

FRANCHISE DISCLOSURE DOCUMENT



Ross Wellness LLC
A Nevada Limited Liability Company
31888 Plaza Drive, C-7
San Juan Capistrano, CA 92675
949-661-9476
<https://bodybestdoctors.com>

The Franchisee will incorporate a Body Best Doctors franchised business into Franchisee's existing chiropractic practice in order to utilize Franchisor's proprietary System to enhance the practice.

The total investment necessary to begin operation of a Body Best Doctors franchise is from \$80,400-\$152,600. This includes \$39,600 that must be paid to the franchisor.

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

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 Dr. Calvin B. Ross, DC at Ross Wellness LLC, 31888 Plaza Drive, C-7, San Juan Capistrano, CA 92675, 949-661-9476.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

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

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

Issuance Date: July 10, 2020

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 Exhibits E and F.
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 G 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 Body Best Doctors business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be an Body Best Doctors franchisee?	Item 20 or Exhibits E and F list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in California. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in California than in your own state.
2. **Other Risks.** There may be other risks concerning this franchise.

Certain states may require other risks to be highlighted. Check the “State Specific Addenda” (if any) to see whether your state requires other risks to be highlighted.

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Exhibits

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Exhibit B:	Franchise Agreement with Exhibits
Exhibit C:	Table of Contents of Confidential Operating Manual
Exhibit D:	State Specific Addenda
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Exhibit G:	Financial Statements
Exhibit H:	Receipts

ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this disclosure document, “We”, “Our” or “Us” and “we”, “our” or “us” means Ross Wellness LLC, the Franchisor. “You” or “Yours” and “you” or “yours” means the person or entity who buys the franchise, i.e. the franchisee.

Franchisor, Parent, Predecessor, and Affiliates

We conduct business under the name, Body Best Doctors. Our principal business address is 31888 Plaza Drive, C-7, San Juan Capistrano, CA 92675. Our telephone number is 949-661-9476. We are a Nevada Limited Liability Company that was organized on January 30, 2019.

Our Managing Member, Dr. Calvin B. Ross, DC conducts a chiropractic practice that is the prototype for our franchise model. Dr. Ross opened his practice in 1983 and has continuously conducted his practice since then. His principal business address for his chiropractic practice is 31888 Plaza Drive, C-7, San Juan Capistrano, CA 92675. Dr. Ross is our primary franchise trainer.

We do not conduct business under any other name.

We have no other predecessors, parents or affiliates requiring disclosure in this Item.

Agent for Service of Process

The identity and principal business address of our agent for service of process is disclosed in Exhibit A.

Prior Experience

In 1983, our Managing Member, Dr. Calvin B. Ross, DC, opened a chiropractic practice that since 2005 has become the prototype for our franchise model. We commenced offering Body Best Doctors franchises in 2020. We have no other business activities. We have no other parents, predecessors or affiliates requiring this disclosure.

The Business We Offer

You will have the right to conduct, using our name and trademark, Body Best Doctors, a chiropractic practice in accordance with our training program, Confidential Operating Manual, training manuals and other materials from us. The general market for services we offer is the general public. We believe our proprietary approach to enhancing a chiropractic practice gives us a competitive stance, and is the kind of approach that our franchises can use in an effective and competitive manner.

Applicable Regulations

As a chiropractic practice, your Franchise will be subject to local and state chiropractor licensing laws, regulations and rules, and must at all times be kept in good standing. Your practice will also be subject to health laws, regulations, and licensing, as well as the Americans with Disabilities Act (ADA). You must make yourself aware of the requirements and procedures for compliance. Otherwise, apart from general business, zoning, tax, franchise and licensing laws and regulations, there are no federal, state and local laws and regulations that will impact upon your franchised business in particular. Businesses in general are subject to a multitude of ever-changing laws and regulations, and, as an independent business person, you are responsible for being aware of and complying with them. Workmen's Compensation and unemployment compensation laws as well as minimum wage laws and other employment related laws apply to your employees. Anti-discrimination laws will impact your business. You are responsible for researching, knowing and complying with all laws, rules and regulations impacting your Franchise.

ITEM 2

BUSINESS EXPERIENCE

Managing Member: Dr. Calvin B. Ross, DC,

Managing Member of Ross Wellness LLC since its inception in 2019.

Dr. Ross' chiropractic practice in San Juan Capistrano, California, has, since 2005, been the prototype for our franchise model.

ITEM 3

LITIGATION

No litigation need be disclosed in this disclosure document. No arbitration need be disclosed in this disclosure document.

ITEM 4

BANKRUPTCY

Our Managing Member, Dr. Calvin B. Ross, DC filed a bankruptcy petition under the liquidation provisions of Chapter 7 of the U.S. Bankruptcy Code on November 28, 2018, In re Calvin Ross, No. 8:18-bk-13691-SC (U.S. Bankruptcy Court Central District of California. On 01/22/2019, the Bankruptcy Court entered a discharge.

Apart from the above, no other bankruptcies need be disclosed in this disclosure document.

ITEM 5

INITIAL FEES

An Initial Fee in the amount of \$39,600 is due and payable by you upon signing the franchise agreement.

The fee goes into our general funds and is not refundable in whole or in part under any circumstances, except if we terminate your franchise agreement without cause prior to commencement of initial training program, we will refund all of the initial fees you paid.

ITEM 6

OTHER FEES

Name of Fee	Amount	Due Date	Remarks
Percentage Royalty	Six Percent (6%) of gross revenues ¹	5 th day of following month	We may require electronic payments.
Advertising Fee	One Percent (1%) of gross revenues ¹	5 th day of following month	We may require electronic payments. This is for marketing and advertising in your general area.
Initial Training	Included in initial franchise fee	n/a	n/a
Additional initial training	\$10,000 per trainee	Prior to beginning of training	This fee applies if you require training of a larger number of persons than are trained at no additional cost pursuant to the franchise agreement.
Subsequent initial training programs ²	\$10,000 per trainee	Prior to beginning of training	This fee applies if you or a successor of yours sends persons to subsequent initial training programs.
Periodic training updates	Fees as determined by us and attendance-related expenses	Prior to training update sessions	Fees may vary by program.

Renewal fee ²	\$9,500	Before renewal	This is in lieu of another Initial Franchise Fee.
Transfer to controlled business ²	\$2,000	Prior to transfer	This amount applies if you change your business type and transfer the Franchise to the new business.
Transfer to new owner ²	\$19,600	Prior to transfer	This is in lieu of an Initial Franchise Fee and the normal initial territory fee.
Non-Body Best Doctors chiropractic business in the USA during and within 3 years after the term of the franchise agreement ³	\$25,000 + Four Percent (4%) of the monthly Gross Revenues of such business or \$600 per month (whichever is greater)	5 th day of the month	This does not apply to franchise operations
Training others to operate a non-Body Best Doctors chiropractic business in the USA during and within 3 years after the term of the franchise agreement ³	\$20,000 + Three Percent (3%) of the monthly Gross Revenues of such business or \$500 per month (whichever is greater)	5 th day of the month	This does not apply to franchise operations
Franchising or licensing others to operate a non-Body Best Doctors chiropractic business in the USA during and within 3 years after the term of the franchise agreement ³	\$20,000 + Three Percent (3%) of the monthly Gross Revenues of such business or \$500 per month (whichever is greater)	5 th day of the month	This does not apply to franchise operations

Audit	Actual cost	After audit	Applies if you understate gross revenues by at least 5%.
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¹Gross revenues means all sales revenues, not including state and local taxes, received from the operation of the franchised business.

²All fees are uniformly imposed by and are payable to us. All fees are non-refundable except as otherwise provided in the franchise agreement. All fees are subject to change in any renewal agreements.

³This fee is not incurred from franchise operations. It only applies to specific situations outside the franchise operations. In most cases, these situations will not occur.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT					
Expenditures	Amount		When Due	Method of Payment	To Whom Paid
	Low	High			
Initial Franchise Fee (1)	\$39,600	\$39,600	When you sign the Franchise Agreement	Lump sum	Us
Security and Utility Deposits (2)	\$0	\$0	Before opening	As agreed	Landlord and /or utility companies
Lease Rent (3)	\$0	\$0	As agreed	As agreed	Landlord
Architectural (4)	\$0	\$10,000	Before opening	As agreed	Architect
Leasehold Improvements (4)	\$10,000	\$40,000	Before opening	As agreed	Landlord or construction contractors
Signage (5)	\$4,000	\$7,000	Before opening	As agreed	Vendors
Office Equipment, including furniture and fixtures (6)	\$2,000	\$5,000	Before opening	As agreed	Vendors

Chiropractic or other Professional Equipment (6)	\$6,000	\$10,000	Before opening	As Agreed	Vendors
POS System and Computers (7)	\$4,000	\$7,000	Before opening	As agreed	Vendors and us for Office Management Software
Business Licenses and Permits (8)	\$0	\$0	Before opening	As required	Governmental agencies
Professional Services and Fees (9)	\$3,000	\$6,000	Before opening	As agreed	Attorneys, accountants, and other professionals
Insurance (10)	\$0	\$6,000	Before opening	As agreed	Insurer
Initial Training Expenses, including travel (11)	\$3,000	\$5,000	As incurred	As agreed	Vendors
Start-up supplies – Uniforms, contracts, invoices, and other office supplies	\$1,000	\$2,000	As incurred	As agreed	Telephone company or other third party
Grand Opening Marketing Expenses up to the third month of operation (12)	\$3,000	\$9,000	As incurred	As agreed	Vendors
Three Months' Office Management Software Fee (7)	\$1,200	\$1,200	As incurred	As agreed	Vendors
Additional Funds– three months (13)	\$3,600	\$4,800	As incurred	As agreed	Vendors
TOTAL ESTIMATED INITIAL INVESTMENT (14, 15, 16)	\$80,400	\$152,600			

Notes:

1. Assumes one territory of typical size. We do not finance any fee.

2. This estimate assumes that because your chiropractic practice is already in operation, you have already paid all security deposits required by the landlord and utility and telecommunications companies.
3. Your Body Best Doctors franchise will not in and of itself cause any rent increase over what you are now paying for your chiropractic practice.
4. You will not incur any architectural fees unless you reconfigure your premises interior to the extent where an architectural rendering would be needed. You may, depending on your existing space, have a number of reconfiguration options ranging from minimal to substantial. Building and construction costs will vary depending upon the condition and size of the premises, the amount of reconfiguration, and local construction costs. These costs can include costs for space plan layout, exterior signage, mechanical, electrical, plumbing, engineering, testing, permits and fees, the costs incurred for project and construction management, materials and supplies, labor and subcontractor fees; and other costs to construct leasehold improvements. You must perform or have performed any construction, remodeling, or additions necessary to cause the premises to conform to applicable federal, state, county, city, local laws, ordinances, codes, rules and regulations and meet our requirements for the layout, design, construction, fixtures, equipment and installation, furnishings, decorations, colors, artwork, music, videos, and trade dress appearance. Construction and remodeling costs vary widely depending upon the location, design, the condition and configuration of existing services and facilities such as air conditioning, electrical and plumbing.
5. These estimates assume you will purchase your signage. The type and size of the signage you actually install will be based upon the zoning and property use requirements and restrictions. There could be an occasion where signage is not permitted because of zoning or use restrictions.
6. These estimates include possible needed furnishings, including workstations and chairs, file cabinets, shelving, and an initial inventory of forms and stationary, and other items.
7. These estimates are for the costs to purchase a computerized practice management and point of sale system ("POS System") including installation, plus three months of usage fees. Your costs may vary. Unless you already have such a system in place when you sign the franchise agreement, you must use the system that we approve.
8. This assumes you already have all needed business licenses from state and local governments. We are not including any amount for your professional license(s) and assume you know and have paid those fees.
9. This includes other initial franchise startup costs, incorporation, insurance and related legal expenses, fees for credit card merchant accounts, bank fees, business license fees, and other miscellaneous costs you may incur at opening. You may incur legal fees, accounting fees and other professional fees in order to organize a business or professional entity, review your franchise agreement and other legal documents, and perform all necessary accounting and tax matters.

10. You must purchase and maintain the insurance coverage that we specify in the Manual and Franchise Agreement, including as part of the insurance requirements chiropractor professional liability insurance. All insurance policies you purchase must name us and our managing member as additional insureds, and provide for thirty days' prior written notice to us of a policy's material modification or cancellation. The cost of your premiums will depend on the insurance carrier's charges, terms of payment, and your insurance and payment histories. You may already have all insurance in place required for your chiropractic practice, and possibly incur no additional insurance costs as a result of becoming a Body Best Doctors chiropractic practice.
11. This estimates travel, lodging, and food expenses for attending our initial training program. Depends on number of trainees, distance to travel, and accommodations chosen; estimate is per person. Training is 5 days long at our principal office location.
12. Although the franchise agreement does not obligate you to spend any amount on grand opening and subsequent local advertising, such expenditures are recommended. We will cover this in the Manual and initial training.
13. This is an estimate of three months of ongoing fees and related expenses for your franchise. This does not include owner's draw or personal expenses, or expenses for your already existing and ongoing chiropractic practice. Your fees and related expenses will probably differ, and will mostly be based on your gross revenues. You should use such advisors as you deem necessary to determine your actual needs for personal expenses.
14. This estimates your initial start-up expenses. These expenses do not include payroll costs for any employees. These figures are estimates, and you may have additional expenses. Your costs will depend on factors such as: how much you follow our methods and procedures; your management skill, experience and business acumen; local regulatory and economic conditions; the local market; the prevailing wage rate; competition; and the patient level. We relied on our Managing Member's experience to date in chiropractic practice to compile these estimates. You should review these figures with a business advisor before making a decision to purchase the franchise.
15. We do not offer direct or indirect financing to franchisees for any items.
16. Unless otherwise stated, all amounts in this Item 7 are generally non-refundable.

ITEM 8

RESTRICTIONS ON SOURCES OF SERVICES AND PRODUCTS

Required purchases

You must purchase certain products, supplies, furnishings, artwork, music, videos, equipment, and other items so designated in the Confidential Operating Manual, from us or manufacturers, suppliers or distributors designated by us in the Confidential Operating Manual. In some cases, the Manual will give multiple suppliers, and in other cases the Manual may permit you to order

from sources you choose. When a higher degree of uniformity among our franchisees is needed, the exact product will be specified; in other cases you may be able to choose the product so long as it meets our specifications and standards. The approved items and suppliers are subject to change and you must conform to any such changes.

Required and approved suppliers

You must purchase required purchases from our approved suppliers or from us. We will inform you of the identities of all approved suppliers in the Confidential Operating Manual. The suppliers may change over time. The names, addresses, and relevant ordering information of these suppliers will be set forth in the Confidential Operating Manual. We issue and change specifications and grant and revoke approval of suppliers in the Confidential Operating Manual. None of our officers own an interest in any required supplier apart from ourselves.

Approval of alternative suppliers

We do not approve alternate suppliers.

Revenue from franchisee purchases

We estimate that your required purchases and leases will represent approximately 25% of your overall purchases and leases of goods and services in establishing the franchised business, and approximately 15% of your overall purchases and leases of goods and services in operating the franchised business.

We may share in mark-ups or receive rebates or discounts from suppliers based on franchisee purchases. We received no such income in 2019.

Cooperatives

We have no distribution or purchasing cooperatives, but may permit, establish or arrange for them at a later time.

Negotiated prices

We may but have not yet negotiated purchase arrangements with suppliers, including price terms.

Material benefits

We do not provide any material benefits to you if you buy from sources we approve.

ITEM 9

FRANCHISEE'S OBLIGATIONS

THE TABLE ON THE FOLLOWING PAGE LISTS YOUR PRINCIPAL OBLIGATIONS UNDER THE FRANCHISE AND OTHER AGREEMENTS. IT WILL HELP YOU FIND MORE DETAILED INFORMATION ABOUT YOUR OBLIGATIONS IN THESE AGREEMENTS AND IN OTHER ITEMS OF THIS DISCLOSURE DOCUMENT.

OBLIGATION	SECTION IN AGREEMENT	ITEM IN OFFERING CIRCULAR
Site selection and acquisition/lease	Section 2 of the Franchise Agreement	Item 7 and 11
Pre-opening purchases/leases	Section 2 of the Franchise Agreement	Item 7 and 11
Site development and other pre-opening requirements	Section 2 of the Franchise Agreement	Item 7 and 11
Initial and ongoing training	Sections 4, 10 and 15 of Franchise Agreement	Item 7 and 11
Opening	Sections 2 and 11 of Franchise Agreement	Item 7 and 11
Fees	Sections 3, 4, 5, 9, 11, 12 and 14 of Franchise Agreement	Item 5 and 6
Compliance with standards and policies/operating manual	Sections 7, 8, 9 and 11 of Franchise Agreement	Item 11
Trademarks and proprietary information	Sections 6 and 11 of Franchise Agreement	Item 13 and 14
Restrictions on products/services offered	Sections 1, 2, 7, and 11 of Franchise Agreement	Item 16
Warranty and customer service requirements	Section 11 of Franchise Agreement	
Territorial development and sales quotas	Not applicable	
Ongoing product/service purchases	Section 11 of Franchise Agreement	Item 8
Maintenance, appearance and remodeling requirements	Section 2 and 11 of the Franchise Agreement	
Insurance	Section 11 of Franchise Agreement	Items 6 and 8
Advertising	Sections 9 and 11 of Franchise Agreement	Items 6 and 11
Indemnification	Section 11 of Franchise Agreement	Item 6

Owner's participation/ management/staff	Section 11 of Franchise Agreement	Items 11 and 15
Records and Reports	Sections 4, 11, and 12 of Franchise Agreement	Item 6
Inspections and Audits	Section 12 of Franchise Agreement	Items 6 and 11
Transfer	Section 14 of Franchise Agreement	Item 17
Renewal	Section 3 of Franchise Agreement	Item 17
Post-termination obligations	Sections 15 and 16 and 17 of Franchise Agreement	Item 17
Non-competition covenants	Sections 2.3 and 11.17 of Franchise Agreement	Item 17
Dispute resolution	Sections 19 and 22 of Franchise Agreement	Item 17
Other: Personal Guaranty (Note 1)	End of Franchise Agreement	Item 15
Notes: (1) All owners and executive management persons of a business entity Franchisee must sign the personal guaranty at the end of the Franchise Agreement.		

ITEM 10

FINANCING

We do not offer direct or indirect financing arrangements, leases or installment contracts.

ITEM 11

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

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

This item refers to the Franchise Agreement, which is attached as Exhibit B.

Pre-Opening Assistance

Before you commence operating your chiropractic practice as a Body Best Doctors franchise, we will

1. Designate your territory (Franchise Agreement, Section 2)
2. Approve your practice's current location in the signed franchise agreement (Franchise Agreement, Section 2.5).

Franchisees typically commence franchise operations within 120 days after signing a franchise agreement and within 30 days of completing training. The factors that affect when franchise operations are commenced include scheduling training, initial purchases, and premises reconfiguration/enhancement. If not open within 120 days of signing the Franchise Agreement and within 30 days of completing initial training, your franchise is subject to termination. (Franchise Agreement, Section 11.8)

Post-Opening Assistance

During the operation of your chiropractic practice as a Body Best Doctors franchise, we will:

- (1) Furnish you with information about any new developments in the franchise system, perform inspections we deem necessary, specify approved and required suppliers, and provide your Internet presence. (Franchise Agreement, Section 10.2)
- (2) Provide you initial training, advisory assistance, other training, and visits to your operations by our representatives we deem advisable. (Franchise Agreement, Section 10.3)
- (3) Inform you of any designated prices and charges for the services and products of the Franchise. (Franchise Agreement, Section 10.5)
- (4) Provide continuing training programs we deem advisable. (Franchise Agreement, Section 10.6)
- (5) Inform you of any operational, transactional, appointment, billing, point of sale, accounting and bookkeeping services and products; computer and computer-related hardware and software, handheld devices and systems, smartphones, mobile electronic devices, reporting forms and methods, Internet sites, and Internet based programs, email, and software that we require you to use. (Franchise Agreement, Section 10.4)
- (6) Loan make available to you one copy of our Confidential Operating Manual. (Franchise Agreement, Section 7.1, 10.1)
- (7) Approve or disapprove your proposed advertising within a reasonable time. Furnish you any advertising materials we make available to our franchisees. (Franchise Agreement, Section 9.1)

- (8) Manage and implement an advertising fund if established. (Franchise Agreement, Section 9.3)

Advertising

We have no formal advertising program. We are not obligated to conduct any advertising nor spend any amount on advertising.

We approve your advertising and provide you certain advertising materials which we have developed. You need not spend any particular amount on local advertising. (Franchise Agreement, Section 9.1).

We do not have an advertising fund and may, but are not obligated, to establish one (Franchise Agreement, Section 9.3). There is no advertising council. There are no advertising cooperatives.

We may on our website enable potential patients to find and select a Body Best Doctors franchise location.

If we implement promotions such as discounts, coupons, and special days such as holiday sales, we may require you to participate or make the participation optional.

Computer Requirements

We may require you to purchase or lease and utilize such point of sale (“POS”) system, computer, printer, fax, computer-related equipment, operating systems, software, and Internet services as we specify in the Confidential Operating Manual. We may require you to purchase a chiropractic practice management system approved by us that is capable of reporting to us your daily receipts and other reports and functions we require. You may have a backup system, additional computers meeting our then-current specifications, and other supporting hardware and software. You must purchase, maintain and use such broadband Internet connections as specified by us in the Confidential Operating Manual.

The cost of purchasing your POS, chiropractic practice management, and computer system(s) is approximately \$4,000 to \$7,000. If our Confidential Information is on any of the POS, chiropractic practice management, and computer system(s), you must safeguard it from disclosure or transmission to unauthorized parties. We have no obligation to provide ongoing maintenance, repairs, upgrades, or updates. You have an obligation to upgrade or update your POS, chiropractic practice management, and computer system(s) as set forth in the Confidential Operating Manual. There are no contractual limitations on the frequency and cost of the obligation. We will, consistent with HIPAA and similar restrictions, have independent access to your POS, chiropractic practice management, and computer system(s) and online information, data and workflow as specified in the Confidential Operating Manual. We will, consistent with HIPAA and similar restrictions, have independent access to information and data in your POS, chiropractic practice management, and computer system(s) and transmissions to and from same. Apart from HIPAA restrictions, there are no contractual limitations on our right to access the information. (Franchise Agreement, Sections 10.4, 11.8, 11.13).

Operating Manual

We will loan you a copy of our Confidential Operating Manual, which contains mandatory and suggested specifications, standards and procedures, and includes without limitation the details, elements, and components of the System pertaining to the operation of the Franchise. The Manual may take any form and compilation of forms, including without limitation a bound collection of materials in loose-leaf form, memoranda, videos, podcasts, webinars, and other information and media stored on computer, an Internet site, CD or DVD format, and other non-paper means, as well as all of the foregoing, all of which will comprise the Manual whether or not in one unit or grouping. This manual is confidential and remains our property. You and your employees must safeguard this manual in order to prevent others from seeing or using it. We may modify the Manual, and you must abide by any changes in your practices and procedures required by the modifications, if the modifications do not materially, directly, adversely, and expressly contradict a provision of the Franchise Agreement (Franchise Agreement, Sections 7 and 10.1). The Table of Contents of the Confidential Operating Manual is attached as Exhibit C.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of Hands-on Training	Location
Back Help Manual	4	4	Franchisor HQ
Patient Care	4	4	Franchisor HQ
TOTAL	8	8	

The instructional materials consist of the Confidential Operating Manual and other printed, computer, video, online materials, forms, and instructional materials. Our instructor is Dr. Calvin B. Ross, DC, who has 37 years of experience in chiropractic practice.

You and up to one additional trainee approved by us need not pay for training above and beyond your initial franchise fee, but you must pay all travel and living expenses of yourself and your trainees. Additional trainees approved by us may participate in our initial franchisee training program upon payment of training fees of \$10,000 per trainee.

All individuals in your company who will supervise or manage the day to day operations must attend and successfully complete the initial training program. Training must be completed no later than 90 days after signing the franchise agreement.

Additional trainees may participate in subsequent initial franchisee training programs upon payment of training fees of \$10,000 per trainee, subject to the availability and schedule of our training staff, and subject to our approval of the trainees.

You are required to participate in additional or continuing training programs or refresher courses that we may offer and pay such fees for them as we designate.

ITEM 12

TERRITORY

The franchise is for a specific location to be approved by us.

You will receive an exclusive territory. Your exclusive territory will be delineated in the Franchise Agreement. The typical territory size is approximately 100,000 population.

Should you need to relocate your franchised business within your territory, we must approve the relocation in writing, and will not unreasonably withhold approval of the relocation.

The primary factors considered in approving a location are if the location is in your territory and is suitable for a chiropractic practice, but our approval may be granted or withheld upon any basis which we, in our sole and exclusive discretion, deem sufficient.

We will not approve your establishing additional franchised locations, or addresses inside or outside your territory unless and until you and we mutually agree on such operations, which will require a separate written franchise agreement, an additional Initial Fee, continuing royalties and other payments and obligations on your part.

You do not have any options, rights of first refusal or similar rights to acquire additional franchises unless and until you and we agree to that in writing.

You maintain rights to your territory even if the population increases.

You need not meet any minimum sales quota, market penetration, or other contingency to preserve your Territory. We may modify your territorial rights without your written approval if you are not in compliance with your franchise agreement or if you exercise your Expanded Rights under Article 17 of the franchise agreement.

You may not provide any services or products outside your territory.

All Internet orders and sales are through websites established, maintained or approved in writing by us.

We reserve the right to establish, control and maintain all Body Best Doctors trademarked activities, businesses and ventures other than through franchised or company-owned units, whether inside or outside your territory. We reserve the right to combine a Body Best Doctors franchise in a location shared with one or more other franchises, so long as this is outside your territory.

In the event we develop a different business under any trademark, we may locate, operate and franchise said business within your territory without any obligation or liability to you.

ITEM 13

TRADEMARKS

The principal trademarks (service marks) we license to you for use in your franchise are shown in the table below.

TRADEMARK	REGISTRATION NUMBER	REGISTRATION DATE
BODY BEST DOCTORS	n/a	n/a
 Body Best Doctors <i>Where special caring creates miracles</i>	n/a	n/a

We do not have a federal registration for our principal trademark, nor do we intend to file for federal registration at this time. Therefore, our trademark does not have as many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

Our Managing Member, Dr. Calvin B. Ross, DC, owns our principal trademarks and has granted us an exclusive license within the USA to (i) use our principal trademarks in the Body Best Doctors franchise system and (ii) license our franchisees to use them in the operation of their franchises.

We may also license you to use our other current or future trademarks for use in your franchise. By “trademark” we mean trade names, trademarks, service marks and logos used to identify your franchise.

No determinations have been made concerning our principal trademark by the United States Patent and Trademark office, the Trademark Trial and Appeal Board, or any state trademark administrator or court. There are no pending infringement, opposition or cancellation proceedings concerning our principal trademark.

There is no pending material federal or state court litigation regarding our use or ownership rights in a trademark.

There are no currently effective agreements that significantly limit our rights to use or license the use of trademarks listed in this section in a manner material to the franchise.

You must follow our rules when you use these marks. You cannot use our trademarks or business names either as part of a corporate name or with modifying words, designs, or symbols, except for those which we license to you. You may not use our trademarks or business names in connection with the sale of any unauthorized product or service, or in a manner that we have not authorized in writing.

We have the discretion under the Franchise Agreement to determine if, when and how to protect your right to use the principal trademarks listed in this section, or to protect you against claims of infringement or unfair competition arising out of your use of the trademarks. Therefore, we are not required by the Franchise Agreement to do so.

The Franchise Agreement requires you to notify us of the use of, or claims of rights to, a trademark identical to or confusingly similar to one of our trademarks, and gives us the right to determine what, if any affirmative action to take when so notified. We have the right to control any administrative proceedings or litigation involving a trademark licensed by us to you. In the event any litigation defense is unavoidable or, in our sole discretion, appropriate, then and only then the Franchise Agreement requires us to participate in your defense and/or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a trademark licensed by us to you, or if the proceeding is resolved unfavorably to you. Even so, we have no obligation to defend or indemnify you if the claim, suit or demand against you arises out of or relates to your use of our trademark in violation of the terms of the Franchise Agreement, and in such event, you shall indemnify and hold harmless us against any such litigation and any loss, cost or expense incurred in connection therewith.

The Franchise Agreement requires you to modify or discontinue using a trademark if we require you to do so. We do not reimburse you for your costs of so doing. You must not directly or indirectly contest our right to our trademarks, trade secrets, or business techniques that are part of our business.

We know of no superior prior rights or infringing uses that could materially affect your use of the principal trademarks in the state where your franchised business will be located.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any rights in or licenses to copyrights or patents material to the Franchise. We have no pending patent applications material to the Franchise. We know of no patent or copyright infringement that could materially affect the Franchise.

We claim copyrights and other proprietary rights in our confidential information and trade secrets, including our systems and methods for conducting the franchised business, our Confidential Operating Manual and training materials, our Internet sites, our promotional materials and all text and graphics elements for such materials.

You do not receive the right to use any item covered by a patent or copyright, but you do receive the right to use the proprietary information in our Confidential Operating Manual solely in connection with the operation of your franchise. The Confidential Operating Manual is described in Item 11. Items 11 and 15 also describe limitations on the use of this manual by you and your employees.

You must also promptly tell us if and when you learn about any unauthorized use of confidential information and trade secrets. We are not obligated to protect our copyrights, confidential information and trade secrets, or to defend you against claims arising from your use of same. We are not required by the franchise agreement to take affirmative action if and when notified of infringement. We would control any such litigation. We need not participate in your defense or indemnify you for damages in any copyright proceeding.

The Franchise Agreement requires you to modify or discontinue using the subject matter covered by a copyright if we require you to do so.

We know of no copyright infringement that could materially affect the franchise.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

An individual (or individuals) approved by us, must at all times perform the direct supervision of the franchised business.

You may not combine the franchised Body Best Doctors business with any other business but may only operate it as a standalone business.

While you are a franchise, you may not engage directly or indirectly in any chiropractic practice businesses other than Body Best Doctors Franchise(s), or any activities which would be detrimental to or interfere with the operation, reputation or goodwill of yourself, your Franchise, us, or other franchisees.

All persons supervising or managing the franchise are subject to our approval and must be trained as we require as one condition of approval. We do not require persons supervising or managing the franchise to have an equity interest in your business. All persons supervising or managing the franchise must sign the form of Restriction on Use of Confidential Information Agreement attached as Exhibit D to the Franchise Agreement and the Covenant not to Compete attached as Exhibit E to the Franchise Agreement and must maintain our trade secrets and confidential information.

All employees and independent contractors of your franchise who have access to our confidential information must sign the form of Restriction on Use of Confidential Information Agreement attached as Exhibit D to the Franchise Agreement and must maintain our trade secrets and confidential information.

Each individual who owns an interest in the franchisee entity must sign our Personal Guaranty and agree to be bound by the Franchise Agreement, even if the individual acquires an interest after you have signed the franchise agreement.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell only services and products authorized by us. (See Item 8)

You need not sell all services or products authorized by us. (See Item 8)

We have the unrestricted right to change the types of authorized services or products, although we will only do so in a commercially reasonable manner.

There are no minimum sales quotas.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

ITEM 17: 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 Agreement	Summary
a. Length of the franchise term	Section 3.1	10 years
b. Renewal or extension of the term	Section 3	If you are in good standing, upon expiration of your original franchise agreement, you will have the right to renew your franchise for a 10-year renewal term by signing the then-current renewal franchise agreement. This means that you may be asked to sign an agreement with terms and conditions that are materially different from those in your original agreement. Each renewal agreement will provide for a 10-year renewal term
c. Requirements for franchisee to renew or extend	Section 3	Give notice; sign then-current renewal franchise agreement; pay \$9,500 renewal fee; sign release; be in compliance with original agreement; sign or extend lease
d. Termination by franchisee	Section 15.4	You may terminate agreement for any reason prior to commencement of the initial training program.
e. Termination by franchisor without cause	Section 15.4	Prior to commencement of initial training program, refunding initial fees you paid.

f. Termination by franchisor with cause	Section 11, 15	We can terminate if you fail to substantially comply with any of the terms of the agreement, under any provision of the agreement that permits termination, if you do not commence business within 120 days after signing the agreement and within 30 day after completing initial training, or 30 days elapse without you conducting any franchise activity, if you are convicted of a felony or other serious crime, if you file as a debtor in bankruptcy court, or if you made any material misrepresentations in your franchise application. Also if you fail to successfully complete training, or if you provoke our termination prior to training.
g. "Cause" defined- curable defaults	Section 11, 15	"Cause" is if you fail to substantially comply with any of the terms of the agreement, under any provision of the agreement that permits termination, if you do not commence business within 120 days after signing the agreement and within 30 day after completing initial training, or 30 days elapse without you conducting any franchise activity, if you are convicted of a felony or other serious crime, if you file as a debtor in bankruptcy court, or if you made any material misrepresentations in your franchise application, or if you fail to successfully complete training. You have 15 days to cure any default that is capable of being cured.

h. “Cause” defined- non-curable defaults	Section 15	“Cause” Non-curable defaults: any failure of substantial compliance with the agreement that is incapable of being cured and repeated defaults, or if you provoke our termination prior to training or fail to successfully complete training without good cause or demonstrate unwillingness or inability to operate Franchise as required.
i. Franchisee’s obligations on termination /nonrenewal	Section 16	Obligations include complete dis-identification and payment of amounts due (also see r, below)
j. Assignment of contract by franchisor	Section 14.1	We may assign to an entity we reasonably believe can perform the Franchisor obligations and agrees to do so.
k. “Transfer” by franchisee - defined	Section 14	Includes transfer or assignment of agreement or assets or ownership change
l. Franchisor approval of transfer by Franchisee	Section 14	We have the right to approve all transfers but will not unreasonably withhold approval
m. Conditions for franchisor approval of transfer	Section 14	New franchisee qualifies; transfer fee paid; purchase agreement approved; training arranged and paid for; release signed by you; and then-current franchise agreement signed by new franchisee (also see r, below)
n. Franchisor’s right of first refusal to acquire franchisee’s business	Section 14.5	We can match any offer for the franchisee’s business.
o. Franchisor’s option to purchase franchisee’s business	None	
p. Death or disability of franchisee	Section 14	Treated as a transfer (see k, l, and m, above)

q. Non-competition covenants during the term of the franchise	Section 11.17	You may not engage directly or indirectly in any conflicting or competing enterprises or any other activities which would be detrimental to or interfere with the operation, reputation or goodwill of the Franchise, Franchisor, or other franchisees, or engage in chiropractic services other than your Franchise.
r. Non-competition covenants after the Franchise is terminated or expires	None	
s. Modification of the agreement	Section 7 and 20.2	No modifications generally except as agreed in writing but Confidential Operating Manual subject to change by us.
t. Integration/merger clause	Section 20	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 19	Informal dispute resolution and arbitration are generally required. Courts may be used for injunctive relief or by us to collect amounts due from you.
v. Choice of forum	Section 21.1	The County of Orange, State of California unless the law of your state requires otherwise.
w. Choice of law	Section 21.1	California law applies unless the law of your state requires otherwise.

ITEM 18

PUBLIC FIGURES

We do not use any public figures to promote our franchise. No public figure is involved in our management or owns an interest in our company.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

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 Dr. Calvin B. Ross, DC at Ross Wellness LLC, 31888 Plaza Drive, C-7, San Juan Capistrano, CA 92675, 949-661-9476, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Systemwide Outlet Summary for years 2017 to 2019

(Column 1) Outlet Type	(Column 2) Year	(Column 3) Outlets at the Start of the Year	(Column 4) Outlets at the End of the Year	(Column 5) Net Change
Franchised	2017	0	0	0
	2018	0	0	0
	2019	0	0	0
Company Owned	2017	1	1	1
	2018	1	1	0

	2019	1	1	0
Total	2017	1	1	0
	2018	1	1	0
	2019	1	1	1

**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2017 to 2019**

(Column 1)	(Column 2)	(Column 3)
State	Year	Number of Transfers
CA	2017	0
	2018	0
	2019	0
Total	2017	0
	2018	0
	2019	0

**Status of Franchise Outlets
For years 2017 to 2019**

Col.1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of the Year
CA	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
Totals	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0

**Status of Company-Owned Outlets
For years 2017 to 2019**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisees	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisees	Col. 8 Outlets at End of the Year
CA	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
	2019	1	0	0	0	0	1
	2017	0	0	0	0	0	0
	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
Totals	2017	1	0	0	0	0	1
	2018	1	0	0	0	0	1
	2019	1	0	0	0	0	1

**Projected New Franchised Outlets
As of December 31, 2019**

(Column 1) State	(Column 2) Franchise Agreements Signed But Outlet Not Opened	(Column 3) Projected New Franchised Outlets in the Next Fiscal Year	(Column 4) Projected New Company Owned Outlets in the Next Fiscal Year
CA	0	1	0
Outside CA	0	0	0
Total		1	0

A list showing the name, address, and telephone number of all current Body Best Doctors franchisees is attached as Exhibit F. The list includes new 2020 operations.

Former Franchisee Contact Information

During the most recently completed fiscal year the following Body Best Doctors franchisees had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement:

None.

The following Body Best Doctors franchisees have not communicated with the franchisor within 10 weeks of this FDD Issuance Date:

None.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Additional information for any previously-owned franchised outlet now under our control and being sold by us is attached as an addendum to this disclosure document.

There is no trademark-specific franchisee organization associated with our franchise system.

ITEM 21

FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit G are our audited financial statements dated as of July 8, 2020.

ITEM 22

CONTRACTS

The following agreements and other required exhibits are attached to this disclosure document in the pages immediately following:

- Exhibit A: State Administrators/Agents for Service of Process
- Exhibit B: Franchise Agreement with Exhibits
- Exhibit C: Table of Contents of Confidential Operating Manual
- Exhibit D: State Specific Addenda
- Exhibit E: Franchisees
- Exhibit F: Former Franchisees
- Exhibit G: Financial Statements
- Exhibit H: Receipts

ITEM 23

RECEIPTS

A Receipt in duplicate is attached to this disclosure document as Exhibit H. You must sign both copies. Keep one copy for your records. Return the other copy to:

Ross Wellness LLC
Attn: Dr. Calvin B. Ross, DC
31888 Plaza Drive, C-7
San Juan Capistrano, CA 92675
949-661-9476

EXHIBIT A

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process.

There also may be additional agents appointed in some of the states listed.

CALIFORNIA

Commissioner of the Department
of Business Oversight:
Toll Free: 1 (866) 275-2677

Los Angeles

Suite 750
320 West 4th Street
Los Angeles, California 90013-2344
(213) 576-7500

Sacramento

1515 K Street, Suite 200
Sacramento, California 95814-4052
(916) 445-7205

San Diego

1350 Front Street, Rm. 2034
San Diego, California 92101-3697
(619) 525-4233

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94105-2980
(415) 972-8559

EXHIBIT B

FRANCHISE AGREEMENT WITH EXHIBITS



Body Best Doctors

Where special caring creates miracles

FRANCHISE AGREEMENT

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FRANCHISE AGREEMENT

AGREEMENT made this ____ day of _____, 20____, between Ross Wellness LLC, a Nevada Limited Liability Company doing business as Body Best Doctors (the "Franchisor"), with its principal place of business at 31888 Plaza Drive, C-7, San Juan Capistrano, CA 92675,

and

Legal Business Name

DBA

Print Name

Title

Address

City, State, Zip

Phone Number

(the "Franchisee").

WHEREAS, Franchisor is the owner or licensee/licensor of certain Proprietary Items as defined and set forth more fully in Article 6 herein (the "Proprietary Items") which are used in connection with Franchisor's Body Best Doctors Franchise business and Franchisor's franchisees; and

WHEREAS, Franchisor as a result of expenditure of time, skill and money has developed a unique System (the "System") for structuring and enhancing an existing chiropractic practice (the "Body Best Doctors Practice"), the details, elements and components of which are set forth in Franchisor's proprietary Confidential Operating Manual (the "Confidential Operating Manual" or the "Manual"), training materials and other means designated by Franchisor; and

WHEREAS, Franchisor continues to expend time, skill and money to further develop the System; and

WHEREAS, Franchisee recognizes that it does not currently have the knowledge and expertise represented by the System and desires to be licensed to use the System and Proprietary Items to operate a franchised version of the Body Best Doctors Practice under the terms and conditions of this Franchise Agreement (“Franchise Agreement” or “Agreement”) and in compliance with the Manual; and

WHEREAS, Franchisee hereby acknowledges receipt of a copy of a Body Best Doctors Federal Trade Commission Franchise Disclosure Document (“FDD”) which was received by Franchisee: at least fourteen (14) days prior to (i) the signing of this Agreement or any related agreement(s), and (ii) the presenting of any payment by Franchisee to Franchisor, and (if applicable due to Franchisor making any unilateral changes in the Franchise Agreement not requested by Franchisee) the final Franchise Agreement at least seven (7) days before the presenting of any payment by Franchisee to Franchisor. In addition, Franchisee acknowledges receipt of a complete executed copy of this Agreement and any exhibits, addendums, schedules and attachments; and

WHEREAS, Franchisee desires to be franchised under this Agreement to operate one Body Best Doctors Franchise (the "Franchise") in the Territory described in Article 2 herein (the “Territory”), and has had a full and adequate opportunity to be thoroughly advised of the terms and conditions of this Franchise Agreement by counsel of its own choosing; and

WHEREAS, the parties wish to enter into the following terms and conditions of this Franchise Agreement;

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. GRANT OF FRANCHISE AND LICENSE

1.1 Grant of Franchise:

Franchisor hereby grants to Franchisee, and Franchisee accepts, the right to operate one Body Best Doctors Franchise and the right to use solely in connection therewith the Proprietary Items and System as they may be changed or developed from time to time, in the Territory, under the terms of this Agreement.

1.2 Grant of License:

Franchisor grants to Franchisee, and Franchisee accepts, a non-exclusive license to utilize the elements of the System and use and display the Proprietary Items as they may be changed or developed from time to time, solely in connection with the operation of one Franchise in full compliance with the terms and conditions of this Agreement and the Manual.

2. TERRITORY AND LOCATION

2.1 Territorial Grant:

The Territory granted by this Franchise Agreement shall be as set forth on the map and description in Exhibit C to this Franchise Agreement in the following state in the U.S.A.: _____. Franchisee's Territory extends along the interior sides of all streets and thoroughfares defining the outer edge of the Territory (for example the south side of a street defining the north side of the Territory). Except as otherwise stated in this Agreement, and so long as Franchisee does not exercise any Expanded Rights under Section 17.1 of this Agreement, (i) Franchisee shall have the sole and exclusive right to locate and operate a Body Best Doctors franchise within the Territory, provided this Agreement is still in effect and Franchisee is not in material breach of this Agreement. Franchisee is prohibited from locating its Franchise outside the Territory. This Exclusive Territory grant applies only to the location of the Franchise and not to marketing or the location of patients.

2.2 Franchisor Restrictions:

Except as otherwise stated in this Agreement, and so long as Franchisee does not exercise any Expanded Rights under Section 17.1 of this Agreement: (i) Franchisor shall not locate or operate a Body Best Doctors business within the Territory, and (ii) Franchisor shall not license a Body Best Doctors franchise to any other party to be located within the Territory, provided the Franchise Agreement is still in effect and Franchisee is not in material breach of the Franchise Agreement.

Other than the restrictions in Sections 2.1 and 2.2 herein, Franchisor may operate any business of any kind inside or outside the Territory whether or not using the Body Best Doctors name, and may offer and maintain Body Best Doctors franchises outside the Territory.

2.3 Franchisee Restrictions:

a. This Agreement authorizes Franchisee to operate a single Franchise. Franchisee shall not conduct any other chiropractic practice inside or outside the Territory while this Agreement is in effect, except pursuant to the provisions of Article 17 of this Agreement, or as otherwise agreed to in writing by the parties hereto.

b. Franchisee's use of the Internet, broadcast and cell phone media in connection with the operation of the Franchise shall only be conducted as specified in the Manual. This restriction does not apply to telephone calls, emails, or text messages with patients.

c. Franchisee may target and direct market only within the Territory.

2.4 Rights Reserved by Franchisor:

In addition to other rights reserved herein:

a. Franchisor reserves the right to locate and grant outside of the Territory such other Body Best Doctors franchises and company-owned units, as well as other franchises and company-owned units whether or not similar to Franchisee's Franchise, on such terms and conditions as Franchisor deems appropriate.

b. Franchisor reserves the right to establish, control and maintain all Internet, email, broadcast and cell phone media activities involving Body Best Doctors franchises (and Franchisee). Franchisor will display information concerning Franchisee's Franchise on any Internet websites Franchisor creates or maintains to promote the services and products provided Body Best Doctors patients, all as set forth in the Manual, so long as the Franchise Agreement is still in effect and Franchisee is not in material breach of the Franchise Agreement, and so long as Franchisee does not exercise any Expanded Rights under Section 17.1 herein.

c. Franchisor reserves the right to establish, control and maintain all Body Best Doctors trademarked activities, businesses and ventures, whether inside or outside the Territory.

d. Franchisor may conduct any other business of any kind inside or outside the Territory even if the business targets customers within the Territory.

2.5 Site Location and Design:

a. Franchisor hereby approves Franchisee's existing site location (herein "Location") at:

Any change in the Location is subject to Franchisor's written approval, which may be granted or withheld upon any basis which Franchisor, in its sole and exclusive discretion, deems sufficient.

b. Nothing contained herein shall be interpreted as a guarantee of success of the Franchise at the Location.

c. The Location may require a build-out to meet the specifications for a franchised location within the limitations if any imposed by the space configuration. As soon as practicable before or after the lease for the space is signed, Franchisee and Franchisor shall work out the details for the space configuration, which configuration must conform with Franchisor's specifications. Franchisee may not sign the lease until it is approved by Franchisor. Franchisor has an interest in the continued operation of the franchised business at the Location. Franchisor will, without limitation, require the lease to contain provisions protecting Franchisor's interest in the location. In the event Franchisee is subject to any relocation, eviction or loss of possession or notices or actions from the landlord, Franchisee shall immediately by Notice as provided below herein, notify and copy Franchisor on same. Franchisee agrees, and the lease or an addendum must provide, that, in the event Franchisee is subject to notice or action of eviction or other loss of the right of possession to its site Location, or in the event Franchisor or Franchisee terminates this Agreement, or in the event the lease expires or is terminated, Franchisor shall have the option and right to take

over possession and any lease rights to the Location premises, and Franchisee shall, immediately upon written request by Franchisor, assign to Franchisor its rights under any lease, sublease or other written agreement of occupancy for the Location and Franchisee shall execute promptly any documents required by Franchisor to effect such assignment.

d. In the event Franchisee ceases to operate or maintain the Location, Franchisee shall promptly take all steps necessary to disassociate the design of said Location from that used in the Franchise, unless Franchisor directs otherwise in writing.

e. In the event Franchisor changes the design or color scheme associated with the Body Best Doctors franchise System during the term of this Agreement, then Franchisee shall, at Franchisee's sole cost and expense, make such changes within 6 months of the change being put into effect by Franchisor.

f. In the event Franchisee wants to relocate to another Location within the Territory, such relocation is subject to Franchisor's written approval, which approval shall not unreasonably be withheld. If the proposed relocation is to another Location outside the Territory, then the Territory must not conflict with any other franchisee's Territory, and the relocation is subject to Franchisor's written approval, which may be granted or withheld upon any basis which Franchisor, in its sole and exclusive discretion, deems sufficient.

2.6 ADA and other Laws:

Franchisee shall comply with all federal, state and local laws, codes and regulations, including the applicable provisions of the Americans with Disabilities Act (ADA) regarding the construction, design and operation of the Franchise at the Location.

In the event Franchisee receives any complaint, claim, other notice alleging a failure to comply with the ADA, Franchisee shall provide Franchisor with a copy of such notice within five days after receipt thereof.

Franchisee certifies to Franchisor that the Franchise operations at the Location comply with all applicable federal, state, and local laws, statutes, codes, rules, regulations and standards, including but not limited to the Americans with Disabilities Act. Franchisee acknowledges that the requirement of this certification by Franchisor does not constitute ownership, control, leasing or operation of the Franchised Body Best Doctors Practice, or the existence of an independent contractor relationship between the parties. Franchisee acknowledges that Franchisor has relied on the information contained in this certification.

Franchisee has an independent obligation to be aware of and comply with the all applicable federal, state, and local laws, statutes, codes, rules, regulations and standards, including but not limited to the Americans with Disabilities Act, and Franchisor shall not indemnify or hold Franchisee harmless against actions, complaints, costs, expenses, suits, remedies, fines, or other consequences of Franchisee operating in violation of all applicable federal, state, and local laws, statutes, codes, rules, regulations and standards, including but not limited to the Americans with Disabilities Act. Franchisee shall indemnify and hold Franchisor harmless against all actions,

complaints, costs, expenses, suits, remedies, fines, or other consequences of Franchisee operating in violation of all applicable federal, state, and local laws, statutes, codes, rules, regulations and standards, including but not limited to the Americans with Disabilities Act.

3. TERM AND RENEWAL

3.1 Initial Term:

The default initial term of this Franchise Agreement shall be ten (10) years commencing on its effective date ("Initial Term"), unless sooner terminated in accordance with the provisions of this Agreement. In the event the initial lease term plus options for the Location is shorter than the Initial Term, the parties may agree in writing to use the lease term as the term of this Agreement. However, the initial lease term must be at least five (5) years in length.

3.2 Renewal Term(s):

If at the conclusion of the Initial Term of this Agreement Franchisee has complied in all respects with the conditions precedent to renewal set forth in paragraph 3.5, then Franchisee shall have the right, but not the obligation, to enter into a renewal Franchise Agreement ("Renewal Franchise Agreement" or "Renewal Agreement") for an additional consecutive Term of ten (10) years (or such other shorter term agreed to in writing by the parties corresponding to the lease term for the Location) (the "Renewal Term"). The Renewal Term shall commence upon the date of the expiration of the Initial Term hereof. Additional Renewal Terms, if any, shall be governed by the applicable Renewal Franchise Agreements.

3.3 Form and Manner of Renewal:

If Franchisee wishes to exercise the right to enter into a Renewal Franchise Agreement, Franchisee shall do so by executing Franchisor's then current form of Renewal Franchise Agreement, which agreement shall supersede in all respects this Agreement. The terms of the Renewal Agreement may differ from the terms of this Agreement, except that the Territory and Location shall remain the same or be changed only by separate written agreement of the parties hereto. Franchisee shall exercise the renewal right hereunder in the following manner:

a. Not less than ninety (90) days but no more than two hundred forty (240) days prior to the Expiration of the Initial Term, Franchisee shall in writing request from Franchisor a copy of its then current FDD and Renewal Agreement.

b. Upon receipt of the FDD and Renewal Agreement, Franchisee shall acknowledge such receipt by executing the acknowledgment of receipt form contained in the FDD and returning it to Franchisor.

c. No sooner than fourteen (14) days but no more than twenty-eight (28) days after Franchisee receives Franchisor's then current FDD and Renewal Agreement, Franchisee shall notify Franchisor in writing as to whether or not it elects to execute the Renewal Agreement.

d. Upon receipt of Franchisee's notice of its election to execute the Renewal Agreement, Franchisor shall deliver to Franchisee two (2) copies of the Renewal Agreement. Immediately upon receipt of them, Franchisee shall execute said copies of the Renewal Agreement and immediately return them to Franchisor.

e. If Franchisee fails to perform any of the acts set forth in subsections a., b., c., or d. of this Article 3 under the time periods set forth therein, such failure shall be deemed an election by Franchisee not to exercise its right to enter into a Renewal Agreement, and shall cause Franchisee's right to renew to expire at the expiration of the Initial Term without further notice or action by Franchisor. Franchisee shall have the responsibility to make sure Franchisor has actually received any notices, mailings, or deliveries associated with the renewal.

f. If Franchisee has exercised the renewal right in the form and manner herein described, and if on the date of the expiration of the Initial Term Franchisee has complied with all of the conditions contained in paragraph 3.5 hereof, Franchisor shall execute the Renewal Agreement executed by Franchisee and shall, immediately after expiration of the Initial Term hereof, deliver one fully executed copy of the Renewal Agreement to Franchisee.

3.4 Fees Upon Renewal:

As a condition of entering into a Renewal Agreement, Franchisee shall be required to pay, upon Franchisee's execution of the Renewal Agreement, in lieu of the then current Initial Franchise Fee, a Nine Thousand Five Hundred Dollar (\$9,500.00) Renewal Fee.

3.5 Conditions Precedent to Renewal:

Franchisee may enter into a Renewal Agreement only upon fulfillment of each and all of the following conditions:

At the conclusion of the Initial Term, Franchisee shall have fully performed and otherwise been in compliance with all of its obligations under this Agreement and under all other agreements between Franchisor (and its affiliates, subsidiaries and designees, if any) and Franchisee.

Franchisee shall conform with Franchisor's then current specifications for its franchised businesses, the then current requirements of the Renewal Agreement, and Franchisor's Manual, as amended from time to time, and shall have such equipment and supplies as specified therein.

Franchisee shall not be in default of any provision of this Agreement or any other Agreement with Franchisor, its subsidiaries, affiliates, and designees.

Franchisee shall have satisfied all financial and reporting obligations owed to Franchisor, its subsidiaries, affiliates, and designees.

Franchisee shall have executed a general release satisfactory to Franchisor of any and all claims against Franchisor and its subsidiaries, affiliates, and designees and their respective officers, directors, shareholders, agents, contractors, and employees, in their corporate and individual capacities, arising out of or related to this Agreement or the relationship among the

parties. No such document shall purport to release Franchisor from any future claims arising out of or related to the Renewal Agreement or from any claims arising from representations in the FDD, its exhibits and amendments.

Franchisee shall comply with all qualification and training requirements imposed by Franchisor in the Renewal Agreement.

3.6 Notice of Expiration:

If applicable law requires that Franchisor give notice of expiration to Franchisee prior to the expiration of the Initial Term, Franchisor will provide such notice.

4. PAYMENTS TO FRANCHISOR

In consideration of the execution of this Agreement by Franchisor and the services to be performed by Franchisor, Franchisee agrees to pay to Franchisor the following:

4.1 Initial Franchise Fee:

a. The Initial Franchise Fee ("Initial Fee") is Thirty-Nine Thousand Six Hundred Dollars (\$39,600.00).

b. The Initial Fee is payable in full by bank certified or cashier's check upon execution of this Agreement.

c. Except as otherwise expressly provided in this Agreement, the Initial Fee is not refundable in whole or in part and shall be deemed fully earned when paid. The Initial Fee is in exchange for the Franchisor's pre-opening services, including on-boarding, assistance in finding a location, assistance in designing, building-out and equipping the Location, approval of pre-opening advertising, initial training, and other start-up assistance. The Initial Fee also covers limited, pre-opening use of the Franchisor's intellectual property, including the establishment of signage, identification of the premises, and use of the Manual for pre-opening activities.

4.2 Initial Training Fees:

a. Franchisee shall, not later than thirty (30) days from the date of execution of this Agreement, designate, subject to Franchisor's approval, the desired individuals (up to two (2) in number) to participate in and successfully complete Franchisor's initial franchisee training program (herein "Initial Training"). The fee for their Initial Training is included in the Initial Fee. Additional trainees approved by Franchisor may participate in Franchisor's Initial Training upon payment of non-refundable training fees of Ten Thousand Dollars (\$10,000.00) per additional trainee. Franchisee must commence and complete Initial Training prior to the commencement of Franchise operations or as otherwise agreed by the parties. Any Franchisor-caused delays in training shall be added to the completion due dates of this paragraph.

b. Franchisee may, subject to Franchisor approval, enroll additional individuals in subsequent Initial Training programs, and may re-attend a subsequent available Initial Training program, upon payment of non-refundable training fees of Ten Thousand Dollars (\$10,000.00) per trainee.

c. Franchisee shall pay all costs and expenses incurred in connection with and during all training, including, but not limited to, airfare and other transportation costs, meals, lodging and other living expenses, and wages of trainees. Franchisor will pay no compensation for any services performed by trainees in the course of training.

d. Franchisor may, upon request by Franchisee and subject to Franchisor availability and time limits, provide such onsite Initial Training and other training as Franchisor deems appropriate. All onsite training is subject to advance payment of such fees, costs, and per diem charges as provided for in the Manual or as otherwise agreed in writing between the parties. The current per diem charge exclusive of costs is Three Thousand Dollars (\$3,000.00).

e. For both Initial Training and any subsequent Franchisor training programs, Franchisor shall have full right of approval or disapproval of persons to be trained. Initial Training is designed for Body Best Doctors franchisees, not for office staff and technicians. Because Initial Training discloses Franchisor Confidential Information including without limitation trade secrets, all trainees must sign franchisor's Restriction on Use of Confidential Information agreement attached as Exhibit D hereto.

4.3 Continuing Royalty:

A Continuing Royalty shall be paid by Franchisee to Franchisor in the amount of Six Percent (6%) of the Franchisee's monthly Gross Revenues as defined in 4.4 below. The Continuing Royalty is in exchange for Franchisee's post-start-up use of Franchisor's Proprietary Items, System, trade secrets, confidential information and other intellectual property and the Franchisor's post-start-up support, as well as Franchisee's post-start-up rights to operate as a Body Best Doctors franchisee under this Agreement.

4.4 Definition of Gross Revenues:

The term, "Gross Revenues" shall mean all income from whatever source derived or received by Franchisee from, through, by or on account of the operation of the Franchise, whether received in cash, in services, in kind or on credit. The amount of sales tax receipts which, by law, are chargeable to customers, shall be excluded from Gross Revenues if such taxes are separately stated when the customer is charged and if such taxes are paid to the appropriate taxing authority. There shall further be deducted from Gross Revenues the amount of any documented refunds, credits and allowances given to customers by Franchisee in accordance with the Manual. Credit card and other similar charges shall not be deductible.

4.5 Reporting and Terms of Payment:

a. Franchisee shall submit to Franchisor by the fifth of each month or such other day or days each month as designated in the Manual (herein the “Due Date”), a statement verified by Franchisee, using media and forms prescribed or approved by Franchisor, reporting all Gross Revenues (as later defined herein) for the previous month. Franchisee shall, by the fifth of each month, pay to Franchisor in good funds as defined by California law the full amount of the Royalties for the period covered by that report.

b. Franchisee shall designate and use a single business checking account at a bank located in the State of Franchisee’s Territory for the deposit of all Gross Revenues (as later defined herein). This account must be capable of permitting electric debit authorization, direct debits or equivalent by Franchisor or Franchisor’s agent using the Automated Clearing House (ACH) or other automatic bank payment function. Using such forms as required by Franchisor or its agent as well as the applicable bank(s), Franchisee shall authorize Franchisor or its agent to execute electric debit authorization, direct debits or equivalent using the Automated Clearing House (ACH) or other automatic bank payment function in order to collect each month’s Royalties by electronic means without the need for physical checks or individual electronic checks by Franchisee. Franchisee shall maintain funds in said bank account sufficient to cover all said payments or debits as initiated by Franchisor or its agent. The current forms for Franchisee’s authorization are attached to this Agreement as Exhibits A and B. Franchisee shall keep Franchisor informed of the bank, routing number, and account number for the said bank account. Franchisee shall, within five (5) days of availability to Franchisee, provide Franchisor true copies of each monthly statement for said bank account, as well as any underlying details, documentation and verification of specific items and amounts contained in each monthly bank statement as requested by Franchisor. Franchisor is not obligated to use ACH for payments and may require payments by check, credit card, or online service.

c. Franchisee shall pay, at the rate of fifteen percent (15%) per annum, interest on all late payments of Royalties, but in the event the rate charged is more than the highest rate permitted by law, then the rate charged shall be reduced to the maximum rate permitted by law. Any payment not actually received by Franchisor on or before the applicable Due Date shall be deemed late.

d. Each failure to pay Royalties on the applicable Due Date will constitute a material breach of this Agreement, entitling Franchisor to pursue all remedies available to it under this Agreement and all other remedies available at law and in equity.

e. Franchisee shall provide Franchisor physical or electronic access as applicable for Franchisor to monitor, export, import, and copy information relating to reports and payments to Franchisor under this Agreement in a manner consistent with patient confidentiality and privacy.

f. Time is of the essence in the reporting and payment process.

4.6 Commencement of Payments:

All Royalties shall accrue commencing on the first day of Franchisee's Franchise operations.

4.7 Application of Funds:

If Franchisee is delinquent in the payment of any obligation to Franchisor, its subsidiaries, affiliates or designees, then Franchisor, its subsidiaries, affiliates or designees shall have the right to apply any payment from Franchisee to the oldest obligation due, whether under this Agreement or otherwise, notwithstanding any contrary designation by Franchisee as to application.

5. OPTION FOR ADDITIONAL FRANCHISES

Franchisor may, in its sole and exclusive discretion, offer to Franchisee an option to purchase one or more additional Body Best Doctors Franchises or Territories within a specified period of time for specified consideration. This agreement does not contain any such offer.

6. PROPRIETARY ITEMS

6.1 Franchisee Non-Ownership of Proprietary Items:

The following constitute the Proprietary Items (herein also "Items") owned by Franchisor under this Agreement:

The names, Body Best Doctors, Ross Wellness, and all variations and combinations of those words with or without other words;

The trademarks, Body Best Doctors, Ross Wellness, and any associated logos, typefaces and designs, whether or not registered with any governmental agency;

Any common law, state or federal trademark which Franchisor registers and/or uses;

All graphic elements, drawings, photographs, design elements, typefaces, logos, and color combinations used alone or in conjunction with any words or letters as a name, trade dress or trademark, wherever and however used;

All editorial, graphical, sound, video and text elements of the print, media, e-mail, telephone, broadcast, cell phone and Internet materials prepared by or for Franchisor for use by Franchisor or Franchisee;

Franchisor's Manual, training manual and materials, and informational bulletins;

Franchisor's advertising and promotional brochures and other materials and electronic representations in any form and however published or transmitted;

Franchisor's System and all details, components and elements thereof, trade secrets, trade dress, procedures and methods;

All signs, exterior and interior configuration, build-out, façade, design, color scheme, artwork, furnishings, fixtures, equipment, procedures, overall appearance and displays used by Franchisor or Franchisee;

Franchisor's Internet sites, emails and other electronic representations and items contained therein; and

Anything copyrighted, patented or trademarked by Franchisor, Dr. Calvin B. Ross, DC, or any principal or affiliate of Franchisor.

As used in this Agreement and the Manual, the term "trademark" includes also the term "service mark".

6.2 Franchisor's Ownership of Proprietary Items:

Franchisee agrees that the Proprietary Items are the exclusive property of Franchisor or Dr. Calvin B. Ross, DC, and Franchisee now asserts no claim and will hereafter during and after the term of this and any Renewal Agreement assert no claim to any goodwill, reputation, equitable rights or ownership thereof, and covenants that it will not contest ownership of the Proprietary Items or their validity. Franchisee will not do anything in derogation of any of the rights of Franchisor or Dr. Calvin B. Ross, DC in connection with the Proprietary Items, either during the term of this Agreement and any Renewal Agreement or thereafter. All agreements and obligations of Franchisee in this Agreement and any Renewal Agreement relating to the Proprietary Items shall survive the termination, transfer, assignment or expiration of this and any Renewal Agreement, and Franchisee agrees that said survival is supported by good and adequate consideration.

Nothing in this Agreement shall be construed to give Franchisee any right, title or interest in or to any of the Proprietary Items except for a revocable privilege and license to display and use them during the term of and pursuant to the conditions contained in this Agreement and the Manual.

Franchisee expressly understands and agrees that Franchisee has not acquired and will not acquire any ownership interests, equitable rights, goodwill or other interests in any Proprietary Item by virtue of this Agreement, the relationship with Franchisor, or Franchisee's use of any of the Proprietary Items, and will not, directly or indirectly, represent, claim, or assert in any manner that it has.

Franchisee also understands and agrees that following the expiration or termination of this Agreement and any Renewal Agreement for whatever reason, it shall not attribute any monetary amount to any goodwill associated with Franchisee's use of the Proprietary Items, or in connection with Franchisee's operation of the Franchise.

Franchisee understands and agrees that its Franchise license and Territory do not include any rights to market the franchised business using the Internet, and agrees not to create or maintain any Internet websites or otherwise use the Internet in any way in connection with the franchised business except as expressly set forth in this Agreement and the Manual.

6.3 Use of Proprietary Items:

Franchisee shall use any Proprietary Item, or any part thereof, with or without any prefix, suffix, or other modifying words, terms, designs or symbols, only as expressly designated in the Manual.

Franchisee shall not use any Proprietary Item in connection with the sale of any product or service not authorized in the Manual.

Franchisee shall use the Proprietary Items only for the operation of the Franchise, and only during the Term of this Agreement and any Renewal Agreement.

Franchisee shall not use the Proprietary Items in any way that will incur any obligation or indebtedness on behalf of Franchisor.

Franchisee shall comply with Franchisor's instructions in filing and maintaining any requisite trade name or fictitious name registrations, and shall execute any documents designated by Franchisor to obtain protection for the Proprietary Items or to maintain their continued validity and enforceability.

Any Franchisee use of the Proprietary Items other than as specified in this Section 6.3 shall constitute an infringement of Franchisor's rights and a material breach of this Agreement .

6.4 Non-use of Certain Words, Marks, or Trade Names:

Franchisee shall not use the Proprietary Items or any words or symbols similar thereto, in Franchisee's trademarks, trade name and/or entity name, without first receiving Franchisor's express written consent thereto, which consent may be granted or withheld at Franchisor's sole discretion. Franchisee agrees to distinguish Franchisee's Body Best Doctors Practice in a legally sufficient manner from Franchisor including any Franchisor-required designation of Franchisee's Body Best Doctors Practice as an independently owned and operated business.

6.5 Telephone and Other Listings:

Franchisee acknowledges that there will be substantial confusion in the mind of the public if, after the expiration or termination of this Agreement, Franchisee continues to use the telephone numbers for its Franchise listed in any printed or Internet telephone directory or any other print or Internet listings of telephone numbers using the words, Body Best Doctors, Ross Wellness, other words similar in sound or connotation, or any of the Proprietary Items. Therefore, Franchisee agrees that immediately after the expiration or termination of this Agreement or any Renewal Agreement for any reason, Franchisee will forthwith cease and desist from using such telephone numbers or, upon demand of the Franchisor, will direct the appropriate company to transfer the

listing and line to Franchisor, or to such person and at such location as Franchisor shall direct. Franchisee hereby irrevocably appoints Franchisor as Franchisee's attorney-in-fact to direct the telephone company to make any such transfer. This provision also applies to any other business or other listings in which said telephone numbers may appear. In addition, Franchisee shall not, after the expiration or termination of this Agreement, use any telephone number in said listings in conjunction with the words, Body Best Doctors, Ross Wellness, other combinations of those words or words similar in sound or connotation, or any of the Proprietary Items.

6.6 Defense of Proprietary Items by Franchisor:

If Franchisee learns of any claim, suit or demand against it on account of any alleged infringement, unfair competition, or similar matter relating to the Proprietary Items, Franchisee shall immediately notify Franchisor. Franchisor shall have the right to take such action, if any, as it in its sole discretion shall determine, which action may also include not defending the right to use certain Marks on behalf of itself and all Franchisees. Franchisee shall, at its sole cost and expense, abide by the results of any such decision by Franchisor. Franchisee agrees that Franchisor may choose all counsel, and may choose a single defense counsel for itself and Franchisee and any other co-defendants. Franchisee shall not settle or compromise any such claim without the prior written consent of Franchisor. Franchisee agrees to cooperate fully with Franchisor in connection with the defense of any such claim. Notwithstanding anything herein to the contrary, Franchisor shall have no obligation to defend or indemnify Franchisee if the claim, suit or demand against Franchisee arises out of or relates to Franchisee's use of Proprietary Items in violation of the Terms of this Agreement, and in such event, Franchisee shall indemnify and hold harmless Franchisor against any such litigation and any loss, cost or expense incurred in connection therewith.

6.7 Prosecution of Possible Infringers:

If Franchisee learns of any use of the Proprietary Items that Franchisee may believe is unauthorized, Franchisee shall immediately notify Franchisor of the facts relating to such use. Franchisor shall, in its sole and exclusive discretion, determine whether or not to take any action against the possible infringer. Franchisee shall have no right to make any demand against any such alleged infringer of Franchisor's Proprietary Items or to prosecute any claim of any kind or nature whatsoever against such alleged infringer for or on account of such infringement. Franchisor shall not be liable to Franchisee or any other person or entity on account of its decision to take action or not take action in respect of such use.

6.8 Discontinuance or Substitution of Proprietary Items:

If Franchisor, in its sole discretion, decides to modify or discontinue use of any Proprietary Item and/or to adopt or use one or more additional or substituted Proprietary Items, Franchisee shall, at Franchisee's sole cost and expense, immediately conform its use of the Proprietary Items as directed by Franchisor. Franchisee waives any claim as against Franchisor arising from or relating to any such change, modification or substitution.

6.9 Limited License Only; Rights Reserved:

The license granted hereunder to Franchisee to utilize the Proprietary Items is limited and non-exclusive. Franchisor has and retains the rights, among others, to itself use the Proprietary Items in connection with offering or selling services and products; to grant other Proprietary Item licenses; and, to develop and establish other systems using the same or similar Proprietary Items, or any other marks, and to grant licenses or franchises consistent with Franchisee's Territory rights set forth in this Agreement without obligation to Franchisee.

6.10 Survival of Provisions:

The provisions of this Article 6 shall survive the expiration, assignment, transfer or termination of this Agreement and any Renewal Franchise Agreement and Franchisee agrees that said survival is supported by good and adequate consideration. The time and location limits applicable to Article 17 of this Agreement shall not apply to survival of the provisions of this Article 6.

7. CONFIDENTIAL OPERATING MANUAL

7.1 Loan of Manual:

In order to protect the reputation and goodwill of Franchisor, to maintain uniform standards of service and operation under Franchisor's Proprietary Items and System, to promote the goodwill of the System, and for the mutual benefit of Franchisor and Franchisee, Franchisor shall lend to Franchisee one (1) copy of Franchisor's Confidential Operating Manual upon Franchisee's execution of this Agreement and payment of the Initial Fee.

7.2 Subject Matter of Manual:

The subject matter of the Manual may include, but need not be limited to, the details, elements, and components of the System pertaining to the operation of the Franchise. The Manual may take any form and compilation of forms, including without limitation a bound collection of materials, videos, audio recordings and other media, in loose-leaf form, memoranda, information stored on computer, an Internet site, CD or DVD format, and other non-paper means, as well as all of the foregoing, all of which will comprise the Manual whether or not in one unit or grouping. Franchisor may make updates to, additions to, deletions from, modifications to, and revisions of the Manual. Such updates, additions, deletions, revisions and modifications shall become part of the Manual and shall be binding upon Franchisee upon Franchisor's making them available to Franchisee. References in this Agreement to the "Confidential Operating Manual" or the "Manual" shall also include all such updates, additions, deletions, revisions and modifications. The parties agree that such updates, additions, deletions, revisions and modifications do not constitute unenforceable unilateral modifications of this Agreement unless they materially, directly, adversely, and expressly contradict a provision of this Agreement.

7.3 Body Best Doctors Practice to Conform to Manual:

Franchisee agrees that Franchisor's System provides essential uniformity, name recognition, trademark maintenance, trade secrets, reputation and goodwill that benefits Franchisor, Franchisee and the other Body Best Doctors franchisees. In recognition of the mutual benefits accruing from the maintenance of such uniformity, name recognition, trademark maintenance, trade secrets, reputation and goodwill, Franchisee agrees to operate the Franchise in full, timely and complete conformity with the System, all training by Franchisor, and the Manual.

7.4 Confidentiality of the Manual:

The Manual, and information contained in it, shall at all times remain the sole property of Franchisor. Franchisee shall at all times treat the Manual and the information contained therein as confidential, and shall use its best efforts to maintain such information as confidential. Franchisee acknowledges that the Manual is confidential and will not at any time contest the confidentiality and trade secret nature of the information in it or Franchisor's sole ownership of it. Franchisee shall not at any time copy, duplicate, record, transmit, or otherwise reproduce the Manual, in whole or in part, by any means, including without limitation written, oral, or data transmission, nor otherwise make it available to any unauthorized person. Upon the expiration or termination for any reason of this Agreement and any Renewal Agreement, Franchisee shall, without need of further notice from Franchisor, return to the Franchisor the Manual and all updates, additions, deletions, revisions and modifications to and of the Manual previously made available to the Franchisee. All agreements and obligations of Franchisee in this Agreement and any Renewal Agreement relating to the Manual shall survive the termination, transfer, assignment or expiration of this and any Renewal Agreement, and Franchisee agrees that said survival is supported by good and adequate consideration.

7.5 Keeping Manual Up-To-Date:

Franchisor may, from time to time and at no extra charge, make available to Franchisee updates, additions, deletions, revisions and modifications to the Manual. In the event of any dispute as to the Franchisee's compliance with the provisions of the Manual, the version of the Manual maintained by Franchisor shall be controlling.

8. CONFIDENTIAL INFORMATION

a. Franchisor's training manuals, methods and programs, Proprietary Items, System, and Confidential Operating Manual are agreed by the parties to be confidential information and trade secrets of Franchisor (herein collectively the "Confidential Information").

b. Franchisee shall divulge such Confidential Information only to such individuals as Franchisor specifically authorizes in writing or in the Manual, and then only after said individuals execute and deliver to Franchisor the Restriction on Use of Confidential Information Agreement attached as exhibit D to this Agreement.

c. Franchisee shall not, during the term of this Agreement, any Renewal Agreement or at any time thereafter, communicate, divulge or use the Confidential Information except as permitted by this Agreement and the Manual. Franchisee shall not, upon expiration or termination of this Agreement or any Renewal Agreement, or at any time thereafter, communicate, divulge or use the Confidential Information. This provision shall survive the termination, transfer, assignment or expiration of this Agreement and any Renewal Agreement and Franchisee agrees that said survival of this provision is supported by good and adequate consideration. The time and space limits applicable to Article 17 of this Agreement shall not apply to survival of this provision.

9. ADVERTISING

9.1 Advertising Standards:

Franchisee shall only use such advertising materials and media furnished by Franchisor or approved in advance by Franchisor in accordance with this Article 9. In no event shall Franchisor be required to pay for any such advertising.

All advertising by Franchisee shall be conducted in a dignified manner, shall conform to such standards, specifications and requirements as Franchisor may specify from time to time in writing, in the Manual, training or otherwise, and shall not in any way detract from, disparage, or denigrate the Proprietary Items, the Franchise System, products or services, or Franchisor.

9.2 Advertising Submission and Approval Procedures:

Except for advertising materials and media provided by Franchisor, Franchisee shall, prior to use, submit all proposed advertising to Franchisor for approval. Approval of such advertising shall be acted on promptly and may be granted or withheld by Franchisor at Franchisor's sole discretion. advertising materials and media provided by Franchisor shall be deemed pre-approved and may be used by Franchisee without going through the approval procedure specified in this paragraph.

9.3 Advertising Fund:

Franchisor has not established an advertising fund and is not obligated to do so. In the event such a fund is established by Franchisor then Franchisee shall comply with the terms and conditions of such fund. Any such fund shall be operated by Franchisor and used in order to advertise and promote the franchise system, with no funds used for the direct solicitation of new franchisees. The fund shall be funded by an assessment against the Gross Revenues of all Franchisees at the same time and on the same terms and conditions as the assessment of the Continuing Royalty provided for in this Franchise Agreement, at a percentage rate not to exceed One Percent (1%) of Gross Revenues. The advertising fund will be an entity separate and apart from Franchisor or any Franchisee, and all costs of establishing and operating said entity shall be shared by the Franchisees in the same proportions and method as the funding assessment discussed above. Franchisor shall provide the franchisees with an unaudited annual report of advertising fund expenditures and balance.

10. DUTIES OF FRANCHISOR

10.1 Confidential Operating Manual:

Franchisor shall lend and deliver to Franchisee one (1) copy of Franchisor's Confidential Operating Manual and shall make available to Franchisee updates, additions, deletions, revisions and modifications to the Manual as and when created.

10.2 Operations:

a. In the event Franchisor develops new details, components and elements of the System, they shall be deemed incorporated into the Manual and Franchisor shall make them available to Franchisee for use solely in connection with the operation of the Franchise.

b. Franchisor may on reasonable advance notice perform periodic inspections of the franchised operations at the Location on such timetable as Franchisor, in its sole discretion, determines.

c. Franchisor shall specify in the Manual any required equipment, computers, services and software, and approved suppliers, manufacturers, distributors and vendors, as well as all equipment, computers and software, inventory, supplies and materials needed for or used in the operation of the Franchise.

d. Franchisor will provide Franchisee such Internet presence and marketing methods and systems as are set forth in the Manual at such prices as are set forth in the Manual or this Agreement.

10.3 Training and Supervision:

a. Franchisor shall provide Franchisee Franchisor's Initial Training program. If Franchisor reasonably concludes that any person undergoing Initial Training has failed to successfully complete the Initial Training program, that person shall not thereafter perform services for Franchisee's Franchise in a position where successful completion of the Initial Training program would be necessary to assure operation of the Franchise in accordance with Franchisor's System and standards.

b. Franchisor reserves the sole and exclusive right to determine what subjects are to be included in its training programs, and where, when, and how frequently the training programs are to be held.

c. Franchisor reserves the right to train any number of individuals from any number of franchisees at the same time.

d. Except as otherwise provided in this Agreement, Franchisor reserves the sole and exclusive right to determine the training method and media, such as in-person, classroom, one-on-one, computer or Internet-based training, for any given training, including without limitation any Initial Training or continuing training. Franchisor has the right to designate whether any given

training is or is not mandatory. Franchisee will bear its cost of attending or participating in any such training.

e. Franchisor may provide such additional advisory assistance, consultation and training as Franchisor deems advisable, for such fees and on such terms and conditions as Franchisor determines or sets forth in its Manual, or as mutually agreed by Franchisor and Franchisee.

f. Franchisor and its representatives may telephone or personally visit Franchisee from time to time for the purpose of rendering advice and consultation with respect to the operation of the Franchise and the performance and compliance by Franchisee with the Manual.

10.4 Software and Devices:

Franchisor shall designate in the Manual any operational, transactional, appointment, billing, point of sale, accounting and bookkeeping services and products; computer and computer-related hardware and software, handheld devices and systems, smartphones, mobile electronic devices, reporting forms and methods, Internet sites, and Internet based programs, email, and software that Franchisor requires Franchisee to use in the operation of the Franchise. Franchisor shall provide such oversight, direction, instructions, support and requirements with respect thereto as Franchisor sets forth in the Manual. Franchisor will have full access to see and collect data therefrom as well as troubleshoot.

10.5 Customer Service and Pricing:

a. In order to provide uniform and satisfactory customer service, Franchisor may set forth required customer service methods and standards in the Manual.

b. In order that customers be given consistent pricing for the services and products of the Franchise, Franchisor may specify required pricing in the Manual.

10.6 Unavoidable Delays:

Delays in the performance of any Franchisor duties hereunder which are not the fault nor within the reasonable control of Franchisor, including but not limited to, fire, flood, natural disasters, acts of God, governmental acts or orders, or civil disorders, shall not give rise to a default by Franchisor hereunder. Rather, Franchisee shall extend the time of performance for the period of such delay or for such other reasonable period of time as Franchisee shall agree to in writing.

10.7 Nature of Obligations:

a. All obligations of the Franchisor under this Agreement are to Franchisee and Franchisee alone. No third party is entitled to rely on or enforce any such obligations, either directly or by subrogation. Franchisee shall not make any representations to third parties or enter into any agreements with third parties which indicate or purport to create any liability from Franchisor to such third party. Franchisee shall indemnify and hold harmless Franchisor from any actions, expenses, and claims made against Franchisor by any such third party.

b. Franchisee acknowledges that Franchisor and its affiliates are business entities, and will not assert any personal liability against any shareholder, member, manager, director, officer, or employee of Franchisor and its affiliates. Franchisee acknowledges that if Franchisor dissolves as a going business or withdraws from the Body Best Doctors franchising business during the term of this Agreement or any renewals, Franchisor's liability to Franchisee will cease and no shareholder, member, manager, director, officer, employee, attorney, accountant or other professional working for Franchisor will have any obligation or liability to Franchisee thereafter.

c. If Franchisor or any affiliate dissolves as a going business or withdraws from the Body Best Doctors franchising business as a result of a Franchisor transfer or assignment pursuant to Section 14.1 of this Agreement, then Franchisee shall continue to be bound by this Franchise Agreement to the transferee or assignee under said Section 14.1.

d. Under no circumstances shall either the provisions of Section 8 of this Agreement or the rights to any Proprietary Items be affected by any Franchisor action discussed in this Section 10.7.

11. DUTIES OF FRANCHISEE

11.1 Payments:

In addition to all other payments provided for herein, Franchisee shall pay to Franchisor fully and promptly when due:

a. The amount of all sales or use taxes (or equivalent however designated) imposed upon, required to be collected or paid on Royalties or on account of goods or services furnished by Franchisor to Franchisee;

b. All amounts advanced or paid by Franchisor on behalf of Franchisee;

c. All amounts due under this Agreement or for products or services purchased; and

d. All amounts due to the creditors of Franchisee, if they have been paid by Franchisor on behalf of Franchisee.

Time is of the essence in the making of all such payments.

11.2 Purchases:

If Franchisor, in the Manual, designates itself or certain third-party suppliers of:

(ii) equipment, inventory, parts, supplies, services and materials;

(iii) computer hardware, handheld and other mobile electronic devices, software, apps and services;

- (iv) products or services to be sold or provided to Franchisee's customers;

as the only approved such suppliers, then Franchisee shall purchase said items only from such suppliers.

11.3 Compliance with Laws, Rules and Regulations, and Manual:

a. Franchisee shall operate the Franchise in strict compliance with all applicable laws, rules and regulations of all governmental authorities; shall comply with all applicable wage, hour and other laws and regulations of federal, state or local governments; shall prepare and file all necessary tax returns and shall pay all taxes imposed upon Franchisee, Franchisee's business, and Franchisee's property; and shall obtain and keep in good standing all necessary licenses, permits or other required forms of governmental approval required of Franchisee to offer, distribute and sell those services and products which are or become part of the Franchise.

b. Franchisee shall operate its business in full and timely compliance with the Manual. Franchisee recognizes that updates, additions, deletions, revisions and modifications to and of the Manual may be implemented from time to time, and agrees that they do not constitute unilateral modifications of this Agreement so long as they do not expressly and directly contradict express provisions of this Agreement. Franchisee agrees to promptly comply with such updates, additions, deletions, modifications, and revisions.

c. Franchisee shall adhere to Franchisor's specifications, use and purchase requirements set forth in the Manual for the items set forth in Section 11.2 herein.

d. Franchisee shall at all times maintain its chiropractic license in good standing under the State in which the franchise Location is situated (and any other applicable state) and shall immediately notify Franchisor if it is not in good standing.

11.4 Compliance with Training Requirements:

a. Prior to commencing Franchise operations, the trainees designated by Franchisee and approved by Franchisor shall attend and successfully complete Franchisor's initial training program, subject to the fees and charges discussed in Article 4 herein. Parts of this training may be by online video. Franchisee and the individuals in Franchisee's company who will supervise its Franchise operations shall utilize and comply with the Initial Training in the operation of the Franchise. At Franchisor's option, Franchisor, in lieu of terminating this Agreement, may offer Franchisee remedial training if any trainee fails to successfully complete Initial Training to Franchisor's satisfaction or deficiently operates the Franchise, for such fees as Franchisor establishes on a case by case basis.

b. Franchisee must attend, at Franchisee's expense, any Franchisor-provided continuing, remedial, or additional training programs.

11.5 Franchisee Participation in Operation of Body Best Doctors Practice:

a. Franchisee, through its directors, officers, managers, and/or managing chiropractors, is required at all times to operate or exercise daily supervision over the operation of the Franchise, and all such persons must have previously been trained as Franchisor requires and approved in writing by Franchisor to perform managerial and supervisory functions. Franchisee understands that operation of the Franchise will require full time attention each operating day.

b. Franchisee's directors, principals, owners, members, managers, partners and officers, and managerial, supervisory and executive employees/independent contractors must sign both the Restriction On Use Of Confidential Information attached to this Agreement as Exhibit D and the Covenant Not To Compete attached to this Agreement as Exhibit E. Franchisee's other employees and independent contractors must sign the Restriction On Use Of Confidential Information attached to this Agreement as Exhibit D.

11.6 Qualifications of Franchisee's Employees:

Franchisee shall implement such training and take such other steps as necessary to assure its employees are qualified to participate in the franchised business within the scope of their employment functions.

11.7 Indemnification:

a. Franchisee shall notify Franchisor in writing within seven (7) days of (i) the commencement of any action, suit, arbitration, or proceeding, and (ii) the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, of which Franchisee becomes aware, against Franchisor, Franchisee or both, or which may adversely affect either party hereto.

b. Franchisee hereby agrees to protect, defend and indemnify Franchisor, its directors, officers, subsidiaries, affiliates, and designees, and hold them harmless from and against any and all costs, expenses (including attorneys' fees), court costs, losses, liabilities, damages, claims and demand of every kind or nature, asserted by any third party against Franchisor, arising from Franchisee's operation of the Franchise, including without limitation those based on Franchisor's vicarious, joint, and/or professional liability for operations of the Franchise.

11.8 Manner of Operation:

In addition to other obligations under this Agreement,

a. Franchisee understands and hereby acknowledges that every component of the System is vital to Franchisor, to other Franchisees, and to the operation of Franchisee's Franchise, and that Franchisee's full and timely compliance with the System is of the essence in this Agreement. Franchisee shall at all times conduct the operation of the Franchise in full and timely compliance with the System and the Manual.

b. Franchisee and Franchisee's employees and independent contractors shall wear suitable clothing while performing franchise operations. Suitable is defined as clean and presentable clothing displaying the Body Best Doctors logo in a manner specified by Franchisor in the Manual.

c. Franchisee shall have a computer system and related equipment, hardware and software, smartphones, and other mobile electronic devices, all as set forth in the Manual, and update same as required by the Manual. Franchisee may have a backup system, additional computers meeting Franchisor's then-current specifications, and other supporting hardware and software. Franchisee shall purchase, maintain and use such broadband Internet connections as well as utilize online/cellular phone/mobile electronic device operational software programs as specified by Franchisor in the Manual, and one or more printers meeting Franchisor's specifications as set forth in the Manual. Franchisor will have independent access to Franchisee's computers, smartphones, other mobile electronic devices and online information, data and workflow. Franchisor is not obligated to provide Franchisee ongoing maintenance, repairs, upgrades, or updates, but will specify in the Manual any of same that Franchisor provides or requires. To the extent Confidential Information is on any of said computer equipment, smartphones and mobile electronic devices and online, Franchisee shall safeguard that Confidential Information from disclosure or transmission to unauthorized parties.

d. Franchisee shall commence business in the Territory within 120 days after the date of execution of this Agreement, and not later than thirty (30) days after successful completion of Initial Training. Franchisee shall not permit any thirty (30) day period of time to pass without the conduct of continuous and substantial Franchise business activity. Violation of any of these provisions is grounds and good cause for Franchisor to terminate this Agreement.

e. Franchisee is prohibited from sub-franchising and multi-level marketing activities with respect to the Franchise.

f. Franchisee shall have only one Address for the Location, and shall utilize only one phone number (which may have rollover capability) for the Franchise. Franchisee shall keep Franchisor informed of its current Location Address and Franchise phone number.

g. Franchisee must comply with the customer relations and refund policies set forth in the Manual.

h. Franchisee may offer only those services and products approved in advance in writing by Franchisor in the Manual or otherwise.

i. Franchisee shall permit Franchisor to use the name and likeness of Franchisee's shareholders in any media of any kind used by Franchisor for publicity, advertising, marketing or public relations activity, including without limitation any web sites, for the Franchise System.

j. In the event Franchisor changes the design or color scheme associated with the Franchise during the term of this Agreement, then Franchisee shall make such changes within 6 months of the change being put into effect by Franchisor.

k. Franchisee shall keep Franchisor informed of Franchisee's prices and charges for Franchise services and products, and shall use such prices and make such pricing changes as may be required or specified in the Manual by Franchisor.

11.9 Improvements to the System:

a. Franchisee shall, without further consideration, make available to Franchisor and Franchisor's other franchisees all procedural, operational, technical, and marketing procedures, products, and methods which Franchisee shall develop with regard to the System.

b. Franchisee shall be entitled, without further consideration, to all procedural, operational, technical, and marketing procedures, products, and methods which Franchisor or Franchisor's other franchisees shall develop and which are adopted by the Franchisor as part of the Manual.

11.10 Franchisee Business Entity Records:

If a Franchisee business entity has been or is formed:

a. Franchisee shall furnish Franchisor with (i) its formative documents as filed with Franchisee's state, (ii) bylaws and/or shareholder, partnership or LLC operating, agreement, (iii) other governing documents as amended from time to time, (iv) a current list of all shareholders, members, and/or other equity owners, managers, officers and/or directors, (iv) any other documents Franchisor may reasonably request, and (v) any updates and amendments thereto.

b. Franchisee shall maintain transfer restrictions and restrictive endorsements providing that any transfer of any share of stock, equity interest, and any other form of ownership is subject to the terms and conditions of this Agreement, and shall note same on any form of ownership or stock certificates.

c. Franchisee shall immediately notify Franchisor in writing of any change in any of the information or documents provided for in this paragraph 11.10 and/or 11.15.

11.11 Inspection:

Franchisee shall permit Franchisor, or any of its authorized agents or representatives, to inspect the Franchise and its operations and the Franchise services and products, at any time on reasonable advance notice, during normal business hours.

11.12 Payments to Suppliers:

Franchisee shall fully and timely pay all suppliers and providers (including without limitation Franchisor).

11.13 Non-financial Reports:

Franchisee shall complete and submit to Franchisor such periodic or other reports regarding the operation of the Franchise as and in the manner Franchisor prescribes in the Manual. In addition, Franchisee shall permit Franchisor remote computer and online access to its computers, smartphones, other mobile electronic devices, and online business files for Franchisor to, among other things, monitor, export, import, and copy information from and to Franchisee's computers, smartphones, other mobile electronic devices and online presences, consistent with lawful requirements to maintain the privacy and confidentiality of patients.

11.14 Insurance:

To standardize insurance coverage and afford Franchisee and Franchisor protection against insurable risks, Franchisor may prescribe in the Manual minimum insurance coverage and limits to be purchased and continuously maintained by Franchisee, including without limitation professional liability insurance. If Franchisor does not specify such insurance in the Manual, Franchisee shall obtain and continuously maintain customary professional liability insurance for Franchisee's chiropractic practice, and shall also obtain and continuously maintain customary business insurance coverage. Franchisee shall provide Franchisor with Certificates of Insurance of all insurance coverage no later than ten days after obtaining the insurance, and name Franchisor and Franchisor's members, managers, directors and officers (including without limitation Dr. Calvin B. Ross, DC) as additional insureds with the right to prior written notice of any termination, amendment, cancellation, or modification of the insurance policy. Franchisee shall comply with its State's workman's compensation and unemployment compensation requirements.

11.15 Franchisee Business Entity:

a. If Franchisee is a corporation, partnership, joint venture, or limited liability company, including without limitation any form of chiropractic professional business entity such as a professional corporation, the name and address of each shareholder, partner, general partner, or member in or of Franchisee is set forth below:

NAMES	ADDRESSES	INTEREST

b. If Franchisee is a corporation or limited liability company, the name and address of each director of the corporation, or each manager of the limited liability company is set forth below:

NAMES AND TITLES

ADDRESSES

c. The address where Franchisee's records are maintained is

d. If Franchisee is a corporation or limited liability company, the name and address of each director of the corporation, or each manager of the limited liability company is set forth below:

NAMES AND TITLES

ADDRESSES

e. Any business entity formed by Franchisee must be organized in and in good standing under the laws of the state where Franchisee's Territory is located. The activities of the business entity must be limited in fact and also in its organizational documents to the conduct of the franchised business.

f. Franchisee shall notify Franchisor in writing within ten (10) days of any change in the information set forth in this Section 14.6. Any change in ownership that adds new equity owners in whole or part shall be subject to the assignment provisions of this section. In the event the ownership change does not trigger provisions herein requiring a new Franchise Agreement, any new equity owners must sign the Personal Guaranty at the end of this Franchise Agreement as a condition of the Franchisee continuing as a Franchisee under this Franchise Agreement. Failure to comply with this provision shall constitute a material breach of this Franchise Agreement and grounds for termination under Section 15 of this Franchise Agreement.

11.16 Cooperation with Franchisor:

Franchisee shall act in good faith and use its best efforts to comply with its obligations under this Agreement, and to cooperate with Franchisor in accomplishing the purposes of this Agreement and the Manual. Franchisee shall not disparage the System or Franchisor to other Franchisees, customers, or third parties.

11.17 Best Efforts:

Franchisee shall use best efforts in the operation of the Franchise, and shall not operate its Franchise, engage directly or indirectly in any conflicting or competing enterprises or any other activities which would be detrimental to or interfere with the operation, reputation or goodwill of Franchisee, the Franchise, Franchisor, or other franchisees.

11.18 Material Breach:

Without limitation, failure by Franchisee to comply with any provision of this Article 11 shall constitute a material breach of this Agreement and grounds for termination by Franchisor under Article 15 of this Agreement.

11.19 Time of the Essence:

Time is of the essence in the performance of all Franchisee obligations under this Agreement.

12. RECORDS AND REPORTING

12.1 Financial Statements:

Within sixty (60) days after the expiration of each fiscal year of Franchisee, Franchisee shall furnish to Franchisor, in a form approved by Franchisor, a statement of profit and loss for the fiscal year and a balance sheet as of the end of the fiscal year, certified to be true and correct by Franchisee. Franchisee gives Franchisor permission to use these financial statements in any financial data Franchisor supplies prospective new franchisees. Franchisee's fiscal year shall be a calendar year ending December 31. Franchisee shall also provide Franchisor with true copies of its filed federal income tax returns within 30 days after filing.

12.2 Records:

a. Franchisee shall record and maintain records of its revenues and operations as set forth in the Manual. Franchisee's failure to make and maintain records in such manner shall constitute a material breach of this Agreement.

b. Franchisee shall, in a manner and form satisfactory to Franchisor as specified in the Manual, prepare on a monthly, quarterly and annual basis (and preserve for no less than six (6) years), complete and accurate records of the Gross Revenues and all financial, operating, marketing and other aspects of the Franchise and the business conducted under this Agreement, and maintain an accounting system which fully and accurately reflects all aspects of the Franchise and such business, including such uniform standards and reports as may be required by Franchisor.

c. Franchisee shall also prepare and preserve for no less than six (6) years financial records which shall include, but not be limited to, bank records, ticket sale receipts and records, books of account, insurance, employee matters, orders for equipment and supplies, tax returns, daily reports, statements of Gross Revenues, profit and loss statements (to be prepared monthly), and balance sheets (to be prepared at least annually).

d. Franchisee shall also submit to Franchisor current financial statements and other reports as Franchisor may reasonably request to evaluate or compile research data on any aspect of the Franchise or its business. Franchisee hereby gives Franchisor permission to use and disclose this data (without specific identification of Franchisee) in its FDD.

e. Franchisee is responsible for maintaining sufficient and accurate records to permit conduct of the audit provided for in paragraph 12.3 below. In the event Franchisee's records are not sufficient to permit conduct of said audit, that insufficiency shall be deemed a material breach of this Agreement, curable only by Franchisee immediately and at its sole cost and expense, implementing such record keeping as the auditor determines necessary for a subsequent audit, which subsequent audit shall be performed at Franchisee's sole cost and expense on written notice and at such time and place as Franchisor and the auditor determine suitable for performing the audit. Franchisee's obligation to pay the auditor hereunder shall be deemed a payment subject to paragraph 11.12 of this Agreement.

12.3 Audits:

a. Franchisor may, upon written notice and during regular business hours, enter or authorize auditors to enter Franchisee's Location (or other business records location) to inspect, audit and make copies of books of account, bank statements, documents, records, sales tax returns, papers, and files of Franchisee relating to Gross Revenues and business transacted which shall include, but not be limited to, physical and computer and online bank records, sale receipts and records, insurance, employee matters, equipment and supplies, and upon request by Franchisor, Franchisee shall make any such materials available for examination at Franchisee's premises.

b. If, upon Franchisor's audit, should be any of Franchisee's audited records be found by the auditor to be inaccurate in a manner that resulted in understated Gross Revenues and thus underpaid Continuing Royalties, Franchisee shall immediately pay to Franchisor the amount of underpaid Continuing Royalties as shown by such audit, plus interest on said amount at the rate of fifteen percent (15%) or, if lower, the highest rate permitted by the laws of the state in which Franchisee is located.

c. If, upon Franchisor's audit, the Gross Revenues or any payments due Franchisor as shown by Franchisee's audited records should be found by the auditor to be understated by five percent (5%) or more, or if the audit should disclose that Franchisee has violated this Agreement and/or provisions of the Manual including without limitation matters relating to insurance, employees, equipment and supplies, Franchisee shall, in addition to the above corrective payments, immediately pay to Franchisor the cost of such audit.

d. In addition, if Gross Revenues or any payments due Franchisor as shown on Franchisee's audited records are found by the auditor to be understated by ten percent (10%) or more, such understatement shall constitute a material and non-curable breach of this Agreement, and Franchisor may terminate this Agreement upon giving written notice to Franchisee of these findings.

e. In addition, if the audit should disclose that Franchisee has violated this Agreement and/or provisions of the Manual including without limitation matters relating to insurance, employees, equipment and supplies, such findings by the auditor shall result in Franchisee being found in material default and breach of this Agreement.

f. Franchisee shall fully cooperate with the audit, shall truthfully answer questions concerning its operations and business records, and shall not withhold any pertinent information for an accurate audit.

g. The audit may consist of any type of examination and reporting and may be done by Franchisor or any employee, agent, bookkeeper, or accountant of Franchisor.

h. This audit right and remedies therefor shall survive the expiration or termination of this Agreement and any Renewal Agreement for a period of three (3) years. Franchisee agrees that the survival of this provision is supported by good and valuable consideration.

13. RELATIONSHIP OF THE PARTIES

13.1 Licensee:

a. In all matters pertaining to the Franchise, Franchisee is and shall be a licensee as respects its relationship with Franchisor, not a partner, joint venturer, agent, employee, or independent contractor of Franchisor. Neither party shall be liable to third parties for the debts or obligations of the other. No employee of one party shall be deemed to be an employee of the other.

b. Franchisor shall not have vicarious, joint, or co-liability for the actions or omissions of Franchisee or persons working for Franchisee. Franchisee is solely liable for its actions or omissions and shall indemnify and hold harmless Franchisor from any actions, costs, expenses, or damages claimed by or awarded to any third party against Franchisor as a result of Franchisee's actions or omissions.

c. Franchisee shall not have vicarious, joint, or co-liability for the actions or omissions of Franchisor or persons working for Franchisor. Franchisor is solely liable for its actions or omissions and shall indemnify and hold harmless Franchisee from any actions, costs, expenses, or damages claimed by or awarded to any third party against Franchisee as a result of Franchisor's actions or omissions.

d. Franchisee shall conspicuously display, in a manner and form pursuant to the Manual, a notice that its Franchise and its operations are independently owned and operated by Franchisee.

e. No employee of one party to this Agreement shall be deemed to be an employee of the other. Neither party is an employer or employee of the other party. The employees of one party are not employees of the other party or under the direction and control of the other party. Neither party is a "co-" or "joint" employer of the employees of the other. Neither party intends to have, has the right to have, or has, direct or indirect control over the essential terms and conditions of employment, namely the wages, benefits, hours of work, hiring, discharge, discipline, supervision, and direction, of the employees of the other party. As regards the other party's employees, neither party intends to, has the right to, or may (i) hire or fire; (ii) supervise and control work schedules or conditions of employment to a substantial degree; (iii) determine the rate and method of payment; or (iv) maintain employment records.

14. ASSIGNMENT AND TRANSFER

14.1 Assignment or Transfer by Franchisor:

a. Franchisor may assign this Agreement and any or all of its rights and privileges hereunder to any other person, firm or entity; provided that, in respect to any assignment resulting in the subsequent performance by the assignee of the functions of the Franchisor, (i) the assignee shall, at the time of such assignment, in Franchisor's reasonable judgment, be economically and

professionally capable of performing the obligations of Franchisor hereunder, and (ii) the assignee shall expressly assume and agree to perform such obligations.

b. Franchisor may combine its assets or equity interests with any other person, firm or entity, in any manner permitted by law, whether or not this results in a change of management or control, and whether or not this results in a change of Franchisor business entity.

c. Franchisor may transfer, in whole or part, ownership of its assets or equity interests to any other person, firm or entity; provided that, in respect to any such transfer resulting in the subsequent performance in by the transferee of some or all the functions of the Franchisor, (i) the transferee shall, at the time of such transfer, in Franchisor's reasonable judgment, be economically and professionally capable of performing the obligations of Franchisor hereunder, and (ii) the transferee shall expressly assume and agree to perform such obligations.

d. Franchisee hereby consents to any and all of the transactions set forth in 14.1(a)-(c), above. Franchisee hereby agrees to look solely to the resulting controlling person, firm, entity, assignee or transferee, as applicable, for the subsequent performance of the Franchisor obligations hereunder. Franchisee agrees, immediately upon written request by Franchisor, to execute a general release in favor of the Franchisor, assignor, transferor, or no longer controlling person, firm, or entity, as regards (i) the performance of the Franchisor obligations under this Agreement, and (ii) any liability to Franchisee under this Agreement, both prior to and after the applicable transaction, except with respect to representations made in the FDD provided Franchisee.

14.2 Assignment or Transfer by Franchisee:

Franchisee acknowledges that Franchisor is entering into this Agreement in reliance upon and in consideration of the singular personal skill and qualifications of the Franchisee and the trust and confidence reposed in Franchisee and its equity owners (and directors, officers, managers, members and/or partners as applicable to a business entity franchisee). Therefore, neither Franchisee's interest in this Franchise Agreement nor any of Franchisee's rights and privileges hereunder, nor the Franchise itself or any interest therein, may be assigned, transferred, sold, shared or divided, voluntarily or involuntarily, directly or indirectly, by operation of law or otherwise, in any manner, without the prior written consent of Franchisor. Any actual or attempted such assignment, transfer, sale, sharing or division made or accomplished in violation of the terms of this Article 14 shall be null and void, shall constitute a breach of this Agreement by Franchisee, and shall give Franchisor the right to terminate the Agreement without further notice. In no event does any Franchisee right under this Article 14 include the right to grant a sub-franchise.

Franchisor's consent to such assignment shall not unreasonably be withheld, provided that:

a. The assignee or transferee and its equity owners (and directors, officers, managers, members and/or partners as applicable to a business entity franchisee) possess the skills, qualifications, professional chiropractic standing and economic resources necessary, in Franchisor's sole and exclusive judgment, to operate the Franchise in accordance with this Agreement and Manual, and to fulfill all obligations of the assignee to Franchisee and Franchisor.

Assignee and assignor shall cooperate with Franchisor in providing such information as needed by Franchisor to make this assessment.

b. In the case of an assignment of this Agreement, the assignee expressly assumes in writing for the benefit of Franchisor all of the rights and obligations of Franchisee under this Agreement, except that such assignment shall not release the assignor from any obligations hereunder, and assignor shall remain fully liable to Franchisor for any and all of such obligations for the remaining term of this Agreement. Assignor shall retain none of the rights under this Agreement. Prior to the effectiveness of the assignment, the assignee must pay Franchisor a Ten Thousand Dollar (\$10,000.00) training fee (for up to two (2) trainees unless additional trainees are approved in advance in writing by Franchisor), subject to Franchisor approval and provisions of the Franchise Agreement pertaining to trainees, with no exclusions that normally would be covered by the Initial Franchise Fee.

c. As of the date of any assignment or transfer, the assignor or transferor shall have fully complied with all obligations to Franchisor, whether under this Agreement or otherwise.

d. In the case of a transfer, the transferee shall execute a new Franchise Agreement with an expiration date the same as the expiration date of this Agreement in the form and on the terms and conditions then being offered by Franchisor (except that the transferee shall not be obligated to pay Franchisor an Initial Franchise Fee, and the transferee must pay Franchisor a Ten Thousand Dollar (\$10,000.00) training fee (for up to two (2) trainees unless additional trainees are approved in advance in writing by Franchisor), subject to Franchisor approval and provisions of the new Franchise Agreement pertaining to trainees, with no exclusions that normally would be covered by the Initial Franchise Fee. The execution of the new Franchise Agreement shall, except for the post-Term obligations of Franchisee hereunder and all obligations of Franchisee hereunder which survive the termination or expiration of this Agreement, be deemed to replace this Agreement, which shall be terminated on the date of the transfer.

e. Franchisee shall, prior to the effectiveness of any assignment or transfer, except under Section 14.3, pay Franchisor an assignment or transfer fee of Nineteen Thousand Six Hundred Dollars (\$19,600.00). The transfer fee and training fee payments shall be in good funds as defined by California law by bank wire transfer or bank cashier's check at Franchisor's option.

f. The assignee or transferee shall have satisfactorily paid for and completed the training then required of all new franchisees.

g. Franchisor shall have been furnished, prior to execution, a complete copy of the contract and related documents assigning or selling the Franchise, and Franchisor has not objected to same within 15 days after receipt.

h. Franchisee shall have executed a general release in a form satisfactory to Franchisor of any and all claims against the Franchisor and its officers, directors, shareholders, and employees in their corporate, business, and individual capacities, including without limitation claims arising under federal, state, and local laws, rules and ordinances.

i. The transfer (i) in the aggregate of more than forty-nine percent (49%) of the equity or voting power of any business entity Franchisee, and/or (ii) any transfer that changes the majority voting power of the business entity Franchisee, shall be also deemed to be an assignment of the Franchise Agreement within the meaning of this Section 14.2. The transfer of Franchisee's interest to Franchisee's heirs, trustees, personal representatives or conservators, as applicable, in the event of the death, legal incapacity, insolvency or bankruptcy of the Franchisee, shall also constitute a transfer under this Section 14.2. The transfer in the aggregate of less than forty-nine percent (49%) of the equity or voting power of any business entity Franchisee shall not be deemed to be an assignment of the Franchise Agreement within the meaning of this Section 14.2, but Franchisor shall have the right to approve the addition of any new persons to the business entity Franchisee, and Franchisee shall pay to Franchisor a Two Thousand Dollar (\$2,000.00) ownership change fee.

14.3 Assignment to Franchisee's Business Entity:

If Franchisee desires to assign the Agreement to a business entity formed and controlled by Franchisee, Franchisee shall obtain the prior written consent of Franchisor, which consent shall be withheld unless:

a. The existing equity owner(s) are, and covenant to remain, the owner(s) of all the equity of the corporation or limited liability company, and, if Franchisee's equity prior to the assignment is held by more than one individual, each individual shall retain substantially the same proportionate equity and voting interest in the corporation as in the Franchisee prior to the assignment;

b. The Article 11.15 information shall have been updated, and Article 14 assignment and transfer provisions in this Agreement shall have been complied with; and

c. Franchisee shall pay to Franchisor a Two Thousand Dollar (\$2,000.00) business transfer fee.

14.4 No Encumbrance:

Franchisee shall not have the right to pledge, encumber, hypothecate, or otherwise give any third party a security interest in this Agreement in any manner whatsoever without the express prior written permission of Franchisor, which permission may be withheld for any reason whatsoever in the Franchisor's sole subjective judgment.

14.5 Right of First Refusal:

Franchisee may initiate an assignment or transfer under Section 14.2 of this Agreement to a bona fide purchaser as set forth herein, providing it shall first offer assignment or transfer to Franchisor on the same terms and conditions agreed to by the prospective purchasers in a written and fully executed Agreement which contains a provision that the Agreement is subject to all provisions of Section 14.2 above as well as the Franchisor right of first refusal in this Section 14.5. Franchisor may substitute the reasonable cash value of any consideration measured in real property or other unique property. All offers shall be fully set forth in writing, and Franchisor shall have

thirty (30) days to accept any offer. If Franchisor does not accept the offer within thirty (30) days, Franchisee may continue the prospective transaction to the prospective purchaser on the same terms and conditions as offered to Franchisor under the right of first refusal herein, subject to all terms and conditions of assignment or transfer of Section 14.2 of this Agreement. Provided, however, that this right of first refusal shall not apply to an assignment under Section 14.3 of this Agreement or change of principals under Section 14.2 (i).

14.6 Transfer Legend:

To assure compliance by Franchisee with the restrictions contained in this Article 14, all share or stock certificates or other evidence of ownership of Franchisee shall at all times contain a legend sufficient under applicable law to constitute notice of the restrictions on such certificate or other evidence of ownership contained in this Agreement and to allow such restrictions to be enforceable.

14.7 Transfer Upon Divorce, Death or Legal Incompetency:

The lawful transfer of Franchisee's interest to the Franchisee's (i) ex-spouse under a divorce or dissolution of marriage, or (ii) heirs, trustees, personal representatives or conservators, as applicable, in the event of the death, legal incapacity, insolvency or bankruptcy of the Franchisee, shall also constitute a transfer under and subject to all provisions of Section 14.2 and Section 14.5 herein. Upon the death or legal incompetency of any person with an interest in this Agreement or in Franchisee, the executor, administrator, personal representative, or trustee of such person or entity shall transfer its interest to a third party approved by Franchisor within 9 months of the date of such death or legal incompetency. Such transfers, including, without limitation, transfers by devise or inheritance, shall be subject to the same conditions as any other transfer under this Agreement. However, in the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable or unwilling to meet the conditions in this Article 14 as well as Article 11, the executor, administrator, or personal representative of the decedent shall have 9 months from the date of such death or legal incompetency to dispose of the decedents' interest in the Franchise, which disposition shall be subject to all the terms and conditions for transfers contained in this Agreement. If the interest is not so disposed of within 9 months following the date of such death or legal incompetency, Franchisor may terminate this Agreement upon written notice.

15. DEFAULT AND TERMINATION

15.1 Termination upon Notice:

a. Franchisor may terminate this Agreement upon thirty (30) days advance written notice for good cause, defined as one or more of the following:

(i) Franchisee's breach of or failure to fully and timely comply with any of Franchisee's obligations or responsibilities under this Agreement, or

(ii) pursuant to any other provision of this Agreement giving Franchisor a right of termination or

(iii) in the event Franchisee does not commence franchise operations within 120 days after the date of execution of this Agreement or within 30 days after successful completion of Initial Training, or

(iv) any 30 day period of time passes without the conduct of any continuous and substantial Franchise business activity by Franchisee (which shall be deemed an abandonment of the Franchise), or

(v) if Franchisee is convicted of a felony or other crime or offense which has or is reasonably likely, in Franchisor's sole opinion, to have a detrimental impact on Franchisor, Body Best Doctors franchisees, the System or their goodwill, or

(vi) if Franchisee files any action as a debtor in U.S. Bankruptcy Court, or

(vii) if Franchisee or its owners made any material misrepresentation or omission in the application for the Franchise.

However, upon receipt of such notice, Franchisee shall have fifteen (15) days to cure the failure of compliance, and in such event this Agreement shall not be terminated. If the failure to comply is incapable of being cured, that shall not prevent termination of this Agreement. If the breach or failure to comply is expressly designed in this Agreement as giving Franchisor to terminate without a right to cure, then there shall be no right to cure. In the event the breach or failure to comply has already been the subject of notice and cure during the term of this Agreement, then Franchisee shall no longer be entitled to a right to cure. Provided however, that if additional notice time, additional time to cure, or a right to cure is required by the laws of the State in which the Franchise is located, then such laws will apply.

b. Termination of this Agreement does not affect Franchisor's right to retain the Initial Fee and all other deposits and all other moneys theretofore received from Franchisee. Franchisor also retains all legal or equitable rights or remedies which Franchisor might assert with respect to breach of this Agreement by Franchisee.

15.2 Cross Default:

Any default by Franchisee under any other agreement between Franchisor and Franchisee, or any default under the Restriction on Use of Confidential Information Agreements resulting from this Agreement shall be deemed a default under this Agreement, and any default by Franchisee of this Agreement shall be deemed a default under any and all other agreements between Franchisor and Franchisee.

15.3 Notice Required by Law:

Notwithstanding anything to the contrary contained in this Agreement, if applicable law or regulation limits Franchisor's rights of termination or requires longer notice periods than those set

forth above, this Agreement shall be deemed amended to conform to said minimum notice periods or restriction. Franchisor shall not, however, be precluded from contesting the validity, enforceability or application of such laws or regulations in any action, arbitration, hearing or dispute relating to this Agreement or the termination thereof.

15.4 Failure to Complete Training:

a. Franchisee may terminate this Agreement for any reason prior to commencement of the Initial Training program, in which case Franchisor shall retain the Initial Fee.

b. Franchisor may terminate this Agreement for any reason prior to commencement of the Initial Training program. In such instance Franchisor shall refund to Franchisee all of the Initial Fee that Franchisee paid in good funds, unless the termination is for cause, in which case Franchisor shall retain all of the Initial Fee. This refund, if any, is Franchisee's only remedy, regardless of the underlying causes or reasons for the termination. "Commencement" of the Initial Training program means the start of the first training session or activity of any kind, including without limitation, classroom, hands-on, video, audio, and online training, and self-training by Franchisee using Franchisor's training materials and/or the Manual.

c. Franchisor may terminate this Agreement if Franchisee does not satisfactorily commence or complete the Initial Training program, meaning either that Franchisee fails to attend all sessions without good cause such as a personal emergency (in which case training will be postponed) or that Franchisee demonstrates in training that it is incapable or unwilling to operate the Franchise utilizing the training and in accordance with the System and Manual. In no event will Franchisee be entitled to any refund of any Initial Fee paid or expenses incurred in connection with attending the Initial Training program.

15.5 Termination by Agreement:

The parties to this Agreement may terminate it at any time upon mutual written consent.

16. POST TERMINATION AND EXPIRATION PROVISIONS

16.1 Discontinuance of Body Best Doctors Practice:

Upon and after expiration of this Agreement without renewal or termination of this Agreement for any reason:

a. Franchisee shall forthwith discontinue the use of the System and any component thereof, the Manual, the Proprietary Items and Confidential Information, and

b. Franchisee shall not thereafter operate or do business under any name or in any manner that might tend to give the general public the impression that it is operating the Franchise or equivalent business, and

c. Franchisee shall not thereafter use, in any manner or for any purpose, directly or indirectly, any of Franchisor's System, training materials, Confidential Information or Proprietary Items, overall appearance of the franchised business, any web site that had been used in connection with its Franchise, and any supplier used for its Franchise, and

d. Franchisee shall discontinue all methods, services and products that are part of the Franchise System, and

f. Franchisee shall immediately provide Franchisor, upon its request, with a complete list of any outstanding obligations Franchisee may have to any third parties, including outstanding or pending services. Franchisor shall have the right, but not the obligation, to fulfill any such services and in such event, Franchisee shall immediately reimburse Franchisor for any costs or expenses incurred by Franchisor in doing so. In addition, Franchisor shall have the right to cancel any outstanding or pending services, and

g. Franchisee shall comply with all provisions of this Agreement which by their nature or expressly survive the termination, assignment, transfer or expiration of this Agreement or otherwise require post-termination, assignment, transfer or expiration action or inaction by Franchisee, including without limitation the provisions of this Article 16.

h. The provisions of this 16.1 do not, otherwise than as stated above, apply to or restrict Franchisee's practice of chiropractic as licensed by Franchisee's State.

16.2 Execution of Documents:

Upon termination, assignment, transfer or expiration without renewal of this Agreement for any reason, Franchisor may, if Franchisee fails or refuses to do so, execute in Franchisee's name and on Franchisee's behalf, any and all documents necessary to cause discontinuance of Franchisee's use of the Proprietary Items, Confidential Information, the System and the Franchise, including without limitation any documents used for actions set forth under this Article 16, and Franchisor is hereby irrevocably appointed by Franchisee as Franchisee's attorney-in-fact to do so.

16.3 Franchisor's Rights Not Prejudiced:

The expiration, assignment, transfer or termination of this Franchise Agreement shall be without prejudice to Franchisor's rights against Franchisee and shall not relieve Franchisee of any of Franchisee's obligations to Franchisor existing at the time of expiration or termination or terminate those obligations of Franchisee which expressly or by their nature survive the expiration, assignment, transfer or termination of this Franchise Agreement.

16.4 Franchisee's Cancellation of Names Incorporating Proprietary Items:

Upon termination, assignment, transfer or expiration without renewal of this Agreement, Franchisee shall take such action as may be necessary to cancel any assumed name or equivalent registration which contains any name or mark identical, or confusingly similar to, the Proprietary Items, or any other name, trademark or service mark of Franchisor, and Franchisee shall furnish

Franchisor with proof of discharge of this obligation within thirty (30) days following the termination or expiration of this Agreement.

16.5 Franchisee's Cancellation of Telephone Listings:

Upon termination, assignment, transfer or expiration without renewal of this Agreement, Franchisee shall cease and desist from using telephone number(s) it used in connection with its Franchise, or upon demand of Franchisor, shall direct the telephone company servicing the number(s) to transfer the number(s) to Franchisor or to such person and at such location as Franchisor directs, at Franchisor's expense. Unless Franchisor directs the transfer of the number(s), Franchisee shall be solely responsible for payment of all billings including those after the date Franchisee is directed to cease and desist from using said number(s). If Franchisor directs the transfer of the number(s), Franchisee shall be solely responsible for payment of all billings up until the date the transfer of said number(s) is effective. If franchisee fails or refuses to transfer the number within 5 business days of Franchisor's demand, Franchisor shall have the right to do so under Section 16.2 above.

16.6 Payment of Sums Due:

Upon termination, assignment, transfer or expiration without renewal of this Agreement for any reason, Franchisee shall immediately pay all sums owing to Franchisor and any third party vendors and suppliers) and any advertising fund established under this Agreement or any cooperative advertising in which Franchisee has participated. In the event of termination for any default of Franchisee, such sums shall include all damages, costs and expenses (including reasonable attorney fees) incurred by Franchisor as a result of the default, which obligation shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the personal property, furnishings, equipment, signs, inventory, fixtures or other assets owned by Franchisee at the time of default.

16.7 Other Provisions:

Upon termination, assignment, transfer or expiration without renewal of this Agreement for any reason, Franchisee shall, without limitation, (i) strictly comply with the provisions set forth in Article 17 of this Agreement and all executed Exhibit D and E agreements, (ii) enforce all executed Exhibit D and E agreements signed by others involved in Franchisee's operations, and (iii) comply with all obligations under this Agreement that expressly or impliedly survive, take effect upon, or continue in effect after, the expiration or termination of this Agreement.

16.8 Delivery of Records, Documents and Files:

Within five (5) days after the date of termination or expiration without renewal of this Agreement for any reason, Franchisee shall deliver to Franchisor its copy of the Manual and any training materials (retaining no copy for itself) and shall thereupon cease any use thereof.

16.9 Survival of Provisions:

The provisions of this Article 16 shall survive the termination or expiration of this Agreement and any transfer or assignment hereunder and Franchisee agrees that said provisions and said survival are supported by good and adequate consideration.

17. NON-FRANCHISE ACTIVITIES BY FRANCHISEE

17.1 Franchisee Activities Outside the Franchise Relationship:

Franchisee acknowledges and agrees that the franchise license herein, the initial training hereunder, the license of the Proprietary Items, the loan of the Confidential Operating Manual, the exclusive Territory and the ongoing franchisor support are what would provide Franchisee the knowledge and ability to operate Franchisee's chiropractic practice using methods that are part of the System. Franchisee also acknowledges that the goodwill of the Location that results in patient traffic is in substantial part due to using methods that are part of the System. Franchisee also acknowledges and agrees that the consideration, Royalties and other fees paid to Franchisor from the operation of the Franchise do not compensate Franchisor for the value for the inevitable use of such training, knowledge and information outside the operation of the Franchise hereunder. Further, Franchisee acknowledges that its conduct of business operations under the provisions of this Article 17 involves expanded rights ("Expanded Rights") granted it by Franchisor above and beyond the rights granted in the operation of the Franchise, and that the exercise of such Expanded Rights is supported by the additional consideration set forth in this Article 17, which Franchisee agrees is fair, not unconscionable, and not a penalty.

Therefore, Franchisee agrees as follows:

a. In the event Franchisee, any Guarantor of this Agreement, and/or the spouse of Franchisee and/or any Guarantor of this Agreement, from the date of execution of this Agreement until three (3) years after the transfer, assignment, termination or expiration of this Agreement and any Renewal Agreements, conducts a chiropractic practice other than a Body Best Doctors franchise at the Location and/or at any other location, anywhere, that uses, copies, or emulates the System, any Proprietary Items, the Confidential Operating Manual, any Confidential Information or trade secrets, or any of Franchisor's training, support, or ongoing informational materials it provides to its franchisees, the characteristics of Franchisor's franchise system, or any of Franchisor's logos, trademarks, or service marks, the trade dress or overall look and feel of the franchised business, Franchisee shall pay Franchisor an additional fee of Twenty-Five Thousand Dollars (\$25,000.00) per such location within 30 days of commencement of such business operation or participation and Four Percent (4%) of the monthly Gross Revenues of such business or Six Hundred Dollars (\$600.00) per month (whichever is greater) by the fifth day of each month as additional compensation for the unavoidable use of the training, knowledge and information Franchisee received from Franchisor, and for the Expanded Rights granted Franchisee by Franchisor.

b. In the event Franchisee, any Guarantor of this Agreement, and/or the spouse of Franchisee and/or any Guarantor of this Agreement, from the date of execution of this Agreement until three (3) years after the transfer, assignment, termination or expiration of this Agreement and any Renewal Agreements, trains or participates in the training of others to open and/or operate a business primarily offering the services and products of a chiropractic practice, anywhere, Franchisee shall pay Franchisor an additional fee of Twenty Thousand Dollars (\$20,000.00) for each person or entity so trained or licensed, within 30 days of the commencement of the training or license and 3 Percent (3%) of the monthly Gross Revenues of such business or Five Hundred Dollars (\$500.00) per month (whichever is greater) by the fifth day of each month of each such business as additional compensation for the unavoidable use of the training, knowledge and information Franchisee received from Franchisor, and for the Expanded Rights granted Franchisee by Franchisor, so as to be able to train others to open and/or operate such a business.

c. In the event Franchisee, any Guarantor of this Agreement, and/or the spouse of Franchisee and/or any Guarantor of this Agreement, from the date of execution of this Agreement until three (3) years after the transfer, assignment, termination or expiration of this Agreement and any Renewal Agreements, operates or participates in the operation as a vendor, licensor, or franchisor of business operation(s) primarily offering the services and products of a chiropractic practice, anywhere, Franchisee shall pay Franchisor Twenty Thousand Dollars (\$20,000.00) for each of each such sold, licensed, or franchised business, within 30 days of the execution of any sale, license, franchise or equivalent agreement or, if no such agreement, within 30 days of the commencement of the relationship and Three Percent (3%) of the monthly Gross Revenues of such business or Five Hundred Dollars (\$500.00) per month (whichever is greater) by the fifth day of each month of each such business operation as additional compensation for the unavoidable use of the training, knowledge and information Franchisee received from Franchisor, and for the Expanded Rights granted Franchisee by Franchisor, so as to be able to operate as a vendor, licensor, or franchisor of such businesses.

d. Franchisee and the Guarantors of this Agreement shall be jointly and severally liable to Franchisor for the payment of the amounts in the preceding Sections 17.1 a, b and c.

e. Franchisee and the Guarantors of this Agreement shall notify Franchisor in writing within 10 days of the commencement of any of the activities enumerated in the preceding paragraphs 17.1 (a) through (d). The provisions of this Section 17 shall survive the expiration, assignment, or termination of this Agreement and the franchise agreement of any transferee or assignee under Section 14.2 of this Agreement, and Franchisee agrees that said survival is supported by good and adequate consideration. Notwithstanding the provisions of this Article 17, Franchisee may not use, copy, or emulate the System, any Proprietary Items, the Confidential Operating Manual, any Confidential Information or trade secrets, or any of Franchisor's training, support, or ongoing informational materials it provides to its franchisees, the characteristics of Franchisor's franchise system, or any of Franchisor's logos, trademarks, or service marks, the trade dress or overall look and feel of the franchised business, or disparage Franchisor to any party.

f. Any one of the following characteristics (even in the absence of any of the other characteristics) shall cause a given business to be considered a distinct and separate business for which payments shall be made in addition to and apart from payments for the other distinct and

separate businesses which may be operated under this Section 17: the site location of the business being different from other locations; a Territory assigned to a given business; a different business entity, manager, or owner; a separate agreement, license, or subcontractor arrangement; a different business name or telephone number; different sets of staff; different designations in any telephone book listings or advertising; different franchise agreements or business opportunity agreements; accounting or tax entries or forms or filings that indicate different businesses; different federal tax id numbers or state tax numbers. A separate fee under this Section 17 shall be paid for each separate business as defined hereunder.

17.2 Non-Diversion:

During the term of this Agreement and for a period of three (3) years after the transfer, assignment, termination or expiration of this Agreement and any Renewal Agreements, Franchisee and the Guarantors of this Agreement jointly and severally covenant that none of them nor any of their spouses will, either directly or indirectly, for any of them, or through, on behalf of, or in conjunction with any person, persons, or legal entity:

- a. Divert or attempt to divert persons, who were patients or customers of the Franchise during the term of this Agreement, to become patients or customers of any other party; or
- b. Do or perform, directly or indirectly, any act injurious or prejudicial to the goodwill of Franchisor or other franchisees of Franchisor; or
- c. Induce or attempt to induce any person who is at that time employed by Franchisor or any other franchisee of Franchisor, to leave his or her employment or otherwise employ any person who is employed by Franchisor or any other franchisee of Franchisor.

17.3 Enforcement:

Franchisee agrees that any claims it may have against Franchisor shall not constitute a defense to the enforcement by Franchisor of the terms of this Article 17. Franchisee further agrees to pay all costs, expenses and reasonable attorney fees incurred by Franchisor in connection with the enforcement of this Article 17. Franchisor is also entitled to claim and be awarded the payment amounts set forth in Section 17.1 above for the corresponding activities set forth therein as additional compensation and consideration due from Franchisee for Franchisee being granted the rights to engage in such activities. Franchisee agrees that the provisions of this Article 17 are in all respects fair, not unconscionable, and not a penalty, and irrevocably waives any right to assert that they are unfair, unconscionable, or a penalty, in any action between the parties involving enforcement of the provisions of this Article 17.

17.4 Survival of Provisions:

The provisions of this Article 17 shall survive the termination or expiration of this Agreement and any transfer or assignment hereunder and Franchisee agrees that said provisions and said survival are supported by good and adequate consideration.

18. WAIVER AND DELAY

No waiver or delay in enforcement of any breach of any term, covenant or condition of this Agreement shall be construed as a waiver of any preceding or succeeding breach or delay in enforcement, or any other term, covenant or condition of this Agreement. In addition, the acceptance of any payment specified to be paid by Franchisee hereunder shall not be, nor be construed to be, a waiver of any breach of any term, covenant or condition of this Agreement.

19. DISPUTE RESOLUTION

19.1 Informal Dispute Resolution:

Before initiating any arbitration or litigation proceeding for any dispute arising under or relating to this Agreement, the party intending to initiate such a proceeding will notify the other party in writing of the existence and nature of the dispute. Within 15 business days after the other party's receipt of the notice, one or more of Franchisor's officers will meet with one or more of Franchisee's owners or officers at Franchisor's principal place of business, or other mutually agreeable location, to negotiate in good faith in an effort to resolve the dispute amicably. If this informal attempt to resolve the dispute is unsuccessful, either party may initiate arbitration as described in Section 19.2.

19.2 Binding Arbitration:

Without limiting the parties' rights and remedies under Section 19.3, the parties hereto acknowledge and agree that any dispute or controversy arising out of or relating to this Agreement not settled by informal negotiations within 30 days, including, without limitation, any dispute regarding its arbitrability, validity or termination, or the performance or breach thereof, shall, at the request of either party, be settled by final and binding arbitration conducted in accordance with the then current Commercial Arbitration Rules of the American Arbitration Association or its successor organization (the "AAA") and otherwise as set forth below:

a. *Notice of Arbitration.* Either party may initiate the arbitration proceeding by making a written demand to the other party, and both parties will then be obligated to engage in arbitration. The demand for arbitration must be served on the other party within the period provided by the applicable statute of limitations, and must contain a statement setting forth the nature of the dispute, the amount involved, if any, and the remedies sought. A demand for arbitration will not operate to stay, postpone or rescind the effectiveness of any termination of this Agreement. The parties agree that (i) class arbitration (including the presiding over any form of a representative or class proceeding); and (ii) the consolidation of claims made by more than one plaintiff, are both expressly prohibited. The parties hereby agree to arbitrate any dispute or controversy solely on an individual basis.

b. *Selection of Arbitrator.* Arbitration will be conducted before a single arbitrator who is familiar with legal disputes of the type at issue and who has at least 5 years' experience as a lawyer or in the franchise business. The parties will mutually agree on the selection of the

arbitrator; however, if the parties have not agreed on the selection of an arbitrator within 30 days after the arbitration demand, either party may request the AAA or successor organization, to appoint a qualified arbitrator.

c. *Preliminary Conference.* Within 10 days after appointment of the Arbitrator, the parties shall meet with the arbitrator, in person or by telephone, for a preliminary conference. At the preliminary conference, the parties shall establish the extent of and schedule for discovery, including the production of relevant documents, identification of witnesses, depositions, and the stipulation of uncontested facts. At such preliminary conference, the date for the hearing shall be set which shall not, unless both parties agree, be more than 60 days after the date of the preliminary conference. At the preliminary conference, the arbitrator shall set forth the procedures to be followed at the hearing.

d. *Discovery.* Should a dispute arise over the extent of or propriety of any discovery request, the arbitrator shall make a final determination after hearing each party's position. All discovery shall be completed within 45 days after the preliminary conference, unless agreed otherwise by the parties.

e. *Statement of Case.* At least 5 days before the scheduled hearing, each party shall deliver to the arbitrator and to the other party a written summary of its position on the issues in dispute.

f. *Hearing.* Unless otherwise mutually agreed by the parties, all arbitration proceedings shall be held in the city in which Franchisor then has its principal place of business.

g. *Arbitrator's Decision.* The arbitrator shall issue a written decision within 10 days after conclusion of the hearing, explaining the basis for the decision. Judgment upon the decision rendered by the arbitrator may be entered in any court having jurisdiction thereof. This decision shall be binding upon both parties. The arbitrator will have authority to assess damages sustained by reason of any breach or wrongful termination of this Agreement, but will have no authority to amend or modify the terms of this Agreement.

h. *Time Schedule.* The parties will use due diligence to meet the foregoing time schedule, and the arbitrator will have the right to impose appropriate sanctions against any party who fails to comply with the agreed-upon time schedule. The arbitrator will use his best efforts to comply with the foregoing time schedule, but may unilaterally modify it, in his opinion, such modification is necessary for a proper resolution of the dispute. The parties may jointly modify the agreed-upon time schedule, subject to the arbitrator's approval.

i. *Arbitration Expenses.* The fees of, and authorized costs incurred by, the arbitrator shall be shared equally by the parties, and each party will bear all of its own costs of arbitration; provided, however, that the arbitration decision shall provide that the substantially prevailing party shall recover from the other party its actual costs and expenses (including arbitrator's fees and expenses, and attorneys' fees and expenses) incurred in connection with the dispute.

j. *Confidentiality.* The entire arbitration process is confidential. Except as necessary to enforce the decision of the arbitrator hereunder, all conduct, statements, promises, offers, views and opinions, whether oral or written, made in the course of the arbitration by any of the parties, their agents, employees or representatives and by the arbitrator, are confidential. Such matters shall not be discoverable or admissible for any purposes, including impeachment, in any litigation or other proceeding involving the parties, and shall not be disclosed to anyone who is not an agent, employee, expert witness, or representative for any of the parties; however, evidence otherwise discoverable or admissible is not excluded from discovery or admission merely as a result of its use in the arbitration.

k. *Limitations.* All arbitration proceedings must be commenced within the shorter of the applicable California statute of limitations or such time period as provided in this Agreement or be barred.

19.3 Provisional and Equitable Remedies; Federal Court Remedies:

Notwithstanding Sections 19.1 or 19.2, each party will have the right to seek from an appropriate court provisional and equitable remedies, including declaratory relief, specific enforcement, temporary restraining orders or preliminary or permanent injunctions, before, during or after informal dispute resolution or arbitration, or in lieu thereof. Neither party is required to await the outcome of any informal dispute resolution or arbitration before seeking provisional remedies. The seeking of provisional remedies will not be deemed to be a waiver of either party's right to compel informal dispute resolution or arbitration. Franchisee acknowledges that any failure to fully and strictly comply with Articles 16 or 17 will result in irreparable injury to Franchisor for which there is no adequate remedy at law, and Franchisee agrees that, in the event of any noncompliance with any of Articles 16 or 17, Franchisor will be entitled to temporary, preliminary, and permanent injunctions and all other equitable relief that any court with jurisdiction may deem just and proper. Franchisor may file actions to collect fees and other amounts due, pursuant to this 19.3 rather than the provisions of 19.1 and 19.2 above. Any Court action pursuant to this 19.3 shall be brought in the U.S. District Court for the Central District of California, or the appropriate California State Court in the County of Orange, California. The parties consent to the exercise of personal jurisdiction over them by these Courts, and to the propriety of venue in such Courts for the purpose of this Section 19.3, and the parties waive any objections that they would otherwise have in this regard. Claims of either party under Federal statutes conferring jurisdiction on the Federal Courts shall be brought in the U.S. District Court for the Central District of California

19.4 Costs of Enforcement:

The prevailing party shall be entitled to recover from the other party reasonable attorney fees, plus court costs and all other expenses of litigation, in any action instituted in order to secure or protect those rights inuring to the prevailing party under this Agreement, or to enforce the terms thereof.

19.5 Jurisdiction:

The parties hereto agree that it is in their best interest to resolve disputes between them in an orderly fashion and in a consistent manner. Therefore, Franchisee and Franchisor hereby agree to arbitration or mediation in Orange County, State of California, and to submit to the jurisdiction of said arbitrator or mediator in the County of Orange, State of California, and of the U.S. District Court for the Central District of California, or the appropriate California State Court in the County of Orange, California, for any court litigation relating to such arbitration or mediation. Both parties waive the rights, either before an arbitrator or Court, to initiate a class action, the right to a jury trial, and the right to exemplary or punitive damages, in any actions between the parties. The parties consent to the exercise of personal jurisdiction over them, and to the propriety of venue of, said arbitrator or mediator in the County of Orange, State of California, and of the U.S. District Court for the Central District of California, or the appropriate California State Court in the County of Orange, California, and the parties waive any objections that they would otherwise have in this regard. Each of the parties specifically waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety, or other security that might be required of any other party with respect thereto.

19.6 Survival of Provisions:

The provisions of this Article 19 shall survive the termination or expiration of this Agreement and any transfer or assignment of this Agreement and the parties hereto agree that said survival is supported by good and adequate consideration.

20. INTEGRATION OF AGREEMENT

20.1 No Prior Representations:

This Franchise Agreement, and all other agreements executed contemporaneously with it, constitute the entire agreement between the parties with reference to the subject matter hereof and supersedes all prior negotiations, understandings, representations and agreements, oral or written, if any. Except for any claims arising from representations in the FDD provided Franchisee, or its exhibits or amendments, Franchisee acknowledges and agrees that Franchisee is entering into this Franchise Agreement as a result of Franchisee's own independent investigation, and not as a result of any advertisement, web site, brochure, flier or written or oral representations about the Franchisor by its agents, officers or employees. Franchisee acknowledges and agrees that Franchisor and its employees and agents have at no time represented to Franchisee that its Franchise will operate at a profit, and also that this Agreement contains no representations by Franchisor in that the Franchise will operate at a profit.

20.2 No Oral Amendments:

This Franchise Agreement may not be amended orally, but may be amended only by a written instrument signed by the parties. Franchisee expressly acknowledges that no oral promises or declarations were made to it and that the promises, declarations and obligations of the Franchisor

are confined exclusively to those set forth in this Agreement. Franchisee understands and agrees that the operation of the Franchise may include risks in addition to any disclosed herein or in Franchisor's FDD, and voluntarily assumes the known and unknown business risks of the Franchise, including without limitation any risks of the Franchise operating at a profit or loss.

21. NOTICES

Any notice required or permitted to be given hereunder shall be in writing and shall be served upon the other party personally, or by certified mail, return receipt requested, postage prepaid. Also, at the option of the sending party, a duplicate notice may be sent by certified first class mail, without a return receipt requested, and will be presumed to be received three business days after mailing, whether or not the return receipt requested mail is actually delivered or picked up or signed for.

Any notice to Franchisor shall be addressed to Franchisor as follows:

Dr. Calvin B. Ross, DC, Managing Member
Ross Wellness LLC
31888 Plaza Drive, C-7
San Juan Capistrano, CA 92675

Any notice to Franchisee shall be addressed to Franchisee as follows:

Name and Title

Franchisee

Address

City, State, Zip

22. MISCELLANEOUS

22.1 Construction and Interpretation:

This Franchise Agreement is to be construed as to form, substance and procedure in accordance with the laws of the State of California, except that the franchise laws, rules and regulations of the State of California, and the provisions of any California-specific franchise agreement (and applicable laws of the State of California with respect thereto) shall not apply to franchise and other agreements between Franchisor and franchisees located outside the State of California. If any provision of this Franchise Agreement is capable of two constructions, one of which would render the provision void and the other which would render the provision valid, then the provision shall have the meaning which renders it valid.

Because the words "Franchisor" and "Franchisee" herein may be applicable to one or more parties, the singular shall include the plural, and the masculine shall include the feminine and neuter. If there shall be more than one (1) party or person referred to as Franchisee hereunder, then their obligations and liabilities hereunder shall be joint and several.

Unless otherwise stated, Franchisor reserves the right to withhold consent under this Agreement for any reason or no reason whatsoever.

22.2 Severability:

Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to law. Whenever there is any conflict between any provisions of this Agreement and any present or future statute, law, ordinance, or regulation contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirement of the law. In the event that any article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the entire Agreement shall not fail on account thereof and the balance of the Agreement shall continue in full force and effect.

22.3 Terrorist and Money Laundering Activities:

Franchisee hereby represents and warrants to Franchisor that neither Franchisee, nor any of Franchisee's Affiliates or their respective equity owners, directors, officers, employees, representatives and agents (collectively, the "Included People"), (a) is identified, by name or an alias, pseudonym or nickname, on the lists of "Specially designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control (texts currently available at www.treas.gov/offices/enforcement/ofac/) or (b) has violated any law prohibiting corrupt business practices, money laundering or the aid or support of persons who conspire to commit acts of terror against any person or government, including acts prohibited by the U.S. Patriot Act (text currently available at www.epic.org/privacy/terrorism/hr3162.html), U.S. Executive Order 13224 (text currently available at <https://www.state.gov/j/ct/rls/other/des/122570.htm>) or any similar law. Franchisee agrees that he

will comply with, and will cause the Included People to comply with, all laws prohibiting corrupt business practices, money laundering or the aid or support of persons who conspire to commit acts of terror against any person or government. Franchisee further agrees that Franchisee will immediately notify Franchisor of the occurrence of any event, or the development of any circumstances, that might render any of the foregoing representations or warranties to be false, inaccurate or misleading.

23. COSTS OF ENFORCEMENT

The prevailing party shall be entitled to recover from the other party reasonable attorney fees, plus court costs and all other expenses of litigation, in any action instituted in order to secure or protect those rights inuring to the prevailing party under this Agreement, or to enforce the terms thereof.

24. ACKNOWLEDGEMENTS

Franchisee acknowledges, warrants and represents to Franchisor that:

a. No representation has been made by Franchisor (or any employee, agent or salesperson thereof) and relied upon by Franchisee as to the future or past income, expenses, sales volume or potential profitability, earnings or income of the business franchised hereby.

b. No representation has been made by Franchisor (or any employee, agent or salesperson thereof) and relied upon by Franchisee as to the future growth of Franchisor's Franchise System or network of Franchisees, the anticipated income, earnings and growth of Franchisor, or the viability of the business represented by the Franchise conveyed hereunder.

c. Prior to the execution of this Agreement, Franchisee has had the opportunity to contact existing Franchisees of Franchisor.

d. Franchisee has had the opportunity to independently investigate and analyze (i) the business being offered hereunder and the prospects for that business, and (ii) the provisions of this Agreement and the legal, financial and other aspects of this Agreement, utilizing Franchisee's choice of attorneys, accountants or other advisors. Franchisee has either consulted with such advisors or has of Franchisee's own volition declined to do so.

e. Franchisee has received from Franchisor a copy of Franchisor's FDD, together with a copy of all proposed agreements relating to the sale of the Franchise, at least fourteen (14) days prior to the execution of this Agreement and the payment by Franchisee to Franchisor of any consideration in connection with the sale or proposed sale of the Franchise conveyed hereunder.

f. Franchisee represents that all information set forth in any and all applications, financial statements and submissions to Franchisor is true, complete and accurate in all respects.

Franchisee acknowledges that Franchisor is relying upon the truthfulness, completeness and accuracy of such information in its decision to enter into this Agreement with Franchisee.

g. Franchisee agrees that the provisions of this Agreement are fair and reasonable and do not unreasonably or unlawfully restrict Franchisee's chiropractic practice.

h. This agreement is effective on the date first above written, regardless of any other dates of the signatures below.

25. FORCE MAJEURE

Neither Party shall be liable hereunder for any failure or delay in the performance of its obligations under this Agreement, except for the payment of money, but only if such failure or delay is on account of any of the following causes beyond its control: labor disputes, civil commotion, war, fires, floods, inclement weather, governmental regulations or controls, casualty, government authority, strikes, or acts of God, pandemics, epidemics, local disease outbreaks, public health emergencies, government imposed quarantines, in which event the non-performing party shall be excused from its obligations for the period of the delay. Each party shall use commercially reasonable efforts to notify the other party of the occurrence of such an event within three (3) business days of its occurrence. If performance is delayed over ninety (90) days, the party not experiencing the delay may terminate this Agreement.

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SUBMISSION OF AGREEMENT

THE SUBMISSION OF THIS FRANCHISE AGREEMENT DOES NOT CONSTITUTE AN OFFER AND THIS FRANCHISE AGREEMENT SHALL BECOME EFFECTIVE ONLY UPON THE EXECUTION THEREOF BY FRANCHISOR AND FRANCHISEE.

THIS FRANCHISE AGREEMENT SHALL NOT BE BINDING ON THE FRANCHISOR UNLESS AND UNTIL IT SHALL HAVE BEEN ACCEPTED AND SIGNED BY AN AUTHORIZED OFFICER OR AGENT OF FRANCHISOR.

THIS FRANCHISE AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL AND UNLESS FRANCHISEE SHALL HAVE BEEN FURNISHED BY FRANCHISOR SUCH DISCLOSURE, IN WRITTEN FORM, AS MAY BE REQUIRED UNDER OR PURSUANT TO APPLICABLE LAW.

THE UNDERSIGNED HAS READ ALL OF THE FOREGOING AGREEMENT AND HEREBY ACCEPTS AND AGREES TO EACH AND ALL OF THE PROVISIONS, COVENANTS AND CONDITIONS THEREOF AND HEREBY ACKNOWLEDGES RECEIPT OF AN EXECUTED COPY OF THIS FRANCHISE AGREEMENT.

FOR FRANCHISEE_____:

Print Name and Position

Signature

Date

Print Name and Position

Signature

Date

FOR FRANCHISOR ROSS WELLNESS LLC:

President

Signature

Date

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PERSONAL GUARANTY

WE, THE UNDERSIGNED INDIVIDUALS, DO AS INDIVIDUALS JOINTLY AND SEVERALLY ACCEPT, AGREE TO, AND PERSONALLY GUARANTY ALL OF THE PROVISIONS, COVENANTS AND CONDITIONS OF THE FOREGOING FRANCHISE AGREEMENT, AGREE TO BE PERSONALLY BOUND THEREBY AND LIABLE THEREUNDER, AND ACKNOWLEDGE RECEIPT THEREOF AS CO-PARTIES THERETO.

Print Name

Signature

Date

Print Name

Signature

Date

Print Name

Signature

Date

EXHIBIT A

ELECTRONIC FUNDS TRANSFER AGREEMENT

This Electronic Funds Transfer Agreement ("EFTA") is made on this ____ day of _____ 201__, by and between Ross Wellness LLC (the "Franchisor") and _____, (the "Franchisee").

Whereas, Franchisor and Franchisee are parties to a Body Best Doctors Franchise Agreement executed on even date herewith (the "Franchise Agreement") and desire to enter into this EFTA;

Now, therefore in consideration of the mutual promises contained herein and as an inducement to Franchisor to execute the Franchise Agreement, the parties agree as follows:

A. Franchisee shall make all payments to Franchisor for equipment, supplies, fees and other charges in connection with the Franchise Agreement (including, without limitation, the Continuing Royalty and, if applicable, Minimum Royalty and any applicable late fees and interest charges, but not including the Initial Franchise Fee) (the "Payments") by electronic, computer, wire, automated transfer, ACH debiting, and bank clearing services (collectively "electronic funds transfers" or "EFT"), and Franchisee shall undertake all action necessary to accomplish such transfers.

B. Upon execution and delivery of this EFTA, Franchisee shall execute and deliver two (2) originals of the "Electronic Debit Authorization" attached as Exhibit B to the Franchise Agreement, which authorizes Franchisee's bank or other financial institution to accept debit originations, electronic debit entries, or other EFT, and electronically deposit the Payments directly to Franchisor's bank account(s). Upon Franchisor's request, Franchisee shall deliver to Franchisor all additional information that Franchisor deems necessary (including, without limitation, financial institution of origin and relevant accounts and ABA/transit numbers for any new bank accounts that Franchisee opens after the date of this EFTA) in connection with such EFT.

C. By executing this EFTA, Franchisee authorizes Franchisor to withdraw funds at such days and times as Franchisor shall determine by EFT from Franchisee's bank account for the Payments. Franchisee authorizes monthly ACH debits via EFT for the Payments.

E. Franchisee is responsible for paying all service charges and other fees imposed or otherwise resulting from action by Franchisee's bank in connection with EFT by Franchisor, including, without limitation, any and all service charges and other fees arising in connection with any EFT by Franchisor not being honored or processed by Franchisee's bank for any reason. Upon written notice by Franchisor to Franchisee, Franchisee may be required to make certain Payments directly to Franchisor by check or other non-electronic means in lieu of EFT at Franchisor's discretion. Franchisee shall not close any bank account being used for EFT without completing all of the

following forthwith after such closing: (1) immediately notifying Franchisor thereof in writing, (2) immediately establishing another bank account, and (3) executing and delivering to Franchisor all documents necessary for Franchisor to begin and continue making withdrawals from such bank account by EFT as this EFTA permits.

F. This EFTA is attached to and upon execution becomes incorporated into the Franchise Agreement as if fully set forth therein.

G. Wherefore, the parties have executed this EFTA on the date first above written.

FRANCHISOR:

By: _____

Title: _____

FRANCHISEE:

By: _____

Title: _____

EXHIBIT B

ELECTRONIC DEBIT AUTHORIZATION

The undersigned Franchisee, by authorized signatory, hereby authorizes Ross Wellness LLC (the “Franchisor”), to initiate debit entries to the undersigned’s checking account indicated below and the depository named below (the “Depository”), to debit the same to such account.

Depository Name: _____

Branch: _____

City State and Zip Code: _____

Routing Number: _____

Account Number: _____

This authority is to remain in full force and effect until the underlying obligations under the Franchise Agreement have been satisfied in full or released in writing by Franchisor.

This authorization shall apply to any and all Depositories and bank accounts with which I open accounts during the term of the Franchisee Agreement and any renewals. Without limiting the generality of the forgoing, I understand that if I close any bank account, I am obligated immediately to: (i) notify Franchisor thereof in writing, (ii) establish another bank account, and (iii) execute and deliver to Franchisor all documents necessary for Franchisor to begin and continue making withdrawals from such bank account/depository by ACH debiting or other electronic means. I specifically agree and declare that this Authorization shall be the only written authorization needed from me/us in order to initiate debit entries/ACH debit originations to my bank accounts established with any Depository in the future.

EFFECTIVE DATE: _____

FOR FRANCHISEE _____:

PRINT SIGNATORY’S NAME:

AUTHORIZED SIGNATURE:

EXHIBIT C

TERRITORY

EXHIBIT D

RESTRICTION ON USE OF CONFIDENTIAL INFORMATION BODY BEST DOCTORS FRANCHISE

As a director, principal, owner, and officer of Franchisee, and/or an employee or independent contractor of _____ ("Franchisee"), I recognize and understand that Franchisee will entrust me with information consisting of Franchisee's suppliers, clients and customers, as well as "Proprietary Items" and "Confidential Information" concerning the systems of operations, services, products, and trade secrets of Ross Wellness LLC ("Franchisor") which Franchisor has developed and assembled at great effort and expense, and which information is either not public knowledge but which is confidential, proprietary business information of Franchisor that has been entrusted to Franchisee pursuant to Franchisee's agreement to keep it confidential and/or are items that are proprietary to Franchisor and to which neither I nor Franchisee have any rights or permissions to use or access independent of specific written permissions by Franchisor.

I specifically understand that Franchisee's accounting materials, supplier, client and customer lists, as well as Franchisor's Confidential Operating Manual, accounting materials, systems of operations, services, products, and trade secrets, and all other materials designated by Franchisee or Franchisor as "Confidential" constitute "Confidential Information."

I specifically understand that The following constitute the Proprietary Items under this Agreement:

The names, Body Best Doctors, Ross Wellness, and all variations and combinations of those words with or without other words;

The trademarks, Body Best Doctors, Ross Wellness, and any associated logos, typefaces and designs, whether or not registered with any governmental agency;

Any common law, state or federal trademark which Franchisor registers and/or uses;

All graphic elements, drawings, photographs, design elements, typefaces, logos, and color combinations used alone or in conjunction with any words or letters as a name, trade dress or trademark, wherever and however used;

All editorial, graphical, sound, video and text elements of the print, media, e-mail, telephone, broadcast, cell phone and Internet materials prepared by or for Franchisor for use by Franchisor or Franchisee;

Franchisor's Manual, training manual and materials, and informational bulletins;

Franchisor's advertising and promotional brochures and other materials and electronic representations in any form and however published or transmitted;

Franchisor's System and all details, components and elements thereof, trade secrets, trade dress, procedures and methods;

All signs, exterior and interior configuration, build-out, façade, design, color scheme, artwork, furnishings, fixtures, equipment, procedures, overall appearance and displays used by Franchisor or Franchisee;

Franchisor's Internet sites, emails and other electronic representations and items contained therein; and

Anything copyrighted, patented or trademarked by Franchisor, Dr. Calvin B. Ross, DC, or any principal or affiliate of Franchisor.

As used in this Agreement and the Confidential Operating Manual, the term "trademark" includes also the term "service mark".

I shall not at any time use, copy or disclose any Proprietary Items or Confidential Information, in whole or in part, except as authorized by Franchisor, nor otherwise make the same available to any person without specific written authorization by Franchisor. Upon the expiration or other termination for any reason of my employment, association, or service, I shall return all uniforms, material, books, records, manuals and any Proprietary Items or items of Confidential Information in my possession.

I agree that the Proprietary Items and Confidential Information are the exclusive property of Franchisor and I now assert no claim and will hereafter assert no claim to any goodwill, reputation, equitable rights or ownership thereof, and I covenant that I will not contest Franchisor's ownership of the Items or their validity. I will not do anything in derogation of any of the rights of Franchisor in connection with the Confidential Items and Proprietary Items, either during the term of this Agreement or thereafter.

All my agreements and obligations in this Agreement and any renewal Franchise Agreement relating to the Proprietary Items shall survive the termination, assignment, transfer or expiration of my relationship with Franchisee. I understand that only Franchisor, not Franchisee, can extend me any permissions with respect to the Confidential Information and Proprietary Items.

Franchisor, its subsidiaries, parents and affiliates, and their successors and assigns are expressly recognized to be third-party beneficiaries of this agreement.

I ACKNOWLEDGE THAT I HAVE THOROUGHLY READ AND UNDERSTAND THIS AGREEMENT AND THAT I HAVE RECEIVED A COPY OF SAME. I FURTHER ACKNOWLEDGE AND UNDERSTAND THAT BREACH OF THIS AGREEMENT BY ME

SHALL ENTITLE FRANCHISEE AND/OR FRANCHISOR TO SEEK A COURT INJUNCTION PROHIBITING ANY SUCH VIOLATIONS AS WELL AS ANY FURTHER VIOLATIONS.

Witnessed by:

(Print Name of Employee/I.C.)

(Employee/I.C. Signature)

(Date)

Franchisee:

By_____

EXHIBIT E

COVENANT NOT TO COMPETE

BODY BEST DOCTORS FRANCHISE

As a director, principal, owner, member, manager, partner or officer of _____ ("Franchisee"), and/or a managerial, supervisory or executive employee or independent contractor of Franchisee, I recognize and understand that Franchisee will entrust me with information consisting of Franchisee's clients or customers, as well as the knowledge or know-how concerning the Body Best Doctors systems of operations, services, products, and trade secrets of Ross Wellness LLC ("Franchisor") which Franchisor has developed and assembled at great effort and expense, and which information is not public knowledge but which is confidential, proprietary business information of Franchisee or Franchisor that has been entrusted to Franchisee pursuant to Franchisee's agreement to keep it confidential ("Confidential Information").

I agree that during the term of my employment by, service to, or affiliation with Franchisee and/or Ross Wellness LLC, I will not, either directly or indirectly, engage in any chiropractic practice business or any other business that may in the future comprise a part of the Body Best Doctors franchise system, either as a proprietor, partner, investor, shareholder, or consultant, if such business shall be located in or within twenty miles of the exclusive territory granted by Ross Wellness LLC to Franchisee, or in or within twenty miles of any other Body Best Doctors Company-owned, franchised or otherwise established territory, now or hereafter established or operated.

It is the intention of this provision to preclude not only direct competition but also all forms of indirect competition, such as consultation for competitive businesses, service as an independent contractor for such competitive businesses, or any assistance or transmission of information of any kind or nature whatsoever which would be of any material assistance to a competitor. Nothing herein shall prevent me from owning for investment purposes up to an aggregate of five percent of the capital stock of any such competitive business, provided that such business is a publicly held corporation whose stock is listed and traded on a national or regional stock exchange, or through the National Association of Securities Dealers Automated Quotation System (NASDAQ), and provided that I do not control any such company.

If all or any portion of this covenant not to compete is held unreasonable, void, vague or illegal by any court or agency, the court or agency shall be empowered to revise and/or construe said covenant so as to fall within permissible legal limits rather than invalidate the entire covenant. I expressly agree to be bound by any lesser covenant subsumed within the terms of this Agreement as if the resulting covenant were separately stated in and made a part hereof.

Franchisor, its subsidiaries, parents and affiliates, and their successors and assigns are expressly recognized to be third-party beneficiaries of this agreement.

I ACKNOWLEDGE THAT I HAVE THOROUGHLY READ AND UNDERSTAND THIS AGREEMENT AND THAT I HAVE RECEIVED A COPY OF SAME. I FURTHER ACKNOWLEDGE AND UNDERSTAND THAT BREACH OF THIS AGREEMENT BY ME SHALL ENTITLE FRANCHISEE AND/OR ROSS WELLNESS LLC TO SEEK A COURT INJUNCTION PROHIBITING ANY SUCH VIOLATIONS AS WELL AS ANY FURTHER VIOLATIONS.

Witnessed by:

(Print Name of Employee/I.C.)

(Employee/I.C. Signature)

(Date)

Franchisee:

By _____

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Ross Wellness

Franchise Administrative Manual

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Ross Wellness

Where Your Health is Your Best Kept Secret

Franchise **Operations** Manual

This Franchise **Operations** Manual is designed to provide accurate and authoritative information. Neither Ross Wellness, LLC and the author assumes any liability in connection with the use of these policies or forms contained herein. The publisher is not rendering legal services. If legal advice is required the services of a competent attorney should be sought.

=====
Ross Wellness San Juan Capistrano; California 92675
drross@drrossdc.occoxmail.com (949) 661-9476

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Ross Wellness

Where Your Health is Your Best Kept Secret

Franchise **Doctors** Manual

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EXHIBIT D

STATE SPECIFIC ADDENDA

The following modifications are to Ross Wellness LLC's FDD and may supersede, to the extent then required by valid applicable state law, certain portions of your Body Best Doctors Franchise Agreement.

The following is applicable to you only if you are covered by the franchise law of the referenced state:

CALIFORNIA

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

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

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

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

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

Section 31125 of the California Corporations Code requires us to give you a disclosure document, in the form and containing the information as the Commissioner may by rule or order require, before we ask you to consider a proposed material modification of your franchise agreement.

The Franchise Agreement requires you to execute a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order is void. 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.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT at www.dbo.ca.gov.

EXHIBIT E

BODY BEST DOCTORS FRANCHISEES

Franchisees as of July 10, 2020:

None

EXHIBIT F

BODY BEST DOCTORS FORMER FRANCHISEES

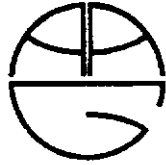
Former Franchisees as of July 10, 2020:

None

EXHIBIT G

ROSS WELLNESS LLC

AUDITED FINANCIAL STATEMENTS AS OF JULY 8, 2020



A. ANDREW GIANIODIS

CERTIFIED PUBLIC ACCOUNTANT

ROSS WELLNESS LLC

JULY 7, 2020

FINANCIAL STATEMENTS

ROSS WELLNESS LLC

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A. ANDREW GIANIODIS
CERTIFIED PUBLIC ACCOUNTANT

July 8, 2020

INDEPENDENT AUDITORS' REPORT

Board of Directors and Members of
Ross Wellness LLC:

REPORT ON FINANCIAL STATEMENTS

I have audited the accompanying balance sheet of Ross Wellness LLC (a limited liability company) as of July 7, 2020 and the related statements of operations, changes in owner's equity and cash flows for the period January 1 through July 7, 2020. These financial statements are the responsibility of the Company's management.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with generally accepted auditing standards as 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 includes 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 risks of material misstatements 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, I express no such opinion.

An audit also includes evaluating 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. examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

OPINION

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ross Wellness LLC as of July 7, 2020 and the related statements of operations, changes in owner's equity and cash flows for the period then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in dark ink, appearing to read "A. Andrew Gianiodis CPA". The signature is fluid and cursive, with the letters "A", "I", and "Q" being particularly prominent.

A. Andrew Gianiodis

Certified Public Accountant

Ross Wellness LLC

Balance Sheet

July 7, 2020

ASSETS

Current Assets	
Cash	\$ 30,300
Due from owners	-
Total Current Assets	<u>30,300</u>
Other Assets	<u>-</u>
TOTAL ASSETS	<u><u>\$ 30,300</u></u>

LIABILITIES & EQUITY

Current Liabilities	
Due to affiliate	\$ -
Total Liabilities	<u>-</u>
Equity	
Member Equity	<u>30,300</u>
Total Equity	<u>30,300</u>
TOTAL LIABILITIES & EQUITY	<u><u>\$ 30,300</u></u>

See accompanying notes

Ross Wellness LLC
Statement of Operations
Period January 1 through July 7, 2020

Revenues		
Franchise fees	\$	-
Other revenue		-
Total revenue		<u>-</u>
Expenses		
Advertising		-
Contract labor		-
Licenses		-
Office		-
Professional fees		-
Rent and occupancy expense		-
Total expenses		<u>-</u>
Operating Income		-
Income taxes		-
Interest income		-
Net Income	\$	<u><u>-</u></u>

See accompanying notes

Ross Wellness LLC

Statement of Changes in Equity Period January 1 through July 7, 2020

	Total Equity
Equity at January 1, 2020	\$ -
Capital Infusion	30,300
Draws	-
Net Income	<u>-</u>
Equity July 7, 2020	<u><u>\$ 30,300</u></u>

See accompanying notes

Ross Wellness LLC

Statement of Cash Flows

Period January 1 through July 7, 2020

Cash flows from operating activities:

Net Income	\$ -
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation & amortization	-
Changes in assets and liabilities	
Current assets	-
Current liabilities	-
Net cash provided by operating activities	-

Cash flows from investing activities:

Expenditures for other assets	-
Net cash provided by investing activities	-

Cash flows from financing activities:

Capital infusion	30,300
Owner draws	-
Net cash provided by investing activities	30,300

Net change in cash	30,300
Cash - beginning of period	-
Cash - end of period	\$ 30,300

Supplemental Disclosures

Interest Paid	-
Income Taxes Paid	-

See accompanying notes

ROSS WELLNESS LLC
NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION AND NATURE OF BUSINESS

The Company was incorporated under the laws of the state of California for the purpose of offering franchise opportunities to entrepreneurs who want to own their own Body Best Doctors operation, as a franchise.

BASIS OF PRESENTATION

The financial statements are presented on the accrual basis of accounting.

REVENUE RECOGNITION

Initial franchise fees will be recorded as income when the company provides substantially all the initial services agreed upon in the franchise agreement or when the franchise has commenced operations, whichever comes first. If the fee is received over a period of time and the Company has no reasonable basis for estimating the collectability of the fee, the Company will use the installment method of recognition of the initial fee as revenue.

Monthly royalty fees will be recognized when paid by the franchisee.

COMPANY INCOME TAXES

The Company is an LLC; as such, the Company will not be responsible for income taxes on the company level. Instead, its taxable income will be included on the owner's personal tax returns.

NOTE 2 DISCLOSURE ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company estimates that the fair value of all financial instruments at July 7, 2020, as defined in FASB 107, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. Considerable judgment is required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

ROSS WELLNESS LLC
NOTES TO FINANCIAL STATEMENTS

NOTE 3 COMMITMENTS AND CONTINGENCIES

The Company does not carry general liability or worker's compensation coverage, nor is it self-insured.

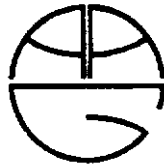
NOTE 4 FRANCHISE AGREEMENT

The terms of the Company's franchise agreement will be as follows:

- A. The Company will grant the right to use the Company name, trademark and system in the franchisee's franchise development business.
- B. The franchisee is obligated to pay a non-refundable initial franchise fee.
- C. The franchisee is obligated to pay a monthly royalty fee. Certain other fees are also outlined in the agreement.

NOTE 5 SUBSEQUENT EVENTS

Subsequent events have been evaluated through July 8, 2020, the date that the financial statements were available to be issued.



A. ANDREW GIANIODIS

CERTIFIED PUBLIC ACCOUNTANT

CONSENT OF THE INDEPENDENT AUDITOR

A. Andrew Gianiodis, CPA consents to the use in the Franchise Disclosure Document issued by Ross Wellness LLC ("Franchisor") on July 10, 2020, as it may be amended, of our report dated July 8, 2020, relating to the financial statements of the Franchisor for the period January 1 through July 7, 2020.

A. Andrew Gianiodis, CPA

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Pending

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 H - RECEIPT

THIS DISCLOSURE DOCUMENT SUMMARIZES CERTAIN PROVISIONS OF THE FRANCHISE AGREEMENT AND OTHER INFORMATION IN PLAIN LANGUAGE. READ THIS DISCLOSURE DOCUMENT AND ALL AGREEMENTS CAREFULLY.

IF ROSS WELLNESS LLC OFFERS YOU A FRANCHISE, IT MUST PROVIDE THIS DISCLOSURE DOCUMENT TO YOU 14 CALENDAR-DAYS BEFORE YOU SIGN A BINDING AGREEMENT WITH, OR MAKE A PAYMENT TO, THE FRANCHISOR OR AN AFFILIATE IN CONNECTION WITH THE PROPOSED FRANCHISE SALE.

YOU MUST ALSO RECEIVE A FRANCHISE AGREEMENT CONTAINING ALL MATERIAL TERMS AT LEAST 7 CALENDAR DAYS BEFORE YOU SIGN ANY FRANCHISE AGREEMENT.

IF ROSS WELLNESS 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 AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON, D.C. 20580 AND TO THE STATE ADMINISTRATOR LISTED IN EXHIBIT A.

The name, principal business address, and telephone number of each franchise seller offering the franchise are: (i) Ross Wellness LLC, (ii) Dr. Calvin B. Ross, DC, Managing Member, both at 31888 Plaza Drive, C-7, San Juan Capistrano, CA 92675, 949-661-9476.

Issuance date: July 10, 2020.

I received a disclosure document dated _____ that included the following Exhibits:

Exhibit A: State Administrators/Agents for Service of Process
Exhibit B: Franchise Agreement with Exhibits
Exhibit C: Table of Contents of Confidential Operating Manual
Exhibit D: State Specific Addenda
Exhibit E: Franchisees
Exhibit F: Former Franchisees
Exhibit G: Financial Statements
Exhibit H: Receipts

Date

Prospective Franchisee

Instructions for returning the Receipt: Return to Dr. Calvin B. Ross, DC, Managing Member, Ross Wellness LLC, 31888 Plaza Drive, C-7, San Juan Capistrano, CA 92675.

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