or practice; operates the business in a manner that presents a health or safety hazard to its employees, independent contractors or customers; or if Franchisee loses its approval from any city, state, or other regulatory agency to operate a BeBalanced Hormone Weight Loss Center; and/or

16. If Franchisee fails to maintain sufficient funds in the account(s) listed and used for electronic funds transfer to pay for franchise, advertising, and other fee amounts that are due, on every due date.

B. Franchisee may not terminate this Franchise Agreement prior to the expiration of its term except through legal process resulting from Franchisor's material breach of this Franchise Agreement or otherwise with Franchisor's consent. In the event that Franchisee shall claim that Franchisor has failed to meet any obligation under this Agreement, Franchisee shall provide Franchisor with written notice of such claim within ninety (90) days of its occurrence, specifically enumerating all alleged deficiencies and providing Franchisor with an opportunity to cure, which shall in no event be less than thirty (30) days from the date of receipt of such notice by Franchisor from Franchisee. Failure to give such notice shall constitute a waiver of any such alleged default.

17. POST TERM OBLIGATIONS

Upon the expiration, termination, or non-renewal of this Franchise Agreement, Franchisee shall immediately:

A. Cease to be a franchise owner of Franchise under this Franchise Agreement and cease to operate the former Franchise under the System. Franchisee shall not thereafter directly or indirectly represent to the public or impliedly misrepresent by way of appearance and/or conduct that franchisee is still part of the Franchised Business, or hold itself out as a present or former franchise owner of Franchise at or with respect to the Premises. Franchisee may respond to general inquiries regarding its prior ownership of the Franchise but may not otherwise reveal Franchisor's proprietary or confidential information in doing so and/or disparage Franchisor, the Franchise or the System;

B. Pay all sums owing to Franchisor, including those invoiced to Franchisee after this Franchise Agreement expires or is terminated. Upon termination pursuant to any default by Franchisee, such sums shall include, but not be limited to, actual and consequential damages, plus costs, and expenses (including reasonable attorneys' fees) incurred by Franchisor as a result of the termination. Such damages shall also include, in the case of termination resulting from Franchisee's breach of this Franchise Agreement (as stipulated damages and not as a penalty), the greater of 1) Ten Thousand and 00/100 Dollars ($10,000.00); 2) an amount equal to the last six
(6) months' continuing fees due and payable pursuant to Section 5 hereof; or 3) an amount equal to one-half (½) of the last twelve (12) months' continuing fees due and payable pursuant to Section 5 hereof multiplied by the number of years (prorated for partial years) left in the term of this Franchise Agreement;

C. Return to Franchisor the Operations Manual and all trade secret and other confidential materials, equipment, and property owned by Franchisor and all copies thereof. Franchisee shall retain no copy or record of any of the foregoing; provided, however, that Franchisee may retain its copy of this Franchise Agreement, any correspondence between the parties, and any other document which Franchisee reasonably needs for compliance with any applicable provision of law;

D. Take such action as may be required by Franchisor to provide the then-current and up-to-date customer list and contracts to Franchisor and also to transfer, disconnect, forward, or assign all telephone numbers, white and yellow page telephone references and advertisements, and all trade and similar name registrations and business licenses to Franchisor or its designee and cancel any interest which Franchisee may have in the same;

E. Cease to use in advertising or in any manner whatsoever any methods, procedures, or techniques associated with the System in which Franchisor has a proprietary right, title, or interest; cease to use the Proprietary Marks and any other marks and indicia of operation associated with the System; and remove all trade dress, physical characteristics, color combinations, and other indications of operation under the System from the Premises. Without limiting the generality of the foregoing, Franchisee agrees that, in the event of any termination or expiration and non- renewal of this Franchise Agreement, it will remove all signage bearing the Proprietary Marks, deliver the fascia for such signs to Franchisor upon Franchisor's request, and remove any items that are characteristic of the System "trade dress" from the Premises. Franchisee agrees that Franchisor or a designated agent may enter upon the Premises at any time to make such changes at Franchisee's sole risk and expense and without liability for trespass.

F. Provide Franchisor with written evidence that they have complied with the post-term obligations, within thirty (30) days' notice of termination or scheduled expiration of the franchise.

G. Assign any interest that Franchisee may have in the lease(s) for the Premises to Franchisor, if Franchisor elects to exercise this right; and

H. Allow Franchisor to inspect the Franchised Business and equipment at any time within thirty (30) days from the termination, expiration, and non-renewal of this Franchise Agreement. Franchisor shall have the option, but not the obligation, within the thirty (30) days to purchase any and all of Franchisee's assets from the Franchise at a purchase price equal to fair market. Franchisor will deliver written notice to Franchisee if Franchisor elects to purchase any or all of Franchisee's Franchised Business assets. If Franchisor elects to purchase equipment, Franchisor will be entitled to, and Franchisee must provide, all customary warranties and representations as to the maintenance, function, and condition of the equipment and Franchisee's good title to the equipment (including, but not limited to, that Franchisee owns the equipment free and clear of any liens and encumbrances.)

18. <u>TAXES, PERMITS, AND INDEBTEDNESS</u>

A. Franchisee shall promptly pay when due any and all federal, state, and local taxes, including without limitation, unemployment, workers' compensation, and sales taxes which are levied or assessed with respect to any services or products furnished, used, or licensed pursuant to this Franchise Agreement and all accounts or other indebtedness of every kind incurred by Franchisee in the operation of the Franchise.

B. Franchisee shall comply with all federal, state, and local laws, rules, and regulations and timely obtain any and all permits, certificates, and licenses for the full and proper conduct of the Franchise.

C. Franchisee hereby expressly covenants and agrees to accept full and sole responsibility for any and all debts and obligations incurred in the operation of the Franchise.

19. WRITTEN APPROVALS, WAIVERS, FORMS OF AGREEMENT, AND AMENDMENT

A. Whenever this Franchise Agreement requires or Franchisee desires to obtain Franchisor's approval, Franchisee shall make a timely written request. Unless a different period is specified in this Franchise Agreement, Franchisor shall respond with its approval or disapproval within fifteen (15) days of receipt of such request. If Franchisor has not specifically approved a request within such fifteen (15) day period, such failure to respond shall be deemed approval of any such request.

B. No failure of Franchisor to exercise any power reserved to it by this Franchise Agreement and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Franchisor's right to demand exact compliance with any of the terms herein. No waiver or approval by Franchisor of any particular breach or default by Franchisee; no delay, forbearance, or omission by Franchisor to act or give notice of default or to exercise any power or right arising by reason of such default hereunder; and no acceptance by Franchisor of any payments due hereunder shall be considered a waiver or approval by Franchisor of any preceding or subsequent breach or default by Franchisee of any term, covenant, or condition of this Franchise Agreement.

C. No warranty or representation is made by the Franchisor that all System franchise agreements heretofore or hereafter issued by Franchisor do or will contain terms substantially similar to those contained in this Franchise Agreement. Further, Franchisee recognizes and agrees that Franchisor may, in its Reasonable Business Judgment due to local business conditions or otherwise, waive or modify comparable provisions of other franchise agreements heretofore or hereafter granted to other System franchise owners in a non-uniform manner, unless otherwise required by this Franchise Agreement or by law.

D. Except as otherwise provided in Section 23 hereof, no amendment, change, or variance from this Franchise Agreement shall be binding upon either Franchisor or Franchisee except by mutual written agreement.

20. ENFORCEMENT

A. In order to ensure compliance with this Franchise Agreement and enable Franchisor to carry out its obligation under this Franchise Agreement, Franchisee agrees that Franchisor and its designated agents shall be permitted, with or without notice, full and complete access during business hours to inspect the Premises and all records thereof, including but not limited to, records relating to Franchisee's customers, suppliers, and agents (including its independent contractors). Franchisee shall cooperate fully with the Franchisor and its designated agents requesting such access.

B. The Franchisor or its designee shall be entitled to obtain without bond, declarations, temporary and permanent injunctions, and orders of specific performance in order to enforce the provisions of this Franchise Agreement relating to Franchisee's use of the Proprietary Marks, the obligations of Franchisee upon termination or expiration of this Franchise Agreement, and assignment of the franchise and ownership interests in Franchisee or in order to prohibit any act or omission by Franchisee, its employees, or its independent contractors which constitutes a violation of any applicable law or regulation, which is dishonest or misleading to prospective or current customers of businesses operated under the BeBalanced Hormone Weight Loss Centers System, which constitutes a danger to other franchise owners, employees, independent contractors, customers, or the public or which may impair the goodwill associated with the

Proprietary Marks.

C. If Franchisor secures any declaration, injunction, or order of specific performance pursuant to Section 20.B hereof, if any provision of this Franchise Agreement is enforced at any time by Franchisor, or if any amounts due from Franchisee to Franchisor are at any time collected by or through an attorney at law or collection agency, Franchisee shall be liable to Franchisor for all costs and expenses of enforcement and collection, including but not limited to, court costs and reasonable attorneys' fees.

D. Franchisee agrees that it will not withhold payments or amounts of any kind due to Franchisor on the premise of alleged nonperformance by Franchisor of any of its obligations hereunder.

As security for the performance of Franchisee's obligations under this Agreement, including payments owed to Franchisor for purchase by Franchisee, Franchisee hereby grants to Franchisor a security interest in all furniture, furnishings, equipment, fixtures, inventory, and supplies located at or used in connection with the franchise, whether now or hereafter leased or acquired, together with all attachments, accessions, accessories, additions, substitutions, replacements and cash derived from the operation of the franchise and sale of other assets, and proceeds and products of all those assets. Franchisee agrees to execute such other documents as Franchisor may reasonably request in order to further document, perfect and record Franchisor's security interest. If Franchisee defaults in any of the obligations under this Agreement, Franchisor may exercise all rights of a secured creditor granted by law, in addition to other rights under this Agreement and at law. If a third-party lender requires that Franchisor subordinate our security interest in the assets of Franchisee's franchise as a condition to lending Franchisee working capital for the operation of the franchise, Franchisor will agree to subordinate pursuant to the terms and conditions as set forth.

21. NOTICES

Any notice required to be given hereunder shall be in writing and shall be either mailed by certified mail, return receipt requested, or delivered by a recognized courier service, receipt acknowledged. Notices to Franchisor shall be addressed to it at the Agent for Service listed here:

David M. Cutillo
485 Royer Drive, Suite 102
Lancaster, PA 17601

Notices to the Franchisee shall be addressed to the Premises. Any notice complying with the provisions hereof shall be deemed to be given three (3) days after mailing or on the date of receipt or delivery, whichever is earlier. Each party shall have the right to designate any other address for such notices by giving notice thereof in the foregoing manner, and in such event, all notices to be mailed after receipt of such notice shall be sent to such other address.

22. GOVERNING LAW AND DISPUTE RESOLUTION

A. This Agreement is accepted by Franchisor in the Commonwealth of Pennsylvania (the "State") and shall be governed by and construed in accordance with the laws thereof, which laws shall prevail in the event of any conflict; provided, however, that the restrictive covenants contained in Section 15 hereof shall be construed in accordance with the laws of the state(s) where such restriction(s) is(are) to apply, and the laws of such state(s) shall determine the enforceability of such covenants to be performed in such state(s).

B. Internal Dispute Resolution. Franchisee must first bring any claim or dispute between Franchisee and Franchisor to Franchisor's management, after providing notice as set forth in

Section 22(D) of this Agreement, and make every effort to resolve the dispute internally. Franchisee must exhaust this internal dispute resolution procedure before Franchisee may bring Franchisee's dispute before a third party. This agreement to first attempt resolution of disputes internally shall survive termination or expiration of this Agreement.

C. Mediation. At Franchisor's option, all claims or disputes between Franchisee and Franchisor (or its affiliates) arising out of, or in any way relating to, this Agreement or any other agreement by and between Franchisee and Franchisor (or its affiliates), or any of the parties' respective rights and obligations arising from such agreement, which are not first resolved through the internal dispute resolution procedure sent forth in Section 22(B) above, will be submitted first to mediation to take place at Franchisor's principal offices in Lancaster, Pennsylvania under the auspices of the American Arbitration Association ("AAA"), in accordance with AAA's Commercial Mediation Rules then in effect. Before commencing any legal action against Franchisor or its affiliates with respect to any such claim or dispute, Franchisee must submit a notice to Franchisor, which specifies, in detail, the precise nature and grounds of such claim or dispute. Franchisor will have a period of thirty (30) days following receipt of such notice within which to notify Franchisee as to whether Franchisor or its affiliates elects to exercise its option to submit such claim or dispute to mediation. Franchisee may not commence any action against Franchisor or its affiliates with respect to any such claim or dispute in any court unless Franchisor fails to exercise its option to submit such claim or dispute to mediation, or such mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by Franchisor. Franchisor's rights to mediation, as set forth herein, may be specifically enforced by Franchisor. Each party will bear its own cost of mediation and Franchisor and Franchisee will share mediator fees equally. This agreement to mediate will survive any termination or expiration of this Agreement. The parties will not be required to first attempt to mediate a controversy, dispute, or claim through mediation as set forth in this Section 22(C) if such controversy, dispute, or claim concerns an allegation that a party has violated (or threatens to violate, or poses an imminent risk of violating): (i) any federally protected intellectual property rights in the Proprietary Marks, the System, or in any Confidential Information or other confidential information; (ii) any of the restrictive covenants contained in this Agreement; and (iii) any of Franchisee's payment obligations under this Agreement.

D. Notice Requirement. As a condition precedent to commencing an action for damages or for violation or breach of this Agreement, Franchisee must notify Franchisor within ninety (90) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.

23. <u>SEVERABILITY AND CONSTRUCTION</u>

A. Should any provision of this Franchise Agreement for any reason be held invalid, illegal, or unenforceable by a court of competent jurisdiction, such provision shall be deemed restricted in application to the extent required to render it valid, and the remainder of this Franchise Agreement shall in no way be affected and shall remain valid and enforceable for all purposes, both parties hereto declaring that they would have executed this Franchise Agreement without inclusion of such provision. In the event such total or partial invalidity or unenforceability of any provision of this Franchise Agreement exists only with respect to the laws of a particular jurisdiction, this paragraph shall operate upon such provision only to the extent that the laws of such jurisdiction are applicable to such provision. Each party agrees to execute and deliver to the other any further documents which may be reasonably required to make fully the provisions hereof. Franchisee understands and acknowledges that Franchisor shall have the right in its sole discretion on a temporary or permanent basis, to reduce the scope of any covenant or provision of this Franchise Agreement binding upon Franchisee without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee agrees that it will comply forthwith with any covenant as so modified, which shall be fully enforceable.

B. This Franchise Agreement may be executed in any number of counterparts; each of which when so executed and delivered shall be deemed an original, but such counterparts together shall constitute the same instrument.

C. The table of contents, headings, and captions contained herein are for the purposes of convenience and reference only and are not to be construed as a part of this Franchise Agreement. All terms and words used herein shall be construed to include the number and gender as the context of this Franchise Agreement may require. The parties agree that each section of this Franchise Agreement shall be construed independently of any other section or provision of this Franchise Agreement.

D. Nothing in this Agreement or in any related Agreement is intended to disclaim, nor will it void any representation made in the Franchise Disclosure Document.

24. ACKNOWLEDGMENTS

Franchisee acknowledges that it received a complete copy of this Franchise Agreement before signing the same for a period of not less than fourteen (14) calendar days, during which time conducted an independent investigation of the business licensed hereunder to the extent of Franchisee's desire to do so. Franchisee recognizes and acknowledges that the business venture contemplated by this Franchise Agreement involves business risks, and that its success will be largely dependent upon the ability of the Franchisee as an independent businessperson. The Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received, any warranty or guarantee, express or implied, that Franchisee will be successful in this venture or that the business will attain any level of sales volume, profits, or success.

Franchisee acknowledges that this Franchise Agreement, the Franchise Disclosure Document ("FDD"), and the attachments hereto constitute the entire Franchise Agreement of the parties. This Franchise Agreement terminates and supersedes any prior agreements, understandings, or representations between the parties concerning this subject matter.

[SIGNATURE PAGE TO FOLLOW].

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement under seal on the date first written above.

FRANCHISOR:
INFINITY HEALTH ADVISORS, LLC

By: ________________________________
Print Name: ___________________________
Title: _______________________________

Date: _______________________________

FRANCHISEE:

By: ______________________________
Print Name: ________________________
Title: _____________________________

Date: _____________________________

IF A PARTNERSHIP, CORPORATION, OR OTHER ENTITY:

By: ______________________________
Print Name: ________________________
Title: _____________________________

Date: _____________________________

IF AN INDIVIDUAL:

By: ______________________________
Print Name: ________________________
Title: _____________________________

Date: _____________________________

IF AN INDIVIDUAL:

By: ______________________________
Print Name: ________________________
Title: _____________________________

Date: _____________________________

ATTACHMENT A
TO FRANCHISE AGREEMENT

TERRITORY

The territory referenced in the Franchise Agreement shall consist of the following geographic area:

____

____

____

The Premises of the Franchised Business will be located at:

Address ____

City ________________________________ State ________ Zip ____________

Signature of Franchisee if specific location is defined after the Franchise Agreement is signed. Location accepted and approved by Franchisee:

By: ____

Print Name: __________________________________

Title: _______________________________________

Date: _______________________________________

ATTACHMENT B
TO FRANCHISE AGREEMENT

PRE-CLOSING FRANCHISE QUESTIONNAIRE

As you know, Infinity Health Advisors, LLC ("we", "us"), and you are preparing to enter into a Franchise Agreement and/or Area Development Agreement for the right to open and operate one (1) or more **BeBalanced - Hormone Weight Loss Centers®** franchised businesses (each, a "Franchised Business"). The purpose of this Questionnaire is to: (i) determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading; (ii) be certain that you have been properly represented in this transaction; and (iii) be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. **You cannot sign or date this Questionnaire the same day as the Receipt for the Franchise Disclosure Document but you must sign and date it the same day you sign the Area Development Agreement and/or Franchise Agreement, and pay us the appropriate franchise/development fee. You acknowledge that we are relying on the truthfulness of your answers to this questionnaire in deciding whether or not to counter-sign the Franchise Agreement and/or Area Development Agreement.** Please review each of the following questions carefully and provide honest responses to each question. If you answer "No" to any of the questions below, please explain your answer on the back of this sheet.

Yes____ No ____ 1. Have you received and personally reviewed the Franchise Agreement and/or Area Development Agreement, as well as each exhibit or schedule attached to these agreements that you intend to enter into with us?

Yes____ No ____ 2. Have you received and personally reviewed the Franchise Disclosure Document we provided?

Yes____ No ____ 3. Did you sign a receipt for the Disclosure Document indicating the date you received it?

Yes____ No ____ 4. Do you understand all the information contained in the Disclosure Document and the Franchise Agreement you intend to enter into with us?

Yes____ No ____ 5. Have you reviewed the Disclosure Document and Franchise Agreement (and/or Area Development Agreement) with a lawyer, accountant or other professional advisor and discussed the benefits and risks of operating the Franchised Business(es) with these professional advisor(s)?

Yes____ No ____ 6. Do you understand the success or failure of your Franchised Business(es) will depend in large part upon your skills, abilities and efforts and those of the persons you employ, as well as many factors beyond your control such as demographics of your Premises (or Development Area), competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace?

Yes____ No ____ 7. Do you understand we have only granted you certain, limited territorial rights under the Franchise Agreement, and that we have reserved certain rights under the Franchise Agreement?

Yes____ No ____ 8. Do you understand we and our affiliates retain the exclusive unrestricted right to engage, directly or through others, in the providing of services under the BeBalanced® mark or any other mark at any location outside your (a) Territory under the Franchise Agreement and (b) Development Area is you have entered into an Area Development Agreement, without regard to the proximity of these activities to the premises of your Franchised Business(es) or the Development Area?

Yes____ No ____ 9. Do you understand all disputes or claims you may have arising out of or relating to the Franchise Agreement and / or Area Development Agreement, if not resolved through mediation, must be arbitrated, at our option, in Lancaster, Pennsylvania?

Yes____ No ____ 10. Do you understand the Franchise Agreement and Area Development Agreement provide that you can only collect compensatory damages on any claim under or relating to the Franchise Agreement and are not entitled to any punitive, consequential or other special damages?

Yes____ No ____ 11. Do you understand the sole entity or person against whom you may bring a claim under the Franchise Agreement or Area Development Agreement is us?

Yes____ No ____ 12. Do you understand that the Franchisee (or one of its principals if Franchisee is an organization), as well as any managers (as defined in the Franchise Agreement), must successfully complete the appropriate initial training program(s) before we will allow the Franchised Business to open or consent to a transfer of that Franchised Business?

Yes____ No ____ 13. Do you understand that we require you to successfully complete certain initial training program(s) and if you do not successfully complete the applicable training program(s) to our satisfaction, we may terminate your Franchise Agreement?

Yes____ No ____ 14. Do you understand that we do not have to sell you a franchise or additional franchises or consent to your purchase of existing franchises (other than those that you timely fulfill your development obligations and have contracted to open under the Area Development Agreement, provided you have not materially breached that agreement and failed to timely cure that breach)?

Yes____ No ____ 15. Do you understand that we will send written notices, as required by your Franchise Agreement and/or Area Development Agreement, to either your Franchised Business or home address until you designate a different address by sending written notice to us?

Yes____ No ____ 16. Do you understand that we will not approve your purchase of a franchise, or we may immediately terminate your Franchise Agreement, if we are prohibited from doing business with you under any anti-terrorism law enacted by the United States Government?

Yes____ No ____ 17. Is it true that no broker, employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Franchised Business that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?

Yes____ No ____ 18. Is it true that no broker, employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Franchised Business will generate, that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?

Yes____ No ____ 19. Is it true that no broker, employee or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement and/or Area Development Agreement concerning advertising, marketing, media support, marketing penetration, training, support service or assistance that is contrary to, or different from, the information contained in the Disclosure Document?

Yes____ No ____ 20. Is it true that no broker, employee or other person providing services to you on our behalf has solicited or accepted any loan, gratuity, bribe, gift or any other payment in money, property or services from you in connection with a Franchised Business purchase with exception of those payments or loans provided in the Disclosure Document?

Yes____ No ____ 21. Is it true that you understand that the approval of any location for a Franchised Business does not constitute an assurance, representation or warranty of any kind as to the successful operation or profitability of a Franchised Business at the location?

Yes____ No ____ 22. Is it true that you understand that our approval of a financing plan for operation of a Franchised Business does not constitute any representation or assurance that such financing plan is favorable, or not unduly burdensome, or that a Franchised Business will be successful if the financing plan is implemented?

Yes____ No ____ 23. Is it true that you understand that the estimated initial investment expenditures disclosed in Item 7 of the FDD are only estimates of the costs and expenses you may incur in opening a Franchised Business and that the disclosed ranges are not assurances that your costs and expenses will fall within the disclosed ranges?

Yes____ No ____ 24. Is it true that you understand that you are voluntarily electing to invest in this franchise opportunity after conducting your own due diligence investigation in the midst of the COVID-19 pandemic and that you understand that the current and potential effects of the COVID-19 pandemic on the franchise system and franchised locations are difficult to assess and that the duration and intensity of the impact is uncertain?

All representation 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.

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

______________________________	______________________________
Signature of Franchise Applicant	Signature of Franchise Applicant
______________________________	______________________________
Name (please print)	Name (please print)
Dated: _______________,20_______	Dated: _______________, 20_______
______________________________	______________________________
Signature of Franchise Applicant	Signature of Franchise Applicant
______________________________	______________________________
Name (please print)	Name (please print)
Dated: _______________,20_______	Dated: _______________,20_______

GIVE A COMPLETE EXPLANATION OF ANY NEGATIVE RESPONSES ON BACK OF THIS PAGE (REFER TO QUESTION NUMBER)

EXHIBIT B

<u>AREA DEVELOPMENT AGREEMENT</u>

DEVELOPMENT AGREEMENT

This Development Agreement ("Agreement") entered into this ___ day of ____, 20__, between: (i) Infinity Health Advisors, LLC, a Pennsylvania limited liability company, with its principal business address at 485 Royer Drive, Suite 102, Lancaster, PA 17601 (hereafter "Franchisor"); and (ii) ______________, a/an _______________ with an address at ___________________ (hereinafter "Developer").

Background

A. Franchisor and its affiliate/principals, as a result of the expenditure of time, skill, effort, and money, have developed and own a unique system (the "System") related to the development and operation of a BeBalanced Hormone Weight Loss Centers, offering the Becoming Balanced program, along with other products and services Franchisor authorizes (collectively, the "Approved Products and Services"), utilizing the System and proprietary marks (each, a "Center").

B. Franchisor's System is comprised of various proprietary and, in some cases, distinguishing elements, including without limitation: proprietary methodology and procedures for the establishment and operation of a Center; site selection guidance and criteria; specifications for the design, layout and construction of the interior of the Center; standards and specifications for the furniture, fixtures and equipment located within a Center; established relationships with approved or designated suppliers for certain products and services; and standards and specifications for advertising, bookkeeping, sales and other aspects of operating a Center. The parties agree and acknowledge that Franchisor may change, improve, further develop, or otherwise modify the System from time to time as it deems appropriate in its discretion. Franchisee hereby acknowledges and agrees that: (i) while the System and Franchisor's related materials contain information that, in isolated form, could be construed as being in the public domain, they also contain significant proprietary and confidential information which makes the System unique as a whole; and (ii) the combined methods, information, procedures, and theories that make up the total System or are contained in the relevant manuals that are proprietary and confidential.

C. The System and Centers are identified by the mark BEBALANCED, as well as certain other trade names, trademarks, service marks and trade dress that Franchisor designates for use in connection with each Center (collectively, the "Proprietary Marks"), all of which Franchisor may modify, update, supplement or substitute in the future as Franchisor deems appropriate. The parties agree and acknowledge that Franchisor has established substantial goodwill and business value in its Proprietary Marks, expertise, and System.

D. Franchisor grants qualified third parties the right to develop multiple BEBALANCED Centers within a defined geographical area (the "Development Area") in accordance with a development schedule that must be strictly adhered to, with each Center within the Development Area being opened and operating utilizing the Marks and System pursuant to the terms and conditions set forth in a separate form of Franchisor's then-current franchise agreement (each, a "Franchise Agreement").

E. Developer recognizes the benefits from receiving the right to operate a BEBALANCED Center sand desires to: (i) become a multi-unit Center operator subject to the terms of this Agreement; and (ii) receive the benefits provided by Franchisor under this Agreement.

F. Developer has applied for the right to open and operate multiple BEBALANCED Centers within the Development Area as set forth in this Agreement, and Franchisor has approved such application in reliance on Developer's representations made therein.

G. Developer hereby acknowledges that adherence to the terms of this Agreement, including

Franchisor's operations manual and other System standards and specifications, are essential to the operation of all BEBALANCED Centers and our System as a whole.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AGREEMENT

1. **Development Area.** Franchisor grants Developer the right, and Developer undertakes the obligation, to develop and establish ______ Centers within the Development Area defined in Exhibit "A" hereto, provided Developer opens and commences operations of such Centers in strict accordance with the mandatory development schedule also set forth in Exhibit "A" (the "Development Schedule") and otherwise subject to the terms and conditions set forth herein. During the term of this Agreement and except as provided herein, Franchisor will not open or operate, or license any third party the right to open or operate, any Centers within the Development Area.

2. **Development Fee.** Developer shall pay Franchisor a Development Fee equal to $______________ (the "Development Fee") for the right to develop the foregoing Franchised Businesses within the Development Area under this Agreement, which is: (i) deemed fully earned upon payment and is not refundable under any circumstances; and (ii) payable in accordance with the schedule set forth in this Section 3 below.

2.1 The parties agree and acknowledge that the Development Fee is comprised of: (i) the consideration for the territorial rights granted within the Development Area; and (ii) the initial fees payable for the right to own and operate the initial Franchised Business that Developer is granted the right to open within the Development Area under this Agreement (the "Initial Franchised Business") and each additional Franchised Business that Franchisor has granted Developer the right to open hereunder (each, an "Additional Franchised Business").

2.2 Developer must pay Franchisor the Development Fee in accordance with the following schedule: (i) immediately upon execution of this Agreement, Developer must pay an amount equal to $45,000, plus $35,000 for the second Franchised Business granted hereunder, plus $30,000 for the third and each Additional Franchised Business granted hereunder (the "Development Fee"). The Development Fee will be due upon execution of this Agreement, and the parties agree and acknowledge that the entire Development Fee will be deemed fully earned and non-refundable.

Initials: _______________

3. **Initial Franchise Agreement**. Contemporaneous with the execution of this Agreement, Developer must enter into Franchisor's current form of Franchise Agreement for the first Center that Developer is required to open within the Development Area. In the event Developer is a business entity of any kind, then Developer's principals/owners must each execute the form of personal guaranty attached to the foregoing Franchise Agreement, as well as any additional Franchise Agreements described in Section 4 of this Agreement.

4. **Additional Franchise Agreements.** Developer agrees and acknowledges that it must: (i) enter into Franchisor's then-current form of Franchise Agreement for each additional Center that Developer is required to open under this Agreement; and (ii) enter into such Franchise Agreements at such times that are required for Developer to timely meet, and strictly adhere to, its obligations under the agreed upon Development Schedule.

5. **Development Obligations.** Developer must ensure that, at a minimum, Developer: (i)

opens and commences operations of the initial new Center during each development period set forth in the Development Schedule (each, a "Development Period");and (ii) has the minimum cumulative number of Centers open and operating at the expiration of each Development Period. The parties agree and acknowledge that time is of the essence with respect to the foregoing development obligations, and that Developer's failure to comply with the Development Schedule is grounds for immediate termination of this Agreement (and any future development rights granted hereunder).

6. **Term and Termination.**

6.1 This Agreement will commence as of the date it is fully executed and, unless earlier terminated by Franchisor, will end on the earlier of (a) the last day of the calendar month that the final Center is required to be opened and operating under the Development Schedule or (b) the day the final Center is open. Upon expiration or termination of this Agreement for any reason, Developer will not have any rights within the Development Area other than the territorial rights granted in connection with any Centers that Developer has opened and commenced operating as of the date this Agreement is terminated or expires (under the respective Franchise Agreement(s) that Developer entered into for such Franchised Business(es)).

6.2 Franchisor will have the right, at its option, to terminate this Agreement and all rights granted to Developer hereunder, without affording Developer any opportunity to cure such default, effective upon written notice to Developer, upon the occurrence of any of the following events: (i) if Developer ceases to actively engage in development activities in the Development Area or otherwise abandons its development business for three (3) consecutive months, or any shorter period that indicates an intent by Developer to discontinue development of the Centers within the Development Area; (ii) if Developer becomes insolvent or is adjudicated bankrupt, or if any action is taken by Franchisee, or by others against the Developer, under any insolvency, bankruptcy or reorganization act, or if Developer makes an assignment for the benefit or creditors or a receiver is appointed by the Developer; (iii) if Developer fails to meet its development obligations under the Development Schedule for any single Development Period, including any failure to pay any portion of the Development Fee and fails to cure such default within 30 days of receiving notice thereof; and (iv) if any Franchise Agreement that is entered into in order to fulfill Developer's development obligations under this Agreement is terminated or subject to termination by Franchisor, pursuant to the terms of that Franchise Agreement.

7. **Reservation of Rights.** Except as provided in Section 1 of this Agreement, the parties agree and acknowledge that the rights granted in this Agreement are non-exclusive and that Franchisor and its affiliates reserve all other rights not expressly granted to Developer herein.

8. **Sale or Assignment.** Developer's rights under this Agreement are personal and Developer may not sell, transfer, or assign any right granted herein without Franchisor's prior written consent, which may be withheld in its sole discretion. Notwithstanding, if Developer is an individual or a partnership, Developer has the right to assign its rights under this Agreement to a corporation or limited liability company that is wholly owned by Developer according to the same terms and conditions as provided in Developer's initial Franchise Agreement. Franchisor has the right to assign this Agreement in whole or in part in its sole discretion.

9. **Acknowledgment**. Developer acknowledges that this Agreement is not a Franchise Agreement and does not confer upon Developer any rights to use the Franchisor's Marks or System.

10. **Notices**. All notices, requests and reports to be given under this Agreement are to be in writing, and delivered by either hand, overnight mail, or certified mail, return receipt requested, prepaid, to the addresses set forth above (which may be changed by written notice).

11. **Choice of Law.** This Agreement will be governed by the laws of the Commonwealth of Pennsylvania (without reference to its conflict of laws principals).

12. **Internal Dispute Resolution.** Developer must first bring any claim or dispute between Developer and Franchisor to Franchisor's President, after providing Franchisor with notice of and a reasonable opportunity to cure an alleged breach hereunder. Developer must exhaust this internal dispute resolution procedure before bringing a dispute before a third party. This agreement to first attempt resolution of disputes internally will survive termination or expiration of this Agreement.

13. **Mediation**. At Franchisor's option, all claims or disputes between Franchisor and Developer or its affiliates arising out of, or in any way relating to, this Agreement or any other agreement by and between Franchisor and Developer or its affiliates, or any of the parties' respective rights and obligations arising from such agreement, which are not first resolved through the internal dispute resolution procedure sent forth in Section 12 above, must be submitted first to mediation, in Lancaster, Pennsylvania under the auspices of the American Arbitration Association ("AAA"), in accordance with AAA's Commercial Mediation Rules then in effect. Before commencing any legal action against Franchisor or its affiliates with respect to any such claim or dispute, Developer must submit a notice to Franchisor, which specifies, in detail, the precise nature and grounds of such claim or dispute. Franchisor will have a period of thirty (30) days following receipt of such notice within which to notify Developer as to whether Franchisor or its affiliates elects to exercise its option to submit such claim or dispute to mediation. Developer may not commence any action against Franchisor or its affiliates with respect to any such claim or dispute in any court unless Franchisor fails to exercise its option to submit such claim or dispute to mediation, or such mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by Franchisor. Franchisor's rights to mediation, as set forth herein, may be specifically enforced by Franchisor. This agreement to mediate will survive any termination or expiration of this Agreement. The parties agree that there will be no class action mediation.

14. **Injunctive Relief.** Nothing contained in this Agreement herein will prevent Franchisor from applying to or obtaining from any court having jurisdiction, without bond, a writ of attachment, temporary injunction, preliminary injunction and/or other emergency relief available to safeguard and protect Franchisor's interests prior to the filing of any mediation proceeding or pending the trial or handing down of a decision or award pursuant to any mediation proceeding conducted hereunder.

15. **Jurisdiction and Venue.** Subject to Sections 13 and 14 above, the parties expressly agree to the jurisdiction and venue of any state court of general jurisdiction closest to Lancaster, Pennsylvania and the jurisdiction and venue of the United States District Court for the Eastern District Pennsylvania. Developer acknowledge that this Agreement has been entered into in the Commonwealth of Pennsylvania, and that Developer will receive valuable and continuing services emanating from Franchisor's headquarters in Lancaster, Pennsylvania, including but not limited to training, assistance, support and the development of the System. In recognition of such services and their origin, Developer hereby irrevocably consents to the personal jurisdiction of the state and federal courts of Pennsylvania set forth above.

16. **Third Party Beneficiaries.** Franchisor's officers, directors, shareholders, agents and/or employees are express third party beneficiaries of this Agreement and the dispute resolution procedures contained herein, each having authority to specifically enforce the right to mediate claims asserted against such person(s) by Developer.

17. **Jury Trial Waiver.** With respect to any proceeding not subject to mediation, the parties hereby agree to waive trial by jury in any action, proceeding or counterclaim, whether at law or equity,

regardless of which party brings suit. This waiver will apply to any matter whatsoever between the parties hereto which arises out of or is related in any way to this Agreement, the performance of either party, and/or Developer's purchase from Franchisor of the development rights described herein.

18. **Waiver of Punitive Damages.** Developer waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) which Developer may have against Franchisor arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that in the event of a dispute, Developer's recovery will be limited to actual damages. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions will continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

19. **Attorneys' Fees.** If either party institutes any judicial or mediation proceeding to enforce any monetary or nonmonetary obligation or interpret the terms of this Agreement and Franchisor prevails in the action or proceeding, Developer will be liable to Franchisor for all costs, including reasonable attorneys' fees, incurred in connection with such proceeding.

20. **Nonwaiver.** Franchisor's failure to insist upon strict compliance with any provision of this Agreement will not be a waiver of Franchisor's right to do so, any law, custom, usage or rule to the contrary notwithstanding. Delay or omission by Franchisor respecting any breach or default will not affect Franchisor's rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Agreement will be cumulative. Franchisor's election to exercise any remedy available by law or contract will not be deemed a waiver or preclude exercise of any other remedy.

21. **Severability.** The parties agree that if any provisions of this Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other which would render it valid and enforceable, such provision will have the meaning, which renders it valid and enforceable. The provisions of this Agreement are severable, and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and partially valid and enforceable provisions will be enforced to the extent that they are valid and enforceable. If any material provision of this Agreement will be stricken or declared invalid, the parties agree to negotiate mutually acceptable substitute provisions. In the event that the parties are unable to agree upon such provisions, Franchisor reserves the right to terminate this Agreement.

22. **Construction of Language.** The language of this Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as Developer, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation.

23. **Successors**. References to "Franchisor" or "Developer" include the respective parties' successors, assigns or transferees, subject to the limitations of Section 8 of this Agreement.

24. **Additional Documentation.** You must from time to time, subsequent to the date first set forth above, at Franchisor's request and without further consideration, execute and deliver such other documentation or agreements and take such other action as Franchisor may reasonably require in order to effectuate the transactions contemplated in this Agreement. In the event that Developer fails to comply with the provisions of this Section, Developer hereby appoints Franchisor as Developer's attorney-in-fact to execute any and all documents on Developer's behalf, as reasonably necessary to effectuate the transactions contemplated herein.

25. **No Right to Offset.** Developer may not withhold all or any part of any payment to Franchisor or any of its affiliates on the grounds of the alleged nonperformance of Franchisor or any of its affiliates or as an offset against any amount Franchisor or any of its affiliates may owe or allegedly owe Developer under this Agreement or any related agreements.

26. **State Law Applies.** If any provision of this Agreement, including but not limited to its provisions for transfer, renewal, termination, notice of termination, or cure rights, is inconsistent with any valid law or regulation of the state in which Developer's initial Center is located, then the valid law or regulation of that state applicable to the franchised business will supersede any provision of this Agreement that is less favorable to Developer.

27. **Entire Agreement**. This Agreement contains the entire agreement between the parties concerning Developers' development rights within the Development Area; no promises, inducements or representations (other than those in the Franchise Disclosure Document) not contained in this Agreement have been made, nor will any be of any force or effect, or binding on the parties. Modifications of this Agreement must be in writing and signed by both parties. Franchisor reserves the right to change Franchisor's policies, procedures, standards, specifications or manuals at Franchisor's discretion. In the event of a conflict between this Agreement and any Franchise Agreement(s), the terms, conditions and intent of this Agreement will control. Nothing in this Agreement, or any related agreement, is intended to disclaim any of the representations Franchisor made to Developer in the Franchise Disclosure Document that Franchisor provided to Developer.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, AND INTENDING TO BE LEGALLY BOUND HEREBY, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE EXECUTED EFFECTIVE THE DATE FIRST SET FORTH ABOVE.

FRANCHISOR:

INFINITY HEALTH ADVISORS, LLC

By: ____________________________________

Print Name: _____________________________

Title: ___________________________________

Date: ___________________________________

DEVELOPER:

____

IF AN INDIVIDUAL:

By: ______________________________

Print Name: ______________________

Date: _____________________________

Spouse Signature: __________________

Spouse Name: _____________________

Date: ____________________________

IF A PARTNERSHIP, CORPORATION, OR OTHER ENTITY:

By: ______________________________

Print Name: ______________________

Title: _____________________________

Date: _____________________________

EXHIBIT A to DEVELOPMENT AGREEMENT

DEVELOPMENT AREA AND DEVELOPMENT SCHEDULE

1. **Development Area.** The Development Area, as referred to in Section 1 of the Development Agreement, is described below (or an attached map) by geographic boundaries and will consist of the following area or areas:

____

____

____

2. **Development Schedule.** The Development Schedule referred to in Section 1 of the Development Agreement is as follows:

Development Period	Expiration Date	Number of New Centers Developer Must Open in Development Area	Cumulative Number of Centers Developer Must Have Open Within Development Area
First	___Months from Effective Date		
Second	___Months from Effective Date		
Third	___ Months from Effective Date		
Fourth	___Months from Effective Date		
Fifth	___Months from Effective Date		
Sixth	___ Months from Effective Date		

APPROVED BY:

FRANCHISOR

INFINITY HEALTH ADVISORS, LLC

By: ___________________________________

Name: _________________________________

Title: __________________________________

DEVELOPER

[INSERT NAME]

By: ________________________________
[Name], [Title]

EXHIBIT C

FINANCIAL STATEMENTS

Unaudited Finanical Stataments as of June 30, 2022
Audited Financial Statements as of December 31, 2021
Audited Financial Statements as of December 31, 2020
and
Audited Financial Statements as of December 31, 2019

THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

INFINITY HEALTH ADVISORS, LLC

STATEMENTS OF LOSS
SIX MONTHS ENDED JUNE 30, 2022 AND YEAR ENDED DECEMBER 31, 2021

	2022 (unaudited)	2021 (audited)
Revenue:		
Ad Fund fees	$ 47,421	$ 81,215
Initial franchise fees	-	35,000
Royalties and other fees	309,548	575,157
Total revenue	**356,969**	**691,372**
General and administrative expenses:		
Advertising and promotion	16,306	58,695
Bad debts	-	2,006
Commissions and broker fees	-	7,500
Computer and subscription fees	40,660	72,488
Depreciation and amortization	-	11,485
Dues and memberships	6,121	18,865
Insurance	26,602	19,147
Interest	99	1,825
Miscellaneous	343	3,514
Office expenses	44,612	49,396
Professional Fees	136,166	418,216
Rent	16,348	22,936
Salaries and payroll taxes	66,065	143,004
Travel, meals and entertainment	39,348	46,526
Taxes	200	660
Utilities	698	1,064
Website and intranet costs	32,507	73,216
Total general and administrative expenses	**426,075**	**950,543**
Other income, PPP loan forgiven	-	59,467
Net loss	**$ (69,106)**	**$ (199,704)**

INFINITY HEALTH ADVISORS, LLC

BALANCE SHEETS
JUNE 30, 2022 AND DECEMBER 31, 2021

	2022 (unaudited)	2021 (audited)
ASSETS		
Current assets:		
Cash	$ 58,739	$ 39,639
Accounts Receivable	56,849	50,621
Prepaid Expenses	11,754	11,754
Deferred broker fees	131,750	131,750
Total current assets	**259,092**	**233,764**
Property and equipment, net of accumulated depreciation	41,460	41,460
Other assets:		
Trademark costs	14,183	14,183
Franchise agreement, net of accumulated amortization	27,133	27,133
Deposits	1,500	1,500
Total assets	**$ 343,368**	**$ 318,040**
LIABILITIES AND MEMBERS' DEFICIT		
Current liabilities:		
Trade payables	$ 195,844	$ 208,995
Related party payables	77,732	8,451
Line of credit	49,102	
Accrued expenses	10,367	10,368
Deferred revenue	410,000	410,000
Current portion of notes payable, related parties	5,771	5,771
Total current liabilities	**748,816**	**643,585**
Members' deficit	(405,448)	(325,545)
Total liabilities and members' deficit	**$ 343,368**	**$ 318,040**

INFINITY HEALTH ADVISORS, LLC

STATEMENTS OF MEMBERS' DEFICIT
SIX MONTHS ENDED JUNE 30, 2022 AND YEAR ENDED DECEMBER 31, 2021

Members' deficit, December 31, 2020 (audited)	**$ (333,965)**
Member distribution	(1,876)
Capital Contribution	210,000
Net Loss	(199,704)
Members' deficit, December 31, 2021 (audited)	**(325,545)**
Member distribution	(10,797)
Net Loss	(69,106)
Members' deficit, June 30, 2021 (unaudited)	**$ (405,448)**

INFINITY HEALTH ADVISORS, LLC

STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2022 AND YEAR ENDED DECEMBER 31, 2021

	2022 (unaudited)	2021 (audited)
Cash flows from operating activities:		
Net loss	**$ (69,106)**	**$ (199,704)**
Adjustments:		
Depreciation and amortization		11,485
Changes in assets and liabilities:		
Gain on extinguishment of debt	-	(59,467)
Accounts receivable, trade	(6,228)	(6,536)
Deferred broker fees	-	(101,750)
Prepaid expenses	-	7,516
Accounts payable and accrued expenses	(13,152)	53,672
Deferred revenue	-	140,000
Related party payable	-	3,327
Total adjustments	(19,380)	48,247
Net cash used in operating activities	**(88,486)**	**(151,457)**
Cash flows used in investing activities, purchase of property and equipment	**-**	**(8,161)**
Cash flows from financing activities:		
Line of credit, borrow (repayments)	49,102	(50,659)
Cash overdraft	-	(10,348)
Notes payable, related parties, borrow (repayments)	69,281	(7,327)
Borrows of long-term debt	-	59,467
Member capital contributions		210,000
Member distribution	(10,797)	(1,876)
Net cash provided by financing activities	**107,586**	**199,257**
Net change in cash and cash equivalents	**$ 19,100**	**$ 39,639**
Cash and cash equivalents:		
Beginning	39,639	-
Ending	**$ 58,739**	**$ 39,639**

BeBalanced

HORMONE WEIGHT LOSS CENTERS

INFINITY HEALTH ADVISORS, LLC

YEARS ENDED
DECEMBER 31, 2021 AND 2020

BROWN SCHULTZ SHERIDAN & FRITZ

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

A Professional Corporation

INFINITY HEALTH ADVISORS, LLC

YEARS ENDED DECEMBER 31, 2021 AND 2020

TABLE OF CONTENTS

Independent Auditor's Report

Members
Infinity Health Advisors, LLC
Lancaster, Pennsylvania

Opinion

We have audited the accompanying financial statements of Infinity Health Advisors, LLC (a Limited Liability Company), which comprise the balance sheets as of December 31, 2021 and 2020 and the related statements of loss, members' deficit and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Infinity Health Advisors, LLC as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Infinity Health Advisors, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Infinity Health Advisors, LLC's ability to continue as a going concern for one year after the date the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance; and therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Infinity Health Advisors, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Infinity Health Advisors, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control related matters that we identified during the audit.

Brown Schultz Sheridan & Fritz

Lancaster, Pennsylvania
April 29, 2022

INFINITY HEALTH ADVISORS, LLC

BALANCE SHEETS
DECEMBER 31, 2021 AND 2020

	2021	2020
ASSETS		
Current assets:		
Cash	$ 39,639	
Accounts receivable	50,621	$ 44,085
Prepaid expenses	11,754	19,270
Deferred broker fees	131,750	30,000
Total current assets	**233,764**	**93,355**
Property and equipment, net of accumulated depreciation of $55,449 and $43,964 in 2021 and 2020, respectively	41,460	44,784
Other assets:		
Trademark costs	14,183	14,183
Franchise agreement, net of accumulated amortization of $6,867 in 2021 and 2020	27,133	27,133
Deposits	1,500	1,500
Total assets	**$ 318,040**	**$ 180,955**
LIABILITIES AND MEMBERS' DEFICIT		
Current liabilities:		
Cash overdraft		$ 10,348
Trade payables	$ 208,995	151,654
Related party payables	8,451	5,124
Line of credit		50,659
Accrued expenses	10,368	14,037
Deferred revenue	410,000	270,000
Current portion of notes payable, related parties	5,771	7,327
Total current liabilities	**643,585**	**509,149**
Long-term portion of notes payable, related parties		5,771
Members' deficit	(325,545)	(333,965)
Total liabilities and members' deficit	**$ 318,040**	**$ 180,955**

See notes to financial statements.

INFINITY HEALTH ADVISORS, LLC

STATEMENTS OF LOSS
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Revenue:		
Ad Fund fees	$ 81,215	$ 57,488
Initial franchise fees	35,000	70,000
Royalties and other fees	575,157	421,027
Total revenue	**691,372**	**548,515**
General and administrative expenses:		
Advertising and promotion	58,695	55,010
Bad debts	2,006	
Commissions and broker fees	7,500	24,915
Computer and subscription fees	72,488	75,164
Depreciation and amortization	11,485	10,777
Dues and memberships	18,865	18,672
Insurance	19,147	10,779
Interest	1,825	3,981
Miscellaneous	3,514	1,029
Office expenses	49,396	53,194
Professional fees	418,216	308,390
Rent	22,936	23,724
Salaries and payroll taxes	143,004	149,263
Travel, meals and entertainment	46,526	33,684
Taxes	660	314
Utilities	1,064	979
Website and intranet costs	73,216	48,674
Total general and administrative expenses	**950,543**	**818,549**
Other income, PPP loan forgiven	59,467	57,660
Net loss	**$ (199,704)**	**$ (212,374)**

See notes to financial statements.

INFINITY HEALTH ADVISORS, LLC

STATEMENTS OF MEMBERS' DEFICIT
YEARS ENDED DECEMBER 31, 2021 AND 2020

Members' deficit, January 1, 2020	**$ (311,591)**
Capital contribution	190,000
Net loss	(212,374)
Members' deficit, December 31, 2020	**(333,965)**
Member distribution	(1,876)
Capital contribution	210,000
Net loss	(199,704)
Members' deficit, December 31, 2021	**$ (325,545)**

See notes to financial statements.

INFINITY HEALTH ADVISORS, LLC

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Cash flows from operating activities:		
Net loss	$ (199,704)	$ (212,374)
Adjustments:		
Depreciation and amortization	11,485	10,777
Changes in assets and liabilities:		
Gain on extinguishment of debt	(59,467)	(57,660)
Accounts receivable, trade	(6,536)	(6,489)
Deferred broker fees	(101,750)	19,915
Prepaid expenses	7,516	6,428
Accounts payable and accrued expenses	53,672	60,531
Deferred revenue	140,000	(20,000)
Related party payable	3,327	(4,114)
Total adjustments	48,247	9,388
Net cash used in operating activities	**(151,457)**	**(202,986)**
Cash flows used in investing activities, purchase of property and equipment	**(8,161)**	**(1,964)**
Cash flows from financing activities:		
Line of credit, repayments	(50,659)	
Cash overdraft	(10,348)	10,348
Notes payable, related parties, repayments	(7,327)	(70,692)
Borrows of long-term debt	59,467	57,660
Member capital contributions	210,000	190,000
Member distribution	(1,876)	
Net cash provided by financing activities	**199,257**	**187,316**

(continued)

INFINITY HEALTH ADVISORS, LLC

STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Net change in cash and cash equivalents	**$ 39,639**	**$ (17,634)**
Cash and cash equivalents:		
Beginning		17,634
Ending	**$ 39,639**	**$ -**
Supplemental cash flow information:		
Cash payments for interest	$ 2,006	$ 4,232
Supplemental noncash financing activities:		
Forgiveness of the Paycheck Protection Program (PPP) loans	59,467	57,660

See notes to financial statements.

1. Nature of business and summary of significant accounting policies:

Nature of business:

Infinity Health Advisors, LLC (the Company) was formed on May 2, 2013, in Lancaster, Pennsylvania. The Company is primarily engaged in the franchising of *BeBalanced Hormone Weight Loss Centers* (BeBalanced) nationally.

The Company is owned by two related individuals and Infinity Health, LLC, which is operated by the minority owner. The Company has entered into an agreement with Infinity Health, LLC whereby the Company is granted the right to operate as the exclusive marketer for the proprietary products and system integral to the Becoming Balanced Hormone Metabolic Correction Program. See Note 2 for the terms of the contract. The authorized territory covers the United States.

Estimates:

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. In times of economic disruption when uncertainty regarding future economic conditions is heightened, these estimates and assumptions are subject to greater variability. The Company is currently subject to risks and uncertainties resulting from the novel coronavirus (COVID-19) pandemic, which had a negative impact on results of operations in 2020. The impacts of COVID-19 are likely to continue to impact results of operations. As a result, actual results could differ from the estimates and assumptions made that could affect the amounts reported in the financial statements and accompanying notes, and such differences may be material.

Revenue recognition:

The Company accounts for the sales of franchises when both parties have approved the contract and are committed to perform their respective obligations, each party's rights are identified, payment terms can be identified, the contract has legal substance and it is at least probable that the Company will collect the consideration to which it is entitled. Judgment is required in instances where the Company's contracts include multiple services to determine whether each should be accounted for as a separate performance obligation. The Company enters into contracts that include various combinations of services, each of which is generally capable of being distinct, as well as distinct within the context of the contracts.

1. Nature of business and summary of significant accounting policies (continued):

Initial franchise fee:

The Company executes franchise agreements licensing certain trade names, trademarks and service marks of BeBalanced. When an individual franchise is sold, the Company agrees to provide certain services to the franchisee, including an initial management training program, the loaned use of an operations manual, assistance with site selection and advertising programs. The franchise agreements require the franchisee to pay an initial franchise fee as consideration for these services. The initial fee is typically paid prior to services being provided. As a practical expedient, these pre-opening services provided to the franchisee are recognized as a single performance obligation. The initial franchise fee is recognized as revenue at the point in time the pre-opening services are complete, which generally aligns with the franchise opening.

Contract liabilities include "Deferred revenue," which represents initial fees collected on franchises not yet opened. Contract liabilities are classified as current as the revenue is generally expected to be recognized in one year from the balance sheet date. "Deferred broker fees" represent fees paid related to franchise agreements that have not been recognized as revenue at year end.

The revenue recognized represents the opening of one of the Company's franchises in 2021 and three in 2020. During 2021, initial franchise fees and other fees totaling $45,000 were recognized from the deferred revenue reported at December 31, 2020. Deferred revenue totaling $410,000 at December 31, 2021 represents the initial franchise fee for the one initial franchise outlet and advance deposit fees for additional outlets. There were 24 and 23 franchised outlets in operation at December 31, 2021 and 2020, respectively.

The Company does not finance the initial franchise fee in whole or in part on behalf of the franchisees.

Contract assets and liabilities:

The beginning and ending contract balances were as follows:

	Accounts receivable, including retainage		Deferred broker fees		Deferred revenue	
	2021	2020	2021	2020	2021	2020
Beginning of year	$ 44,085	$ 37,596	$ 30,000	$ 49,915	$ 270,000	$ 290,000
End of year	50,621	44,085	131,750	30,000	410,000	270,000

1. Nature of business and summary of significant accounting policies (continued):

Royalty fees:

The franchise agreements require the franchisee to pay monthly royalty fees as consideration for continuous access to the intellectual property of BeBalanced. Royalty revenue is based upon a percentage of the franchise's monthly gross sales and is variable. Franchise royalty revenue is earned over a period of time as services are provided.

Ad Fund:

The Company has established an Advertising Fund charging franchisees sales-based contributions to the fund. The advertising fund contributions are not for distinct services, and the Company has the control over the use and direction of the funds in accordance with the franchise agreements. These contributions are recognized over time as sales occur and are reported at gross as part of revenue. The advertising fund is maintained in a separate checking account, and expenses paid from the ad fund are charged to advertising and promotion expense in the period in which they are incurred.

Technology fee income:

The Company charges a flat monthly technology support fee. The fee is used towards a cloud-based POS system with scheduling and integrated email marketing software, ongoing website and search engine optimizations and landing page and email maintenance. The payments received from franchisees do not fully cover the cost of providing these services. The technology expenses are incurred on a monthly basis and recorded as expense. The technology fee income is billed with the monthly royalty fee and recognized gross, in the period they are billed for.

Trade accounts receivable:

Trade accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance. There were no amounts to be reserved in 2021 or 2020.

Franchise agreement:

Costs incurred to develop the Company's franchise agreement have been capitalized and were being amortized over its estimated useful life through September 2033 (the initial period that the Company was provided the exclusive distribution rights to the program). There was no amortization expense recorded for this agreement in 2021 and 2020. See Note 2 for new distribution agreement with indefinite useful life.

1. Nature of business and summary of significant accounting policies (continued):

Trademark:

The Company has incurred costs related to obtaining the trademark for "BeBalanced" (the business) and "Becoming Balanced" (the Hormone Weight Loss Program). The costs have been capitalized and reported as an indefinite life intangible asset.

Long-lived assets:

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset, and long-lived assets to be disposed of are reported at the lower of carrying amount or net realizable value. No such impairments were incurred in 2021 or 2020.

Advertising costs:

Advertising costs are charged to operations as incurred. Advertising expense for the years ended December 31, 2021 and 2020 was $58,695 and $55,010, respectively.

Income taxes:

The Company is treated as a partnership for income tax purposes. Profits, losses and tax credits are shown on the members' individual income tax returns; therefore, no provision has been made for federal or state income taxes.

Variable interest entities:

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2018-17 to ASC 810, *Consolidation of Variable Interest Entities*, the Company has determined that Infinity Health, LLC and IHA Distribution, LLC, as described in Note 2, does not require consolidation as variable interest entities.

1. Nature of business and summary of significant accounting policies (continued):

Recently issued accounting standards:

FASB ASU 2016-02, *Leases*, is effective for the Company's December 31, 2022 year end and requires that all leases with terms of more than 12 months be recognized as assets and liabilities on the balance sheet. Recognition of these lease assets and lease liabilities represents a change from previous generally accepted accounting principles (GAAP), which did not require lease assets and lease liabilities to be recognized for operating leases. Qualitative disclosures, along with specific quantitative disclosures, will be required to provide enough information to supplement the amounts recorded in the financial statements so that users can understand more about the nature of an entity's leasing activities.

The Company will be required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach, which includes a number of optional practical expedients that the Company may elect to apply. At adoption, the Company will recognize a right-of-use asset and a lease liability initially measured at the present value of its operating lease payments. The Company is currently evaluating the impacts of adopting this guidance on its financial position, results of operations and cash flows.

2. Related party transactions:

Infinity Health, LLC:

The Company, under the exclusive master distribution agreement with Infinity Health, LLC, an entity related by common ownership, agrees to compensate Infinity Health, LLC $50,000 per year for 20 years, to be paid in each year where the combined adjusted net income of the Company and IHA Distribution, LLC is equal to or greater than $1,000,000. The cumulative amount of compensation related to this agreement, which is not paid to Infinity Health, LLC, will be paid based on an agreed-upon formula at a future date only if the Becoming Balanced Hormonal Weight Loss Program is sold to a third party at predetermined amounts. The agreement provides the Company with the exclusive rights to market the Becoming Balanced Hormonal Weight Loss Program and to distribute the products integral to the program for an initial period of 20 years.

IHA Distribution, LLC:

IHA Distribution, LLC (IHA Distribution) is a company under common control as it is owned by the same related individuals as the Company. It was formed by the Company to fulfill the distribution and management of the products integral to the program on behalf of the Company's exclusive distribution agreement (See additional disclosures in Note 6). IHA Distribution obtained an SBA loan totaling $150,000 in 2020. The loan, which requires monthly payments of $731 for a period of 30 years is secured by the assets including inventory of IHA Distribution. The loan balance was $144,833 and $150,000 at December 31, 2021 and 2020, respectively.

2. Related party transactions (continued):

IHA Distribution, LLC:

The Company was reimbursed by IHA Distribution for the costs of shared personnel and administrative expenses totaling $698,938 and $586,279 for 2021 and 2020, respectively. Additionally, IHA Distribution provided cash to the Company to assist in meeting the Company's cash flow needs. The net amount resulted in a payable due to IHA Distribution from the Company of $8,451 and $5,124 at December 31, 2021 and 2020, respectively.

Notes payable, members:

The Company also has notes payable to members fully described in Note 5, notes payable, related parties.

3. Concentrations:

The Company has entered into an agreement with a third party in the Dallas, Texas, geographic region of the United States to open three BeBalanced locations plus an option for the right to acquire additional franchises in the future. The full option fee of $100,000 has been paid and the third party is anticipating opening additional franchises in 2022, in addition to the two franchises which were opened in 2020 and a third franchise which was opened in 2021. The Company recognized $30,000 and $60,000 of prior deferred revenue in 2021 and 2020, respectively.

4. Line of credit:

The Company obtained a working capital line of credit totaling $100,000 in October 2019 with a commercial bank. The line is payable on demand and is subject to annual renewal. The line bears interest at the bank's prime rate plus 1%, with a floor of 4%. The rate at December 31, 2021 was 4.25%. The line is secured by the Company's assets and is also guaranteed by IHA Distribution, LLC and the majority shareholder. There were no borrowings on the line of credit at December 31, 2021. Borrowings on this line of credit was $50,659 at December 31, 2020.

5. Notes payable, related parties:

The minority owner advanced $120,000 to the Company under a 20-year revolving loan. During 2020, the loan was paid in full.

The Company assumed a loan from the majority owner used to finance the purchase of a vehicle used in the business. The loan, which is due September 2022, is payable in monthly installments of $657 with an interest rate of 5.75%. The balance outstanding at December 31, 2021 totaled $5,771.

6. **Commitments:**

The Company leases office space under an operating lease with an expiration in February 2022. Under the terms of this lease, the first four months the Company had possession of the property, there was no base rent assessed. The lease was renewed for an additional five-year term through February 2027 at a monthly base rent, plus CAM, totaling $4,735. Rent expense recognized on a straight-line basis was $47,355 for 2021 and 2020. A portion of this rent was shared with IHA Distribution for both 2021 and 2020.

Future minimum rental obligations under the noncancelable lease, including common area maintenance charges, at December 31, 2021 were as follows:

Year	Amount
2022	$ 56,370
2023	57,101
2024	57,439
2025	59,849
2026	60,602
Thereafter	10,100
	$ 301,461

In 2021, total gross rents were $50,966, of which $25,483 were shared with related party IHA Distribution. In 2020, total gross rents were $49,406, of which $24,703 were shared with related party IHA Distribution.

The Company has an agreement whereby they acquired the exclusive right, title and interest in certain products related to the Be Balanced Hormonal Weight Loss Program from an unrelated company. The rights in the product were received in exchange for an exclusive limited license to manufacture and sell the products to the Company. The agreement requires that the Company purchase specified quantities on a predetermined scale with a final payment of $10,000 at the termination or expiration of the agreement. Currently, the Company has designated IHA Distribution as the distributor of the product. IHA Distribution has made purchases of the product in excess of the requirements under the agreement with no anticipated reductions in future periods.

7. **Contingencies:**

The minority owner of the Company filed a lawsuit against the Company and its majority owner and CEO asserting copyright infringement and other claims. The management of the Company believes the lawsuit to be meritless and have filed a motion to dismiss the claim. The motion to dismiss is pending with the court. While the ultimate outcome of this matter is not presently determinable, it is the opinion of management that the resolution of the outstanding claim will not have a material adverse effect on the financial position or results of operations of the Company.

8. Paycheck Protection Program loan recognized:

In April 2020 and January 2021, the Company secured and received funding totaling $57,660 and $59,467, respectively, under the United States Small Business Administration's (SBA) Paycheck Protection Program (PPP). The PPP funding is legally structured as a forgivable loan by the SBA. In order to achieve forgiveness of the loan, the Company must spend the funding for specific purposes and also must generally maintain its full-time equivalent level of staffing over a defined time period. The Company received notice that the applications were reviewed, and all amounts were forgiven.

9. Going concern and management plans:

The Company generated losses of approximately $200,000 and $212,000 during 2021 and 2020, respectively. Working capital deficits of approximately $410,000 and $416,000 exist at December 31, 2021 and 2020, respectively. Also, as disclosed previously, in December 2019, the Company is subject to risks and uncertainties resulting from the novel strain of coronavirus (COVID-19) pandemic. Whereas most state and local governments have eased restrictions on commercial activity, it is possible that a resurgence in COVID-19 cases could prompt a return to tighter restrictions in certain areas of the country. Therefore, the extent of the impact of COVID-19 on the Company's operational and financial performance will depend on future developments, including the duration and spread of the outbreak, related travel advisories and restrictions and the impact of COVID-19 on overall demand for the Company's services, all of which are highly uncertain and cannot be predicted.

These factors raise substantial doubt about the Company's ability to continue as a going concern. The Company has performed an evaluation of these financial factors and world events in conjunction with developing management action plans to mitigate any substantial doubt about the Company's ability to continue as a going concern within one year after the date that these financial statements were available to be issued. The considerations include the following:

The members continue to provide capital funding as needed throughout the startup phase of the franchise's development and expansion. During 2021, the members contributed capital of $210,000, resulting in a net increase in the members' deficit of $4,250 as of December 31, 2021.

The operating loss in 2021 was primarily due to the higher than normal professional fees related to a contingency which is in process, and is anticipated to reach a settlement in favor of the Company in 2022, and to a lesser extent lingering effects from the COVID-19 pandemic. The Company continued to support their franchisees through the development of a virtual platform to enable continued servicing of clients. All 24 centers continued to operate and grow their center's sales; there were no closures in 2021. The Company's comparable franchise centers sales for the year increased by 21% as compared to 2020. The total franchise system centers sales for the year increased by 29% over 2020.

9. Going concern and management plans (continued):

Additionally, the Company continues to focus on franchise development to source new franchisees and increased salaries to support the infrastructure related to this planned growth. Royalties for the year increased by $123,000 or 37%. Royalties have increased year over year for the past five years and are expected to continue into 2022.

The Company sold three additional franchises in San Antonio, Texas in 2021 for a total of $110,000 and Harford, Connecticut for $45,000. Additionally, as disclosed in the Note 3, concentrations, the Company has entered into an agreement with a third party in Dallas, Texas, to open additional franchise locations. We anticipate three additional locations to open in 2022 which will also provide for an increase in royalty income for the Company during 2022.

Management believes based on their analysis, including the above noted items, that the Company will be able to continue as a going concern. No adjustments have been made to the assets or liabilities included in these financial statements to reflect adjustments that might be necessary should the Company be unable to continue as a going concern.

10. Subsequent events:

The Company has evaluated subsequent events through April 29, 2022, the date which the financial statements were available to be issued.

BeBalanced

HORMONE WEIGHT LOSS CENTERS

INFINITY HEALTH ADVISORS, LLC

YEARS ENDED
DECEMBER 31, 2020 AND 2019

BROWN SCHULTZ SHERIDAN & FRITZ

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

A Professional Corporation

INFINITY HEALTH ADVISORS, LLC

YEARS ENDED DECEMBER 31, 2020 AND 2019

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Independent Auditor's Report

Members
Infinity Health Advisors, LLC
Lancaster, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of Infinity Health Advisors, LLC (a Limited Liability Company), which comprise the balance sheets as of December 31, 2020 and 2019 and the related statements of loss, members' deficit and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Infinity Health Advisors, LLC as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Brown Schultz Sheridan & Fritz

Lancaster, Pennsylvania
April 28, 2021

INFINITY HEALTH ADVISORS, LLC

BALANCE SHEETS
DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
Current assets:		
Cash		$ 17,634
Accounts receivable	$ 44,085	37,596
Prepaid expenses	19,270	25,698
Deferred broker fees	30,000	49,915
Total current assets	**93,355**	**130,843**
Property and equipment, net of accumulated depreciation of $43,964 and $35,938 in 2020 and 2019, respectively	44,784	53,597
Other assets:		
Trademark costs	14,183	14,183
Franchise agreement, net of accumulated amortization of $6,867 in 2020 and 2019	27,133	27,133
Deposits	1,500	1,500
Total assets	**$ 180,955**	**$ 227,256**
LIABILITIES AND MEMBERS' DEFICIT		
Current liabilities:		
Cash overdraft	$ 10,348	
Trade payables	151,654	$ 76,043
Related party payables	5,124	9,238
Line of credit	50,659	50,659
Accrued expenses	14,037	29,117
Deferred revenue	270,000	290,000
Current portion of notes payable, related parties	7,327	22,035
Total current liabilities	**509,149**	**477,092**
Long-term portion of notes payable, related parties	5,771	61,755
Members' deficit	(333,965)	(311,591)
Total liabilities and members' deficit	**$ 180,955**	**$ 227,256**

See notes to financial statements.

INFINITY HEALTH ADVISORS, LLC

STATEMENTS OF LOSS
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
Revenue:		
Ad Fund fees	$ 57,488	$ 53,036
Initial franchise fees	70,000	120,000
Royalties and other fees	421,027	378,360
Total revenue	**548,515**	**551,396**
General and administrative expenses:		
Advertising and promotion	55,010	142,862
Commissions and broker fees	24,915	52,415
Computer and subscription fees	75,164	55,240
Depreciation and amortization	10,777	12,289
Dues and memberships	18,672	12,900
Insurance	10,779	14,559
Interest	3,981	4,977
Miscellaneous	1,029	3,161
Office expenses	53,194	21,168
Professional fees	308,390	186,420
Rent	23,724	23,631
Salaries and payroll taxes	149,263	137,086
Travel, meals and entertainment	33,684	90,190
Taxes	314	190
Utilities	979	1,085
Website and intranet costs	48,674	44,145
Total general and administrative expenses	**818,549**	**802,318**
Other income, PPP loan forgiven	57,660	
Net loss	**$ (212,374)**	**$ (250,922)**

See notes to financial statements.

INFINITY HEALTH ADVISORS, LLC

STATEMENTS OF MEMBERS' DEFICIT
YEARS ENDED DECEMBER 31, 2020 AND 2019

Members' deficit, January 1, 2019	**$ (460,187)**
Member distribution	(482)
Capital contribution	400,000
Net loss	(250,922)
Members' deficit, December 31, 2019	**(311,591)**
Capital contribution	190,000
Net loss	(212,374)
Members' deficit, December 31, 2020	**$ (333,965)**

See notes to financial statements.

INFINITY HEALTH ADVISORS, LLC

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
Cash flows from operating activities:		
Net loss	$ (212,374)	$ (250,922)
Adjustments:		
Depreciation and amortization	10,777	12,289
Loss on disposal of assets		
Changes in assets and liabilities:		
Gain on extinguishment of debt	(57,660)	
Accounts receivable, trade	(6,489)	(8,587)
Deferred broker fees	19,915	(32,585)
Prepaid expenses	6,428	(14,343)
Accounts payable and accrued expenses	60,531	(8,689)
Deferred revenue	(20,000)	130,000
Related party payable	(4,114)	(216,889)
Total adjustments	9,388	(138,804)
Net cash used in operating activities	**(202,986)**	**(389,726)**
Cash flows used in investing activities, purchase of property and equipment	**(1,964)**	**(7,624)**
Cash flows from financing activities:		
Line of credit, borrowing		659
Cash overdraft	10,348	
Notes payable, related parties, repayments	(70,692)	(11,200)
Borrows of long-term debt	57,660	
Member capital contributions	190,000	400,000
Member distribution		(482)
Net cash provided by financing activities	**187,316**	**388,977**

(continued)

INFINITY HEALTH ADVISORS, LLC

STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
Net change in cash and cash equivalents	**$ (17,634)**	**$ (8,373)**
Cash and cash equivalents:		
Beginning	17,634	26,007
Ending	**$ -**	**$ 17,634**
Supplemental disclosure of cash flow information:		
Cash payments for interest	$ 4,232	$ 5,039

Noncash investing and financing activities:

In January 2021, the Company received forgiveness of its Paycheck Protection Program (PPP) loan balance of $57,660. The Company recognized the income in 2020.

During 2019, the Company made repayments on a related party loan totaling $50,000 utilizing the line of credit advance.

1. Nature of business and summary of significant accounting policies:

Nature of business:

Infinity Health Advisors, LLC (the Company) was formed on May 2, 2013, in Lancaster, Pennsylvania. The Company is primarily engaged in the franchising of *BeBalanced Hormone Weight Loss Centers* (BeBalanced) nationally.

The Company is owned by two related individuals and Infinity Health, LLC, which is operated by the minority owner. The Company has entered into an agreement with Infinity Health, LLC whereby the Company is granted the right to operate as the exclusive marketer for the proprietary products and system integral to the Becoming Balanced Hormone Metabolic Correction Program. See Note 2 for the terms of the contract. The authorized territory covers the United States.

Estimates:

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. In times of economic disruption when uncertainty regarding future economic conditions is heightened, these estimates and assumptions are subject to greater variability. The Company is currently subject to risks and uncertainties resulting from the novel coronavirus (COVID-19) pandemic, which had a negative impact on results of operations in 2020. The impacts of COVID-19 are likely to continue to impact results of operations. As a result, actual results could differ from the estimates and assumptions made that could affect the amounts reported in the financial statements and accompanying notes, and such differences may be material.

Revenue recognition:

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606, the Company accounts for the sales of franchises when both parties have approved the contract and are committed to perform their respective obligations, each party's rights are identified, payment terms can be identified, the contract has legal substance and it is at least probable that the Company will collect the consideration to which it is entitled. Judgment is required in instances where the Company's contracts include multiple services to determine whether each should be accounted for as a separate performance obligation. The Company enters into contracts that include various combinations of services, each of which is generally capable of being distinct as well as distinct within the context of the contracts.

1. Nature of business and summary of significant accounting policies (continued):

Revenue recognition:

The Company determines revenue recognition through the following steps:

- Identification of the contract, or contracts, with the customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, a performance obligation is satisfied

Initial franchise fee:

The Company executes franchise agreements licensing certain trade names, trademarks and service marks of BeBalanced. When an individual franchise is sold, the Company agrees to provide certain services to the franchisee, including an initial management training program, the loaned use of an operations manual, assistance with site selection and advertising programs. The franchise agreements require the franchisee to pay an initial franchise fee as consideration for these services. The initial fee is typically paid prior to services being provided. As a practical expedient, these pre-opening services provided to the franchisee are recognized as a single performance obligation. The initial franchise fee is recognized as revenue at the point in time the pre-opening services are complete which generally aligns with the franchise opening.

Contract liabilities include "Deferred revenue," which represents initial fees collected on franchises not yet opened. Contract liabilities are classified as current as the revenue is generally expected to be recognized in one year from the balance sheet date. "Deferred broker fees" represent fees paid related to franchise agreements that have not been recognized as revenue at year end.

The revenue recognized represents the opening of three of the Company's franchises in 2020 and four in 2019. During 2020, initial franchise fees totaling $70,000 were recognized from the deferred revenue reported at December 31, 2019. Deferred revenue totaling $270,000 at December 31, 2020 represents the initial franchise fees for three initial franchise outlets and advance deposit fees for additional outlets. There were 23 and 20 franchised outlets in operation at December 31, 2020 and 2019, respectively.

The Company does not finance the initial franchise fee in whole or in part on behalf of the franchisees.

1. Nature of business and summary of significant accounting policies (continued):

Royalty fees:

The franchise agreements require the franchisee to pay monthly royalty fees as consideration for continuous access to the intellectual property of BeBalanced. Royalty revenue is based upon a percentage of the franchise's monthly gross sales and is variable. Franchise royalty revenue is earned over a period of time as services are provided.

Ad Fund:

The Company has established an Advertising Fund charging franchisees sales-based contributions to the fund. The advertising fund contributions are not for distinct services, and the Company has the control over the use and direction of the funds in accordance with the franchise agreements. These contributions are recognized over time as sales occur and are reported at gross as part of revenue. The advertising fund is maintained in a separate checking account, and expenses paid from the ad fund are charged to advertising and promotion expense in the period in which they are incurred.

Technology fee income:

The Company charges a flat monthly technology support fee. The fee is used towards a cloud-based POS system with scheduling and integrated email marketing software, ongoing website and search engine optimizations and landing page and email maintenance. The payments received from franchisees do not fully cover the cost of providing these services. The technology expenses are incurred on a monthly basis and recorded as expense. The technology fee income is billed with the monthly royalty fee and recognized gross, in the period they are billed for.

Trade accounts receivable:

Trade accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance. There were no amounts to be reserved in 2020 or 2019.

Franchise agreement:

Costs incurred to develop the Company's franchise agreement have been capitalized and were being amortized over its estimated useful life through September 2033 (the initial period that the Company was provided the exclusive distribution rights to the program). There was no amortization expense recorded for this agreement in 2019 and 2020. See Note 2 for new distribution agreement with indefinite useful life.

1. Nature of business and summary of significant accounting policies (continued):

Trademark:

The Company has incurred costs related to obtaining the trademark for "BeBalanced" (the business) and "Becoming Balanced" (the Hormone Weight Loss Program). The costs have been capitalized and reported as an indefinite life intangible asset.

Long-lived assets:

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset, and long-lived assets to be disposed of are reported at the lower of carrying amount or net realizable value. No such impairments were incurred in 2020 or 2019.

Advertising costs:

Advertising costs are charged to operations as incurred. Advertising expense for the years ended December 31, 2020 and 2019 was $55,010 and $142,862, respectively.

Income taxes:

The Company is treated as a partnership for income tax purposes. Profits, losses and tax credits are shown on the members' individual income tax returns; therefore, no provision has been made for federal or state income taxes.

Variable interest entities:

In accordance with FASB Accounting Standards Update (ASU) 2018-17 to ASC 810, *Consolidation of Variable Interest Entities*, the Company has determined that Infinity Health, LLC and IHA Distribution, LLC, as described in Note 2, does not require consolidation as variable interest entities.

Recently issued accounting standards:

FASB Accounting Standards Update (ASU) 2016-02, *Leases*, is effective for the Company's December 31, 2022 year end and requires that all leases with terms of more than 12 months be recognized as assets and liabilities on the balance sheet. Recognition of these lease assets and lease liabilities represents a change from previous generally accepted accounting principles (GAAP), which did not require lease assets and lease liabilities to be recognized for operating leases. Qualitative disclosures along with specific quantitative disclosures will be required to provide enough information to supplement the amounts recorded in the financial statements so that users can understand more about the nature of an entity's leasing activities.

1. Nature of business and summary of significant accounting policies (continued):

Recently issued accounting standards:

The Company will be required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach, which includes a number of optional practical expedients that the Company may elect to apply. At adoption, the Company will recognize a right-of-use asset and a lease liability initially measured at the present value of its operating lease payments. The Company is currently evaluating the impacts of adopting this guidance on its financial position, results of operations and cash flows.

2. Related party transactions:

Infinity Health, LLC:

The Company, under the exclusive master distribution agreement with Infinity Health, LLC, an entity related by common ownership, agrees to compensate Infinity Health, LLC $50,000 per year for 20 years, to be paid in each year where the combined adjusted net income of the Company and IHA Distribution, LLC is equal to or greater than $1,000,000. The cumulative amount of compensation related to this agreement, which is not paid to Infinity Health, LLC, will be paid based on an agreed-upon formula at a future date only if the Becoming Balanced Hormonal Weight Loss Program is sold to a third party at predetermined amounts. The agreement provides the Company with the exclusive rights to market the Becoming Balanced Hormonal Weight Loss Program and to distribute the products integral to the program for an initial period of 20 years.

IHA Distribution, LLC:

IHA Distribution, LLC (IHA Distribution) is a company under common control as it is owned by the same related individuals as the Company. It was formed by the Company to fulfill the distribution and management of the products integral to the program on behalf of the Company's exclusive distribution agreement (See additional disclosures in Note 6). IHA Distribution does not have any liabilities at December 31, 2020 and 2019.

The Company was reimbursed by IHA Distribution for the costs of shared personnel and administrative expenses totaling $586,279 and $412,727 for 2020 and 2019, respectively. Additionally, IHA Distribution provided cash to the Company to assist in meeting the Company's cash flow needs. The net amount resulted in a payable due to IHA Distribution from the Company of $5,124 and $9,238 at December 31, 2020 and 2019, respectively.

Notes payable, members:

The Company also has notes payable to members fully described in Note 5, notes payable, related parties.

3. Concentrations:

The Company has entered into an agreement with a third party in the Dallas, Texas, geographic region of the United States to open three BeBalanced locations plus an option for the right to acquire additional franchises in the future. The full option fee of $100,000 has been paid and the third party is anticipating opening additional franchises in 2021 and 2022, in addition to the two franchises which were opened in 2020 and a third franchise scheduled to open in 2021. The Company recognized $60,000 of $190,000 of deferred revenue in 2020.

4. Line of credit:

The Company obtained a working capital line of credit totaling $100,000 in October 2019 with a commercial bank. The line is payable on demand and is subject to annual renewal. The line bears interest at the bank's prime rate plus 1%, with a floor of 4%. The rate at December 31, 2020 was 4.25%. The line is secured by the Company's assets and is also guaranteed by IHA Distribution, LLC and the majority shareholder. Borrowings on this line of credit was $50,659 at December 31, 2020 and 2019.

5. Notes payable, related parties:

The minority owner advanced $120,000 to the Company under a 20-year revolving loan. During 2020, the loan was paid in full.

The Company assumed a loan from the majority owner used to finance the purchase of a vehicle used in the business. The loan, which is due September 2022, is payable in monthly installments of $657 with an interest rate of 5.75%. The balance outstanding at December 31, 2020 totaled $13,098.

Principal maturities on these notes payable during subsequent years are as follows:

Year	Amount
2021	$ 7,327
2022	5,771
	$ 13,098

6. Commitments:

The Company leases office space under an operating lease expiring in February 2022. Under the terms of this lease, the first four months the Company had possession of the property, there was no base rent assessed. Beginning March 2017, the initial term of the lease began, and the Company is obligated to pay monthly base rent, plus common area maintenance (CAM) totaling $3,946, with an annual escalation of both base rent and CAM. Rent expense recognized on a straight-line basis was $47,355 for 2020 and 2019. A portion of this rent was shared with IHA Distribution for both 2020 and 2019.

Future minimum rental obligations under the noncancelable lease, including common area maintenance charges, at December 31, 2020 are as follows:

Year	Amount
2021	$ 53,932
2022	9,020
	$ 62,952

In 2020, total gross rents were $49,406, of which $24,703 were shared with related party IHA Distribution. In 2019, total gross rents were $49,432, of which $24,716 were shared with related party IHA Distribution.

The Company has an agreement whereby they acquired the exclusive right, title and interest in certain products related to the Be Balanced Hormonal Weight Loss Program from an unrelated company. The rights in the product were received in exchange for an exclusive limited license to manufacture and sell the products to the Company. The agreement requires that the Company purchase specified quantities on a predetermined scale with a final payment of $10,000 at the termination or expiration of the agreement. Currently, the Company has designated IHA Distribution as the distributor of the product. IHA Distribution has made purchases of the product in excess of the requirements under the agreement with no anticipated reductions in future periods.

7. Contingencies:

The Company is a party to various legal matters arising in the ordinary course of business. The legal matters were resolved subsequent to year end whereby the cases were settled in the Company's favor and all claims have been dismissed.

8. Paycheck Protection Program loan recognized:

In April 2020, the Company secured and received funding totaling $57,660 under the United States Small Business Administration's (SBA) Paycheck Protection Program (PPP). The PPP funding is legally structured as a forgivable loan by the SBA. In order to achieve forgiveness of the loan, the Company must spend the funding for specific purposes and also must generally maintain its full-time equivalent level of staffing over a defined time period. As of December 31, 2020, the Company's management believes the Company has met the substantial requirements for full forgiveness of the loan, and as such, has recorded the entire amount as other income during the year ended December 31, 2020 under the conditional contribution method. The Company's PPP funding is subject to a formal forgiveness application. In January 2021, the Company received notice that the application was reviewed and all amounts were forgiven.

9. Going concern and management plans:

The Company generated losses of approximately $212,000 and $251,000 during 2020 and 2019, respectively. Working capital deficits of approximately $416,000 and $346,000 exist at December 31, 2020 and 2019, respectively. Also, as disclosed previously, a novel strain of coronavirus (COVID-19) was reported to have surfaced in China. The World Health Organization declared COVID-19 to constitute a "Public Health Emergency of International Concern" and characterized COVID-19 as a pandemic.

These factors raise substantial doubt about the Company's ability to continue as a going concern. The Company has performed an evaluation of these financial factors and world events in conjunction with developing management action plans to mitigate any substantial doubt about the Company's ability to continue as a going concern within one year after the date that these financial statements were available to be issued. The considerations include the following:

The members continue to provide capital funding as needed throughout the startup phase of the franchise's development and expansion. During 2020 and 2019, the members contributed capital of $190,000 and $400,000, respectively, resulting in a net increase in the members' deficit of $2,374 at December 31, 2020 and net decrease in the members' deficit of $148,596 at December 31, 2019.

The operating loss in 2020 was primarily due to the response to the COVID-19 pandemic and higher than normal professional fees related to a contingency which was settled in favor of the Company in 2021 (see Note 7). The Company supported their franchisees through the development of a virtual platform to enable continued servicing of clients. While the physical centers were closed for an average of four months, the conversion to servicing clients through virtual means enabled all the centers to remain open. After an initial decline in revenues at the onset of the pandemic, the Company's comparable franchise centers sales for the year remained level as compared to 2019. The total franchise system centers sales for the year increased by 7% over 2019.

9. Going concern and management plans (continued):

Additionally, the Company continues to focus on franchise development to source new franchisees and increased salaries to support the infrastructure related to this planned growth. Royalties for the year increased by $34,000, offsetting the decrease in initial franchise fees. Royalties have increased year over year for the past four years and are expected to continue into 2021.

The Company sold three additional franchises in San Antonio, Texas, in the first quarter of 2021 for a total of $90,000 that are expected to open during 2021. Additionally, as disclosed in the Note 3, concentrations, the Company has entered into an agreement with a third party in Dallas, Texas, to open additional franchise locations. These additional locations will also provide for an increase in royalty income for the Company during 2021.

In January 2021, the Company secured and received funding totaling $59,467 from the second round of the Paycheck Protection Program. The loan is expected to be forgiven as it will be used for qualified expenses similar to the first PPP loan which was fully forgiven.

Management believes based on their analysis, including the above noted items, that the Company will be able to continue as a going concern. No adjustments have been made to the assets or liabilities included in these financial statements to reflect adjustments that might be necessary should the Company be unable to continue as a going concern.

10. Subsequent events:

The Company has evaluated subsequent events through April 28, 2021, the date which the financial statements were available to be issued. The Company is not aware of any additional subsequent events which would require recognition or disclosure in the financial statements.

EXHIBIT D

ACKNOWLEDGMENT REGARDING OWNERSHIP

Effective Date: This Exhibit D is current and complete as of _________________________________, 20____.

Franchisee name: ____

Franchisee hereby acknowledges that the Franchisee is a(n): *(check one)*

_______Individual Proprietorship
_______Corporation
_______Limited Liability Company
_______Partnership

____*(name)* was incorporated or formed on ______________________, 20___ under the laws of the State of ____ . Franchisee has not conducted business under any name other than this stated corporation, limited liability company, or partnership name except ____ *(if applicable)*.

The following is a list of directors and officers as of the effective date shown above:

Name of Each Director/Officer	Position(s) Held
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________

The following list includes the full name of each person who is considered an owner (as defined in the Franchise Agreement) and fully describes the nature of each owner's interest *(attach additional page(s) if necessary)*:

Name of Each Owner	Percentage/Description of Interest
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________

Franchisee's Operating Principal as of the Effective Date is ______________________________, __________. (Franchisee may not change the Operating Principal without prior written approval from Franchisor and until the new Operating Principal has completed required training by Franchisor.)

[SIGNATURE PAGE TO FOLLOW]

FRANCHISEE:

Complete this portion if you will be operating the Franchise Individually and not as a Legal Entity:

Signature: ____

Name: ____

Signature: ____

Name: ____

Complete this portion if you will be operating the Franchise as a Corporation, Limited Liability Company, or Partnership:

By: ____

Name: ____

Title: ____

Date: ____

EXHIBIT E

GUARANTY OF FRANCHISEE'S OBLIGATIONS

In consideration of, and as an inducement to, the execution of the foregoing Franchise Agreement dated as of _______________, 20____ , by Infinity Health Advisors, LLC, ("Franchisor"), each of the undersigned hereby guarantees unto Franchisor that the Franchisee named herein will perform during the term of this Franchise Agreement each and every covenant, payment, agreement, and undertaking on the part of the Franchisee contained and set forth in such Franchise Agreement, and that Franchisee's representations and warranties in the Franchise Agreement and applications are true and correct.

Franchisor, its successors, and assigns, may from time to time without notice to the undersigned, (a) resort to the undersigned for payment of any of the liabilities of Franchisee to Franchisor ("Liabilities"), whether or not it or its successors have resorted to any property securing any of the Liabilities or proceeded against any other of the undersigned or any party primarily or secondarily liable on any of the Liabilities; (b) release or compromise any liability of any of the undersigned hereunder or any liability of any party or parties primarily or secondarily liable on any of the Liabilities; and (c) extend, renew, or credit any of the Liabilities for any period (whether or not longer than the original period) or alter, amend, or exchange any of the Liabilities or give any other form of indulgence, whether under the Franchise Agreement or not.

Each of the undersigned agrees to comply with and abide by the restrictive covenants and nondisclosure provisions contained in Section 15 of the Franchise Agreement, as well as the provisions in the Franchise Agreement in Section 8 and as may be stated elsewhere in the Franchise Agreement relating to the Proprietary Marks and Transfers to the same extent, and for the same period of time, as Franchisee is required to comply with and abide by such covenants and provisions, except to the extent otherwise required by the Franchise Agreement. These obligations of the undersigned shall survive any expiration or termination of the Franchise Agreement or this Guaranty.

The undersigned further waives presentment, demand, notice of dishonor, protest, nonpayment, and all other notices whatsoever, including without limitation, notice of acceptance hereof, notice of all contracts and commitments, notice of the existence or creation of any liabilities under the foregoing Franchise Agreement and of the amount and terms thereof, and notice of all defaults, disputes, or controversies between Franchisee and Franchisor resulting from such Franchise Agreement or otherwise, and the settlement, compromise, or adjustment thereof.

The undersigned agrees to pay all expenses paid or incurred by Franchisor in enforcing the foregoing Franchise Agreement and this Guaranty against Franchisee and against the undersigned, as well as in collecting or attempting to collect any amounts due thereunder and hereunder, including reasonable attorney's fees if such enforcement or collection is by or through an attorney-at-law. Any waiver, extension of time, or other indulgence granted from time to time by Franchisor, its agents, its successors, or assigns with respect to the foregoing Franchise Agreement shall in no way modify or amend this Guaranty, which shall be continuing, absolute, unconditional, and irrevocable.

If more than one person has executed the Guaranty, the term "the undersigned" as used herein shall refer to each such person, and the liability of each of the undersigned hereunder shall be joint and several and primary.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, each of the undersigned has executed this Guaranty effective as of the date of the foregoing Franchise Agreement.

	GUARANTOR(S)	**WITNESS**
Signature	______________________________	______________________________
Print Name	______________________________	______________________________
Signature	______________________________	______________________________
Print Name	______________________________	______________________________
Signature	______________________________	______________________________
Print Name	______________________________	______________________________

EXHIBIT F

ELECTRONIC FUNDS TRANSFER FORM

AUTHORIZATION AGREEMENT FOR PREARRANGED PAYMENTS (DIRECT DEBITS)

Franchisee Information:

Franchisee's Business Name		Business Phone Number
Business Address		
City	State	Zip
Contact Name		
Address (if different from above)		
City	State	Zip
Franchisee Fax Number	Franchisee E-mail Address	

Bank Account Information:

Bank Name				
Bank Mailing Address				
City	State		Zip	
Bank Account Number	Bank Routing Number			
This account is a (select one):	□	Checking	□	Savings
Account Holder's Name (Authorized Signer)	Federal Tax ID (EIN) or Social Security Number			

By signing below, I hereby authorize Infinity Health Advisors to process electronic funds transfers (debit entries) against the account shown above, for monthly franchise, advertising, and other fees that are due to the Franchisor, on the date that payment is due, per the Franchise Agreement that I have signed. This authority is to remain in full and force and effect until sixty (60) days after Franchisee has received written notification from Franchisor of its termination. I will promptly notify Franchisor of any changes in account information within five (5) days of any such change. I have attached a copy of a check or preprinted withdrawal slip from this account and marked it "void."

Signature of Franchisee (Must be an authorized signer on account)	Date Signed

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK OR PREPRINTED WITHDRAWAL SLIP

EXHIBIT G

OPERATIONS MANUAL TABLE OF CONTENTS

a. PRE-OPENING MANUAL

b. FRANCHISEE MANUAL

c. RECOMMENDATIONS

TOTAL PAGES: **<u>396</u>**

EXHIBIT H

CONSENT AND AGREEMENT OF LANDLORD

The undersigned Landlord hereby:

A. Agrees that the leased Premises will only be used as a BeBalanced Hormone Weight Loss Centers and operate under the name BeBalanced Hormone Weight Loss Centers (or any other name designated by Franchisor);

B. Agrees that Franchisor has the right to enter the Premises to make any modifications necessary to protect Franchisor's Proprietary Marks;

C. Agrees to allow Franchisee, upon written request from Franchisor, to provide Franchisor with a current copy of the lease;

D. Agrees to notify Franchisor in writing of and upon the failure of Lessee to cure any default by Lessee under the Lease;

E. Agrees that Franchisor will have the option, but not the obligation, to assume or renew the lease and the occupancy of the business Premises, including the right to sublease to another Franchisee, for all or any part of the remaining term of the lease, upon Franchisee's default or termination hereunder or upon Franchisee's default or termination or expiration of the Franchise Agreement, and in connection with said assumption Franchisor will not be obligated to pay to the landlord past due rent, common area maintenance, and other charges attributable to more than one (1) month. The landlord shall give Franchisor thirty (30) days, upon termination of Franchisee's rights under the lease, to exercise this option;

F. Agrees that the lease may not be amended, assigned, or sublet without Franchisor's prior written approval;

G. Agrees that for a period of two (2) years after termination or expiration of Franchisee's Franchise Agreement, the landlord will not enter into a lease with the Franchisee at the businesses premises for offering of BeBalanced Hormone Weight Loss Centers, in any capacity, and/or the sale of related items, within the shopping center in which the Premises is located.

Dated: ________________________________

ATTEST:

By: __________________________________

Its: __________________________________

LANDLORD CORPORATE SIGNATURE:

____

By: _____________________________________

Its: _____________________________________

SIGNED and SEALED this day of _____________, 20____.

____Notary Public

EXHIBIT I

CONFIDENTIALITY AND RESTRICTIVE COVENANT AGREEMENT

(for trained employees, officers, directors, general partners, members, Designated Managers and any other management personnel of Franchisee)

In consideration of my being a [INSERT TITLE/ROLE WITH FRANCHISEE] of _____________ (the "Franchisee"), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I (the undersigned) hereby acknowledge and agree that Franchisee has acquired the right from Infinity Health Advisors, LLC (the "Company") to: (i) establish and operate a BeBalanced Hormone Weight Loss Center (the "Franchised Business"); and (ii) use in the operation of the Franchised Business the Company's trade names, trademarks and service marks (collectively, the "Proprietary Marks") and the Company's unique and distinctive format and system relating to the establishment and operation of BeBalanced Hormone Weight Loss Center (the "System"), as they may be changed, improved and further developed from time to time in the Company's sole discretion, only at the following authorized and approved location: __________________________________ (the "Premises").

1. The Company possesses certain proprietary and confidential information relating to the operation of the Franchised Business and System generally, including without limitation: Company's proprietary and confidential Operations Manual and other manuals providing guidelines, standards and specifications related to the establishment and operation of the Franchised Business (collectively, the "Manual"); Franchisor's proprietary training materials and programs, as well as proprietary marketing methods and other instructional materials, trade secrets; information related to any other proprietary methodology or aspects of the System or the establishment and continued operation of the Franchised Business; financial information; any and all customer lists, contracts and other customer information obtained through the operation of the Franchised Business and other BeBalanced Hormone Weight Loss Center businesses; any information related to any type of proprietary software that may be developed and/or used in the operation of with the Franchised Business; and any techniques, special recipes, ingredients, preparation, methods, and know-how related to the operation of a BeBalanced Hormone Weight Loss Center business or otherwise used in connection with the System, which includes certain trade secrets, copyrighted materials, methods and other techniques and know-how (collectively, the "Confidential Information").

2. Any other information, knowledge, know-how, and techniques which the Company specifically designates as confidential will also be deemed to be Confidential Information for purposes of this Agreement.

3. As [INSERT TITLE WITH RESPECT TO FRANCHISEE] of the Franchisee, the Company and Franchisee will disclose the Confidential Information to me in furnishing to me the training program and subsequent ongoing training, the Manual, and other general assistance during the term of this Agreement.

4. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Franchised Business during the term hereof, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

5. The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by the Company as confidential. Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties as [INSERT TITLE] of the Franchisee, and will continue not to disclose any such information even after I cease to be in that position and will not use any such information even after I cease to be in that position unless I can demonstrate that such information has become generally known or easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement.

6. Except as otherwise approved in writing by the Company, I shall not, while in my position with the Franchisee, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or limited liability company, own, maintain, engage in, be employed by, or have any interest in any hormone health weight

loss and wellness services business or any business which offers services similar to those services offered by BeBalanced Hormone Weight Loss Centers (each, a "Competing Business"); or (ii) grants or has granted franchises or licenses, or establishes or has established joint ventures, for any Competing Business. I also agree that I will not undertake any action to divert business from the Franchised Business to any Competing Business, or solicit any of the former customers or employees of Franchisee for any competitive business purpose.

6.1 *Post-Term Restrictive Covenant for Designated Manager of Franchised Business or Manager/Officers/Directors of Franchisee*. In the event I am a manager of the Franchised Business, or an officer/director/manager/partner of Franchisee that has not already executed a Personal Guaranty agreeing to be bound by the terms of the Franchise Agreement, then I further agree that I will not be involved in a Competing Business of any kind for a period of two (2) years after the expiration or termination of my employment with Franchisee for any reason within a forty (40) mile radius of the border of the former Designated Territory, other than as an authorized franchise owner of another BeBalanced Hormone Weight Loss Centers System. During the two (2) year period described in this Section, I also agree that I will not: (a) be involved in the franchising or licensing of any Competing Business at any location within the United States where the Company can demonstrate it has offered or sold franchises as of the date my employment ceases with Franchisee; (b) undertake any action to divert business from the Franchised Business to any Competing Business; or (c) solicit any of the former customers or employees of Franchisee for any competitive business purpose.

7. I agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which the Company is a party, I expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

8. I understand and acknowledge that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply forthwith with any covenant as so modified.

9. The Company is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Franchisee. I am aware that my violation of this Agreement will cause the Company and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Franchisee and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Franchisee and the Company, any claim I have against the Franchisee or the Company is a separate matter and does not entitle me to violate, or justify any violation of this Agreement.

10. This Agreement shall be construed under the laws of Pennsylvania. The only way this Agreement can be changed is in writing signed by both the Franchisee and me.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, this Agreement is made and entered into by the undersigned parties as of the Effective Date.

UNDERSIGNED

Signature: ______________________________

Name: ______________________________

Address: ______________________________

Title: ______________________________

ACKNOWLEDGED BY FRANCHISEE

[FRANCHISEE NAME]

By: ______________________________

Title: ______________________________

EXHIBIT J

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013 2101 Arena Boulevard Sacramento, CA 95834 1-866-275-2677	Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013 2101 Arena Boulevard Sacramento, CA 95834 1-866-275-2677
HAWAII	Commissioner of Securities Dept of Commerce & Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, HI 96813	Commissioner of Securities Same Address
ILLINOIS	Office of the Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General Same Address
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington Street, Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner Same Address
MICHIGAN	Consumer Protection Division Antitrust and Franchise Unit 670 G. Mennen Williams Building Lansing, MI 48913 (517) 373-7117	Department of Commerce Corporations and Securities Bureau Same Address
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101 (651) 539-1600	Minnesota Department of Commerce Same Address

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222	Secretary of State of New York 99 Washington Avenue, 6th Floor Albany, NY 12231 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 Boulevard Avenue, State Capitol Fifth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner Same Address
RHODE ISLAND	Securities Division Department of Business Regulation 1511 Pontiac Avenue, Bldg. 69, 1st Floor Cranston, RI 02920 (401) 462-9585	Director of Department of Business Regulation Rhode Island Attorney General Same Address
SOUTH DAKOTA	Department of Commerce and Regulation Division of Securities 445 E. Capital Avenue Pierre, SD 57501-2017 (605) 773-4013	Director of South Dakota Division of Securities Same Address
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507 (360) 902-8700	Director of Department of Financial Institutions Same Address
WISCONSIN	Department of Financial Institutions Division of Securities 345 West Washington Avenue, 4th floor Madison, Wisconsin 53703 (608) 261-9555	Commissioner of Securities Same Address

EXHIBIT K

STATE SPECIFIC ADDENDA
TO FRANCHISE AGREEMENT AND FRANCHISE DISCLOSURE DOCUMENT

California

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

'The franchisor, any person or franchise broker in Item 2 of the FDD is (or not) subject to any currently effective order of any national securities association or national securities exchanges, as defined in the Securities Exchanges Act of 1934, 16 U.S.C.A 78a et seq., suspending or expelling such persons from membership in such association or exchange.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

a. California Business and Professions Code 20000 through 20043 provide rights to the franchisee concerning transfer, termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control (Note: This is required to be disclosed in all filings)

b. 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.).

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

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

e. The franchise agreement requires binding arbitration. The arbitration will occur at Lancaster, Pennsylvania with the costs being borne by each party. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

f. The franchise agreement requires application of the law of Pennsylvania. This provision may not be enforceable under California law.

g. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may be rule or order require, before a solicitation of a proposed material modification of an existing franchise.

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

The Department has determined that either the franchisor has not demonstrated it is adequately capitalized or that the franchisor must rely on franchise fees to fund operations. The Commissioner has imposed a impound of franchise fees. Payment of all initial fees is postponed until after all of franchisor's initial obligations are complete and franchisee is open for business.

Illinois to the Franchise Agreement and Development Agreement

The conditions under which the Franchise Agreement can be terminated and your rights upon nonrenewal may be affected by Illinois law (815 ILCS 705/19 and 705/20).

For choice of law purposes, and for the interpretation and construction of the Franchise Agreement, Illinois law governs.

Although the Franchise Agreement requires litigation to be instituted in a court in Pennsylvania, all litigation must be instituted in a court of competent jurisdiction located in the State of Illinois, subject to the mediation provision of the Franchise Agreement.

Based upon our financial condition, the Illinois Attorney General's Office requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to us until we have completed our pre-opening obligations under the Franchise Agreement and the franchisee has commenced doing business. In addition, all development fees and initial payments by area developers shall be deferred until we have completed our pre-opening obligations under the Development Agreement and the developer has commenced doing business.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for mediation to take place outside of Illinois.

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.

IN ILLINOIS, UNLICENSED INDIVIDUALS AND ENTITIES ARE PROHIBITED FROM OWNING, OPERATING AND MAINTAINING AN ESTABLISHMENT FOR THE STUDY, DIAGNOSIS AND TREATMENT OF HUMAN AILMENTS AND INJURIES, WHETHER PHYSICAL OR MENTAL. See Medical Corporation Act, 805 ILCS 15/2, (West 2016) and Medical Practice Act of 1987, 225 ILCS 60/ (West 2016).

In FY 2021, the Franchisor's affiliate derived more than $2.7M in revenue from required purchases made by Infinity Health Advisors franchisees.

You must complete all improvements to your site and open for business within 6 months of signing your Franchsie Agreement.

FRANCHISOR	**FRANCHISEE**
INFINITY HEALTH ADVISORS, LLC	____________________________
By: ________________________________	By: ________________________________
Name: ______________________________	Name: ______________________________
Title: _______________________________	Title: _______________________________
Date: _______________________________	Date: _______________________________

Indiana

Indiana law prohibits requiring you to prospectively agree to a release or waiver which purports to relieve any person from liability imposed by the Indiana Franchise Practices Act (IC 23-2-2.7(5)). The Franchise Agreement shall be deemed amended to the extent necessary to comply with IC 23-2-2.7(5).

Indiana law limits the parties' agreement to resolve disputes in any jurisdiction outside of Indiana (IC 23-2-2.7(10). Subject to the Federal Arbitration Act, the Franchise Agreement shall be deemed amended and the forum for any court proceedings shall be in Indiana.

Virginia

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.
In recognition of the requirements of the Virginia Retail Franchising Act § 13.1-564, the Disclosure Document for Infinity Health Advisors, LLC in connection with the offer and sale of franchises for use in the State of Virginia shall be amended to include the following:

Items 5 and 7 of the Disclosure Document and Item 5 of the Franchise Agreement are amended by adding the following paragraph:

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the Initial Franchise Fee and other initial payments owed by Franchisees to the Franchisor until the Franchisor has completed its pre-opening obligations under the Franchise Agreement.

Item 17 h. of the Disclosure Document and Section 16 A.13. of the Franchise Agreement shall be amended by the addition of the following paragraph at the conclusion of the Item and Section:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise agreement without reasonable cause. If any grounds for default or termination stated in the Franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Estimated Initial Investment: The franchisee will be required to make an estimated initial investment ranging from $155,650 to $280,450. This amount exceeds the franchisor's stockholders equity as of December 31, 2021, which is a negative $-325,545.

Maryland

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the Disclosure Document and Franchise Agreement for Infinity Health Advisors, LLC are amended as follows:

Item 5 of the Franchise Disclosure Document is amended to include the following paragraphs:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its preopening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

Item 17, "Renewal, Termination, Transfer and Dispute Resolution," of the Franchise Disclosure Document shall be amended by the addition of the following language:

Franchisees may sue 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.

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

Item 17, provision "h." of the Franchise Disclosure Document shall be amended by the addition of the following language:

Termination upon bankruptcy may not be enforceable under federal bankruptcy law, 11 U.S.C. Section 101 et seq.

Section 1 of the Franchise Agreement shall be amended by adding the following language as new Section 1(N):

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.

Section 3.A.6. of the Franchise Agreement shall be deleted in its entirety and replaced with the following:

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

Section 5.A.1 of the Franchise Agreement shall be deleted in its entirety and replaced with the following:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its preopening obligations under the franchise agreement.

Section 14.D.9. of the Franchise Agreement shall be deleted in its entirety and replaced with the following:

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

Section 16.1.b of the Franchise Agreement shall be amended by the addition of the following:

Termination upon bankruptcy may not be enforceable under federal bankruptcy law, 11 U.S.C. Section 101 et seq.

Section 22. B.1 of the Franchise Agreement shall be amended by adding the following language:

Any and all claims arising under the Maryland Franchise registration and Disclosure Law shall be commenced within three (3) years after the grant of the franchise.

Section 24 of the Franchise Agreement shall be amended by adding the following language:
All representations requiring prospective franchisees to assent to a release, estoppel of 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.

Section 6.1 of the Area Development Agreement shall be amended by adding the following language:

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

Section 13 of the Area Development Agreement shall be amended by adding the following language:

A franchisee to 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.

Section 26 of the Area Development Agreement shall be amended by adding the following language:

All representations requiring prospective franchisees to assent to a release, estoppel of 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.

Based upon the franchisor's financial condition, the Maryland Securities Commission has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum on the day and year first above written.

FRANCHISOR **INFINITY HEALTH ADVISORS, LLC**	**FRANCHISEE** ____________________________
By: ________________________________	By: ________________________________
Name: ______________________________	Name: ______________________________
Title: _______________________________	Title: _______________________________
Date: _______________________________	Date: _______________________________

Minnesota Addendum

We will comply with Minnesota Statute Section 80C.14 subdivisions 3, 4 and 5 which require, except in certain specific cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement and/or Development Agreement.

Minn. Stat. Sec. 80C.21 and Minnesota Rule Part 2860.4400J, prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce any of your rights provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Minn. Rule Part 2869.4400(d) prohibits us from requiring that you assent to a general release as set forth in Item 17 of this Disclosure Document.

Nothing in the Disclosure Document, Franchise Agreement or Development Agreement shall effect your rights under Minnesota Statute Section 80C.17, Subd. 5.

Items 5 and 7 of the Franchise Disclosure Document and Section 5(A)(1) are amended as follows: Franchisor will defer collection of the Initial Franchise Fee until such time it has fulfilled its obligations to you and you have opened your Store.

FRANCHISOR **INFINITY HEALTH ADVISORS, LLC**	**FRANCHISEE** ____________________________
By: ________________________________	By: ________________________________
Name: ______________________________	Name: ______________________________
Title: _______________________________	Title: _______________________________
Date: _______________________________	Date: _______________________________

Georgia

DISCLOSURES REQUIRED BY GEORGIA LAW

The State of Georgia has not reviewed and does not approve, recommend, endorse, or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

If, for any reason, any provision set forth in the Franchise Agreement (including those related to in-term and post-term covenants against competition and non-disclosure and non-use of confidential information) exceeds any lawful scope or limit as to duration, geographic coverage, specificity, or otherwise, it is agreed that the provision will nevertheless be binding to the full scope or limit allowed by law or by a court of law. Indeed, the parties acknowledge their desire and intent that such provisions be modified by a court or arbitrator to comply with Georgia law if needed. The duration, geographic coverage and scope allowable by law or court of law will apply to this Agreement.

Idaho

FDD Item 17, FA Section 22

Any condition in a franchise agreement executed by a resident of Idaho or a business entity organized under the laws of Idaho is void to the extent it purports to waive venue or jurisdiction of the Idaho court system. Venue and jurisdiction will be in Idaho if the franchisee is an Idaho resident or a business entity organized under the laws of Idaho.

New York

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

    INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT J OR YOUR PUBLIC LIBRARY FOR SOURCES OF 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 THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERALTRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSUREDOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

    Except as provided above, with regard 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 toa currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added at the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a)filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added at the end of Item 5:

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

5. The following is added at the end of the "Summary" sections of Items 17(c), entitled, "**Requirements for you to renew or extend**," and Item 17(m), entitled, "**Conditions for our 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.

6. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by you**":

You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the "Summary" section of Item 17(j), titled "**Assignment of contract by us**":

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

8. 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 upon the franchisee by Article 33 of the General Business Law of the State of New York.

EXHIBIT L

LIST OF CURRENT AND FORMER FRANCHISEES

LIST OF CURRENT FRANCHISEES
AS OF DECEMBER 31, 2021

BeBalanced – Scottsdale, AZ
Marlz, Inc.
10893 N Scottsdale Rd, Ste. 105
Scottsdale, AZ 85254
(480) 607-8187

BeBalanced – Lake Mary, FL
SDW Solutions, Inc.
4261 W. Lake Mary Blvd
Lake Mary, FL 32746
(407)573-2466

BeBalanced – Ormond Beach, FL
SDW Solutions, Inc.
1185 W Granada Blvd Suite 3
Ormond Beach, FL 32174
(386) 317-2549

BeBalanced – Crownsville, MD
The Wellness Journey, LLC
1321 Generals Highway, Suite 101A
Crownsville, MD 21032
(410) 923-7200

BeBalanced – Minnetonka, MN
LP Health and Wellness, LLC
14525 Highway 7, Suite 150
Minnetonka, MN 55345
(952) 938-3748

BeBalanced – Long Island, NY
JK2 Women's Services, LLC
690 Stewart Avenue
Garden City, NY 11530
(516) 743-9930

BeBalanced – Rochester, NY
SMQ Wellness LLC
2170 W Ridge Road
Rochester, NY 14626
(585) 206-7000

BeBalanced – Blue Bell, PA
McRino Group, LLC
Shoppes at Village Square
708 Dekalb Pike
Blue Bell, PA 19422
(610) 239-8888

BeBalanced – Bryn Mawr, PA
JAR Corporation
1041 West Lancaster Ave
Bryn Mawr, PA 19010
(610) 525-0555

BeBalanced Centers – Canonsburg, PA
(724) 690-0003
Owner: Kate Kelleher

BeBalanced – Collegeville, PA
BeFabulous, LLC
305 2nd Ave, Suite 203A
Collegeville, PA 19426
(610) 968-2322

BeBalanced – Erie, PA
Denise Horton Enterprises, LLC
5031 Peach Street, UNIT A-4
Erie, PA 16509
(814) 636-5081

BeBalanced – Harrisburg, PA
BBP, Ltd
4813 Jonestown Road, Suite 105
Harrisburg, PA 17109
(717) 673-7046

BeBalanced – Harrisburg West, PA
BBP, Ltd.
3812 Market St
Camp Hill, PA 17011
(717) 673-7046

BeBalanced – Lancaster, PA
Infinity Health
484 Royer Drive
Lancaster, PA 17601
(717)569-3040

BeBalanced – Murrysville, PA
SG Convergence Capital, LLC
302 Blue Spruce Way
Murrysville, PA 15668
(724) 690-0001

BeBalanced – West Chester, PA
Linro Enterprises
1385 Dilworthtown Crossing
West Chester, PA 19382
(484)999-2133

BeBalanced – Wexford, PA
SG Convergence Capital, LLC
10339 Perry Highway
Wexford, PA 15090
(724)690-0002

BeBalanced – Wyomissing, PA
Linro Enterprises
90 Commerce Drive
Wyomissing, PA 19610
(610) 750-5158

BeBalanced – York, PA
BBP, Ltd
2331 E. Market St.
York, PA 17402
(717) 673-7046

BeBalanced – Dallas, TX
Women in Balance, Texas LLC
6131 Luther Lane
Dallas, TX 75225
(214) 730-0153

BeBalanced Centers – Frisco, TX
Paradigm Development Holdings, LLC
3290 Main Street, Suite 204
Frisco, TX 75034
214-308-9974

BeBalanced Centers – McKinney, TX
Paradigm Development Holdings, LLC
3610 West University Drive Suite 150
McKinney, TX 75071
214-592-8889

BeBalanced Centers - West Plano, TX
Paradigm Development Holdings, LLC
7130 Preston Rd, 200
Plano, TX 75024
(817) 899-5110

BeBalanced – Leesburg, VA
Balanced Investments, Inc.
221 Crescent Station Terrace SE
Leesburg, VA 20175
(571) 258-4782

LIST OF FORMER FRANCHISEES AND FRANCHISEES WHO HAVE NOT COMMUNICATED WITH US WITHIN 10 WEEKS OF THE ISSUANCE DATE

None

LIST OF FRANCHISEES WITH SIGNED FRANCHISE AGREEMENTS WHO HAVE NOT YET OPENED AS OF DECEMBER 31, 2021

BeBalanced Centers – Hartford, CT
SR Wellness, LLC
Owner(s) – Shawn and Rhonda Peter: (813) 494-2209
Legal Business Name – SR Wellness, LLC
Franchise Agreement signed in 2021

BeBalanced Centers – Arlington, TX (4 of 18)
Owner – Geoff Miller: (817) 899-5110
Legal Business Name – Paradigm Development Holdings, LLC

BeBalanced Centers – Richardson, TX (6 of 18)
Owner – Geoff Miller: (817) 899-5110
Legal Business Name – Paradigm Development Holdings, LLC

BeBalanced Centers – Rockwall, TX (5 of 18)
Owner – Geoff Miller: (817) 899-5110
Legal Business Name – Paradigm Development Holdings, LLC

BeBalanced Centers – San Antonio, TX (1 of 3 pack)*
Owner(s) – Dana Hernandez - (210) 883-5778 and Scott Villareal (210) 883-5778
Legal Business Name – DTS Wellness, LLC
Franchise Agreement signed in 2021

*Signed Development Agreement

EXHIBIT M

GENERAL RELEASE AGREEMENT

THIS GENERAL RELEASE AGREEMENT ("Release") is made and entered into this ____ day of ______________, 20____, by and between ____ ("Franchisor"), and ____________________________ ("Franchisee") and each owner of Franchisee and his or her spouse (individually, an "Owner," and collectively, the "Owners") (collectively, Franchisor, Franchisee, and Owners are referred to hereinafter as the "Parties").

WITNESSETH

WHEREAS, the Parties previously entered into that certain Franchise Agreement dated ___________, 20___ (the "Agreement"), granting Franchisee the right to operate a Franchise Business of Franchisor ("___________") for a specific Term (as defined in the Agreement); and

WHEREAS, Franchisee desires to renew the Agreement for an additional Term (as defined in the Agreement); and

WHEREAS, Section __________of the Agreement requires Franchisee and each of its Owners and their respective spouses to execute, in favor of Franchisor and its officers, directors, agents, and employees, and Franchisor's affiliates and their officers, directors, agents, and employees, as a condition to renew the Agreement, a general release from liability of all claims that Franchisee, its Owners, and their respective spouses may have against Franchisor, its affiliates, and their respective owners, officers, directors, employees, and agents; and

WHEREAS, the Parties desire to enter into this Release to comply with the requirements of the Agreement and preserve Franchisee's eligibility to renew the Agreement.

NOW, THEREFORE, in consideration of the mutual agreements contained herein and other valuable consideration, the Parties hereby agree as follows:

1. Recitals. The foregoing Recitals are incorporated into and made part of this Release.

2. Release. Franchisee, each Owner and his or her spouse, and their present or former affiliated entities, officers, directors, shareholders, partners, members, employees, contractors, agents, predecessors, successors, assigns, attorneys, representatives, heirs, personal representatives and any spouses of each, as well as all other persons, firms, corporations, limited liability companies, associations or partnerships or other affiliated entities claiming by or through them (the "Releasing Entities"), hereby fully release Franchisor and its present or former officers, directors, shareholders, partners, members, employees, contractors, agents, predecessors, successors, assigns, attorneys, representatives, heirs, personal representatives and any spouses of each, and Franchisor's affiliates and their respective present or former officers, directors, shareholders, partners, members, employees, contractors, agents, predecessors, successors, assigns, attorneys, representatives, heirs, personal representatives and any spouses of each, as well as all other persons, firms, corporations, limited liability companies, associations or partnerships or other affiliated entities claiming by or through Franchisor (the "Released Entities"), from any and all claims, liabilities, damages, expenses, actions or causes of action which Franchisee or any of the Franchisee Parties may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, including without limitation, the

generality of the foregoing, all claims, liabilities, damages, expenses, actions or causes of action directly or indirectly arising out of or relating to the execution and performance of the Agreement and the offer and sale of the franchise rights related thereto, except that such release shall not apply to any claims by Franchisee arising from representations in the Franchise Disclosure Document, or its exhibit or its amendments, and from any and all liabilities, claims, demands, debts, damages, obligations and causes of action of any nature or kind, whether presently known or unknown, which the Releasing Entities may have against the Released Entities as of the date this Release is executed.

3. Miscellaneous.

A. This Release contains the entire agreement and representations between the Parties hereto with respect to the subject matter hereof. This Release supersedes and cancels any prior understanding or agreement between the parties hereto whether written or oral, express or implied. No modifications or amendments to this Release shall be effective unless in writing, signed by all Parties.

B. In the event any provision hereof, or any portion of any provision hereof shall be deemed to be invalid, illegal or unenforceable, such invalidity, illegality, or unenforceability shall not affect the remaining portion of any provision, or of any other provision hereof, and each provision of this Release shall be deemed severable from all other provisions hereof.

C. This Release shall be governed by the laws of the Commonwealth of Pennsylvania. Any litigation or court action arising under or related to this Release shall be filed in state or federal court in Lancaster County, Commonwealth of Pennsylvania.

D. In the event a court action is brought to enforce or interpret this Release, the prevailing Party in that proceeding or action shall be entitled to reimbursement of all of its legal expenses, including, but not limited to, reasonable attorneys' fees and court costs incurred. The prevailing Party shall be entitled to reimbursement of all such expenses both in the initial proceeding or action and on any appeal therefrom.

E. This Release is binding on the Parties hereto and their respective successors, heirs, beneficiaries, agents, legal representatives, and assigns, and on any other persons claiming a right or interest through the Parties.

F. This Release may be executed in any number of counterparts, all of which shall be deemed to constitute one and the same instrument, and each counterpart shall be deemed an original.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereto affix their signatures and execute this Release as of the day and year first above written.

FRANCHISOR:

Infinity Health Advisors, LLC

By: ______________________________________

Print Name: _______________________________

Title: ____________________________________

Date: ____________________________________

FRANCHISEE:

If an individual:

By: ______________________________________

Print Name: _____________________________

Title: __________________________________

Date: __________________________________

IF A PARTNERSHIP, CORPORATION, OR OTHER ENTITY:

By: ___________________________________

Print Name: _____________________________

Title: ___________________________________

Date: ___________________________________

OWNERS

Owner's Title/Position with Franchisee: ____
Name of Owner: ____
Owner's Residential Address: ____
Signature of Owner: _________________________________ Owner's Percentage of Ownership: _____
Owner's Title/Position with Franchisee: ____
Name of Owner: ____
Owner's Residential Address: ____
Signature of Owner: _________________________________ Owner's Percentage of Ownership: _____

EXHIBIT N

SAMPLE FORM OF CO-OP ACKNOWLEDGMENT AND CONSENT & BYLAWS

FRANCHISEE ACKNOWLEDGEMENT AND CONSENT TO SHARED MARKETING PROGRAMS

This Acknowledgement and Consent to Shared Marketing Programs (the "Agreement") is entered into this ____ day of ___________ 20___ by __________________________, a _________________ with an address at ____ ("Franchisee"), and is recognized and approved by ______________________, a ___________________ with its principal business address at ____ ("BeBalanced" or "Franchisor").

BACKGROUND

A. On or around _________ _____, 20___, Franchisee entered into a franchise agreement (the "Franchise Agreement") with Franchisor, under which Franchisee was granted the right and undertook the obligation to operate an Franchisor franchised business (the "Franchised Business") within the following area: ____ (collectively, the "Territory").

B. Franchisee wishes to participate in certain shared marketing activities by cooperating with other BeBalanced franchisees located within the certain geographical area(s) that contain all or a part of Franchisee's Territory to conduct region-wide marketing activity targeting potential customers located within these geographic area(s) (hereafter, these activities shall be referred to collectively as "Shared Marketing Programs").

C. Pursuant to the terms and conditions of this Agreement, Franchisee wishes to: (i) acknowledge its desire to participate in Shared Marketing Programs; (ii) expressly consent to other BeBalanced franchisees promoting and advertising Franchisor's approved products and services within Franchisee's Territory as part of these Shared Marketing Programs throughout the term of the Franchise Agreement and any renewals/extensions thereof; and (iii) release Franchisor of any and all claims under the Franchise Agreement arising out of Franchisee's, as well as Franchisor's and other Franchisor franchisees', participation in any Shared Marketing Program.

NOW THEREFORE, in consideration of the mutual promises made herein and other good and valuable consideration the parties agree as follows:

AGREEMENT

1. Shared Marketing Area. Notwithstanding anything contained in the Franchise Agreement or related agreement to the contrary, Franchisee acknowledges and agrees that Franchisor may, but is under no obligation to, designate certain geographical regions wherein all BeBalanced franchisees that have all, or part, of their Territory located may choose to participate in Shared Marketing Programs. Subject to (a) Franchisee's execution of this Agreement and (b) the consent of all other franchisees with a Territory located, in whole or in part, within the Shared Marketing Area, Franchisor hereby designates the geographic region attached hereto as Exhibit A as the ______________________ (the "Shared Marketing Area"). Franchisee acknowledges and agrees that this Agreement shall be of no force or effect if any franchisees with a Territory located, in whole or in part, within the Shared Marketing Area do not agree to participate in the Shared Marketing Program.

2. Agreement to Participate. Franchisee hereby agrees to participate in the Shared Marketing Program that takes place in the Shared Marketing Area, and to comply with those bylaws set forth in the Shared Marketing Program Bylaws attached hereto as Exhibit B (the "Bylaws").

3. Consent to Other Franchisee's Participation. Franchisee hereby consents to other BeBalanced franchisees participation in the Shared Marketing Program established in a Shared Marketing Area that encompasses Franchisee's Territory, which may include advertising and promotion of their BeBalanced franchises within Franchisee's Territory as part of the Shared Marketing Program, provided such franchisee's designated marketing area is part of the Shared Marketing Area where such programs are established.

4. Local Advertising Requirement. Franchisor acknowledges and agrees that all amounts Franchisee contributes to or spends in connection with the Shared Marketing Program will be credited against Franchisee's required Local Advertising Expenditure (as set forth and defined in the Franchise Agreement). Any amount expended in a given month in excess of the required Local Advertising Expenditure shall be in Franchisee and the Cooperative's sole discretion, and shall not be credited against any other current or future obligations of Franchisee under the Franchise Agreement.

5. Acknowledgements. Franchisee expressly acknowledges and agrees that:

a. Any marketing, promotional and/or advertising activity conducted in Franchisee's Territory as part of a Shared Marketing Program shall not be a violation of any of Franchisee's rights under the Franchise Agreement and Franchisee shall have no claim against Franchisor or any third-party franchisee for such activity; and

b. In the event Franchisee fails to comply with the Bylaws or pay the required fees/expenditures associated with the Shared Marketing Program, then: (i) it shall be deemed a breach of Franchisee's obligations under the Franchise Agreement, and Franchisor may require Franchisee to pay in to the Shared Marketing Program any amounts owed or make any contributions required pursuant to the Bylaws in order to cure such a default; (ii) Franchisee's Franchised Business may be removed from the marketing materials associated with that Shared Marketing Program; and (iii) other Franchisor franchisees participating in that Shared Marketing Program are not required to refer any customer leads generated by that Shared Marketing Program to Franchisee, regardless of whether the customer is located within Franchisee's Territory.

6. Franchisee's Release of Franchisor. Franchisee, for itself and its officers, directors, managers, employees, attorneys, parents, divisions, subsidiaries, affiliates, and permitted successors and assigns, hereby forever releases Franchisor, as well as Franchisor's officers, directors, managers, employees, attorneys, parents, divisions, subsidiaries, affiliates, and permitted successors and assigns, from any and all actions, causes of action, claims, liabilities, obligations and damages of whatsoever kind or nature, whether known or unknown, fixed or contingent, including but not limited to, claims arising from any Shared Marketing Program.

7. Term and Survival. The term of this Agreement is concurrent with the term of the Franchise Agreement and shall coincide with the balance of the remaining term under the Franchise Agreement. Section 6 shall survive the termination or expiration of this Agreement and the Franchise Agreement for whatever reason.

8. Remaining Terms of Franchise Agreement Enforceable. All other terms of the Franchise Agreement not modified by this Agreement shall remain in full force and effect. Any term defined in the Franchise Agreement which is not defined in this Agreement will be ascribed the meaning given to it in the Franchise Agreement.

9. Entire Agreement. This Agreement, along with the Franchise Agreement, contains the entire agreement between the parties concerning Shared Marketing Programs and Shared Marketing Areas; no promises, inducements or representations not contained in this Agreement or the Franchise Agreement have been made, nor shall any be of any force or effect, or binding on the parties. Modifications of this Agreement must be in writing and signed by both parties. Franchisor reserves the right to change Franchisor's policies, procedures, standards, specifications or manuals at Franchisor's discretion. In the event of a conflict between this Agreement and the Franchise Agreement, the terms, conditions and intent of this Agreement shall control.

Intending to be legally bound, the parties have executed this Agreement on the date set forth above.

FRANCHISEE:

By: ______________________________ ____________________

Its: ______________________________

APPROVED BY:

FRANCHISOR

By: ____

EXHIBIT A to CONSENT TO SHARED MARKETING PROGRAM

SHARED MARKETING AREA

[insert map]

EXHIBIT B to CONSENT TO SHARED MARKETING PROGRAM

SHARED MARKETING PROGRAM BYLAWS

Sample Co-op By-Laws / Shared Marketing Agreement for the [TBD] Area

1. **Purpose**

1.1. The exclusive purpose of this Shared Marketing Agreement is for the collective advertising of the BeBalanced Brand in the [TBD] market. We are choosing to enter into this advertising cooperative because we believe that when multiple locations of the same brand operate within the same DMA, there is a benefit to combining a portion of everyone's advertising budgets to achieve marketing objectives greater than what one can do alone for the benefit of everyone.

2. **Members and their Representatives**

2.1. The following franchisees have entered into this agreement and will represent their respective centers in any shared marketing campaign. Please print, sign and date on the line below.

2.1.1.

____

2.1.2.

____

2.1.3.

3. **Definitions**

3.1. *Designated Marketing Area (DMA)*

The [TBD] Market as determined by the [TBD] map. Any center within this DMA or 50% of their territory is within the DMA.

3.2. *Shared Marketing* – any marketing campaign where the DMA overlaps all of the participating centers covering at least 50% of their territory.

3.3. *Exceptions can be made per center and voted on by the majority.*

3.4. *Local Marketing* – any marketing campaign that is mostly contained within a single franchised territory. Any advertising campaign not meeting the definition of "shared marketing" will be considered local marketing and will not be subject to the terms of this agreement.

3.5. *Capital Contribution* - An agreed upon amount of money, [TBD] per month per center to be contributed to the Shared Marketing Bank Account to be used exclusively for the design, development, and execution of the shared marketing campaign. This will be voted on quarterly and determined by the majority vote, not to exceed an increase of 50% more than the already determined [TBD] per month. If a majority votes to increase more than 50% as stated above that 50% can then be exceeded.

4. **Capital Contributions**

4.1. The members have agreed that a sum of [TBD] per month will be deposited in a joint bank account for the sole purpose of funding the shared marketing campaigns. This amount will be voted upon on a quarterly basis and much have a majority vote to pass.

5. **Withdrawal of Capital**

5.1. No member will have the right to demand or withdraw any portion of their capital contribution without the express written consent of the majority of remaining members.

5.2. The dissolution of this shared marketing agreement is the only reason allowed for the distribution of capital to the members.

6. Remuneration

6.1. The members of this agreement will propose possible shared marketing opportunities for the advancement of sales of the collective centers. All work involved in finding, researching, designing marketing materials, and executing a shared marketing campaign will be for the advancement of the centers and no members will be compensated for their labor or personal expenses including but not limited to vehicle expenses, tolls, gas, insurances, office supplies, or any equipment not already required for the normal operation of their franchise, that was spent executing the shared marketing campaign.

7. Accounting

7.1. Accurate and complete books of account of the transactions of the Shared Marketing Agreement will be kept in order by an appointed bookkeeper. Said bookkeepers salary will be the equally shared expense of all members and deducted from the shared marketing fund. This bookkeeper will effectively be our Treasurer. We will review the status of the bank account at each quarterly meeting. All bank statements and invoices will be kept in a shared document that all parties will be able to access.

8. Member Meeting

8.1. Member meetings will be held on a quarterly basis with the same agenda to discuss the progress of any on-going marketing campaigns; to discuss possible marketing ideas, and to discuss the general business of the Shared Marketing Agreement.

8.2. Any member can call a special meeting to resolve urgent issues that require a vote and that cannot wait for the next regularly scheduled meeting. When calling a special meeting, all members must be provided with reasonable notice. Where a special meeting has been called, the meeting will be restricted to the specific purpose for which the meeting was called with a specific agenda.

8.3. All meetings will be held at a time and in a location or virtual that is reasonable, convenient, and practical considering the situation of all members.

8.4. Any vote required by the members will be determined such that each member receives one vote per center all carrying equal weight.

8.5. Details of any and all meetings will be recorded by a member who will be serving as the secretary. This duty will be shared equally by all members on a rotating schedule.

8.6. If an ad campaign is running and a new decision needs to be made a last minute meeting will be called to make the decision which will pass with majority vote.

8.7. All campaigns will be voted on and will only pass with majority vote.

8.8. There is one designated voting member per center.

8.9. As campaigns are voted on the person who brought that campaign to the table will be the point person on that venue.

9. Amendments

9.1. This agreement may be amended only with a majority consent of all members and final approval by the franchisor's corporate office.

10. Admitting New Members

10.1. New members may be added to the Shared Marketing Agreement as new franchises are opened in the designated marketing area. Any new franchise adjacent to the territory of an existing franchise already a part of this SMA will be required to join this Shared Marketing agreement if they are eligible according to the definition about. Upon the date a new BeBalanced franchisee is able to make sales to the public or has a soft opening they are responsible for matching the pool of shared unspent funds per center proportionate to the centers involved

10.2. The new member agrees to be bound by all the covenants, terms, and conditions of this agreement, inclusive of all current and future amendments. Further, a new member will execute such documents as are needed or required for this admission.

11. Dissociation of a Member

11.1. Where a member is in breach of this agreement and defaults on their monthly payments for 2 or more months that member will receive a fine of 15% of the monthly spend to be no less than $400 and will be at the risk of being voted out. In extenuating circumstances, i.e., closure or bankruptcy the members will take a majority vote to determine if said center may be allowed out of the fine.

11.2. If the Shared Marketing Agreement is harmed as a result of an individual member's actions or failure to act, then that individual member will be liable for that harm. According to the damages incurred, as estimated by an average taken from the opinion of at least two objective third parties. A current BeBalanced approved marketing vendor, the BeBalanced home office CFO, or another BeBalanced franchisee that does not have any location within the [TBD] DMA could be considered an appropriate third party If more than one member is at fault then they will be jointly and severally liable for the harm.

11.3. Each member will indemnify the remaining members against all losses, costs, and claims that may arise in the event of the venture being terminated as a result of breach of the agreement by the member.

11.4. If a member is placed in bankruptcy or if there is an Operation of Law against a member or if their franchise agreement is terminated for any reason, either sale, expiration or termination, the other members will be entitled to proceed as if the member has breached this agreement.

11.5. There will be no distribution of unused monies to any dissociated member for any reason unless agreed upon by a majority of all members of this agreement..

12. Dissolution of the Shared Marketing Agreement

12.1. The Shared Marketing Agreement and all its assets liquidated can be dissolved for any of the following reasons:

12.1.1. Where a marketing campaign has not been performed for more than 13 months due to the members being unable to agree to a marketing campaign.

13. Transfer of Member Interest

13.1. The interest of a member can only be transferred to another person or entity through the sale of the original member's franchise. The original member will transfer all title to any capital contribution to the Shared Marketing Agreement to the new franchise owner and there will be no distribution of monies to any party as a result of the transfer.

14. Marketing Campaigns

14.1. Any marketing campaign can be proposed to the members of the Shared Marketing Agreement at any time provided that the proposed campaign meets the criteria of a shared marketing campaign.

14.2. Upon acceptance of the shared marketing campaign, the duration of the campaign will be determined. Upon expiration of the campaign, the members can vote, needs majority to win, to continue the campaign has determined that the campaign has been successful.

15 Confidentiality

14.3. All matters relating to this agreement will be treated by the members as confidential and no member will disclose or allow to be disclosed any Shared Marketing matter or matters, directly or indirectly, to any third party without the prior written approval of all members except where the information properly comes into the public domain.

15. Liability

15.1. No member will be liable to the agreement or to any other member for any error in judgement or any act or failure to act where made in good faith. The member will be liable for any and all acts or failures to act resulting from gross negligence or willful misconduct as determined by the majority of the remaining members.

EXHIBIT O

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document to be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effecting and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	May 16, 2022
Illinois	August 9, 2022
Indiana	May 12, 2022
Maryland	
Michigan	May 17, 2022
Minnesota	July 12, 2022
New York	August 9, 2022
Virginia	June 19, 2022, amended August 17, 2022

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

EXHIBIT P

RECEIPT

The disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Infinity Health Advisors, LLC offers you a franchise, it must provide this disclosure document to you fourteen (14) calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If Infinity Health Advisors, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency listed in Exhibit J.

Issuance Date: April 29. 2022

The franchise seller is Infinity Health Advisors, LLC at 485 Royer Drive, Suite 102, Lancaster, Pennsylvania 17601, (800) 361-8060.

Any additional individual franchise sellers involved in offering this franchise are: David Cutillo, 485 Royer Drive, Suite 102, Lancaster, Pennsylvania 17601, 717-587-3395.

I have received the Disclosure Document dated April 29. 2022, which included the following Exhibits:

A. Franchise Agreement
B. Area Development Agreement
C. Financial Statements
D. Ownership Acknowledgement
E. Guaranty of Franchisee's Obligations
F. Electronic Funds Transfer Form
G. Operations Manual Table of Contents
H. Consent and Agreement of Landlord
I. Confidentiality and Non-Competition Agreement
J. List of State Administrators/Agents for Process
K. State-Specific Addendums
L. List of Current & Former Franchisees
M. General Release
N. Sample Form of Co-op Acknowledgment and Consent & Bylaws
O. State Effective Dates
P. Receipt (2 copies)

______________________________ ______________________________

Prospective Franchisee Signature | Printed Name

Date Received: ______________________________

Instructions for returning the receipt:

If the disclosure document is not delivered in person, the prospective franchisee must sign both copies, retaining one (1) for the prospective franchisee's records. The other copy must be sent within five (5) business days via certified mail to the franchisor: Infinity Health Advisors, LLC at 485 Royer Drive, Suite 102, Lancaster, Pennsylvania 17601.

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