FRANCHISE DISCLOSURE DOCUMENT

Brooklyn Robot Foundry Franchising, LLC
a New York limited liability company
98 4th Street, Suite 106
Brooklyn, NY 11231
347-762-6840
brooklynrobotfoundry.com
franchise@brooklynrobotfoundry.com

Brooklyn Robot Foundry Franchising, LLC offers individual unit franchises for the development and operation of a Brooklyn Robot Foundry® business ("Business") offering robotics and engineering classes and workshops for kids and adults, and related services and products.

The total investment necessary to begin operation of a Brooklyn Robot Foundry business ranges from $90,108 to $119,550. This includes $51,974 to $53,233 that must be paid to us or our affiliate.

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 Jennifer Young at 347-762-6840 or email franchise@brooklynrobotfoundry.com.

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: April 29, 2024

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit 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 A 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 Brooklyn Robot Foundry 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 a Brooklyn Robot Foundry franchisee?	Item 20 or Exhibit F lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

Renewal. Your franchise agreement may not permit you to renew. Even 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 C.

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 New York. 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 New York than in your own state.

2. **Short Operating History**. The Franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

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

4. **Sales Performance Required**. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

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

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

NOTICE REQUIRED
BY
STATE OF MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

THIS MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, 670 Law Building, Lansing, Michigan 48913, telephone (517) 373-7117.

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ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this disclosure document, "we" means Brooklyn Robot Foundry Franchising, LLC, the franchisor. "You" means the person who buys the franchise. If a corporation, partnership or limited liability company buys a franchise, "you" also may refer to the shareholders of the corporation, partners of the partnership or members of the limited liability company.

The Franchisor

We are a New York limited liability company formed on December 21, 2021. Our principal place of business is at 98 4th Street, Suite 106, Brooklyn, NY 11231, and our telephone number is 347-762-6840. Our agents for service of process are disclosed in Exhibit C.

We grant franchises for the operation of Brooklyn Robot Foundry businesses under the name "Brooklyn Robot Foundry" offering robotics and engineering classes and workshops for kids and adults, and related services and products. We began offering franchises for Brooklyn Robot Foundry businesses in March 2022. We have not directly operated the type of business you will operate. We have never offered franchises in any other line of business.

Parents, Predecessors and Affiliates

Our parent company is Worldwide Brooklyn Robot Foundry, LLC ("Worldwide"), a New York limited liability company who principal place of business is at 98 4th Street, Suite 106, Brooklyn, NY 11231. Worldwide has never offered franchises in any line of business and does not provide products or services to our franchisees.

Our affiliates that provide products and services to franchisees include Brooklyn Robot Foundry OP LLC ("BRF OP") and Brooklyn Robot Foundry Software, LLC ("BRF Software"), both of which are New York New York limited liability companies whose principal place of business is at 98 4th Street, Suite 106, Brooklyn, NY 11231. BRF OP produces and sells robot kits and parts to our franchisees and company-owned units, and BRF Software currently licenses provides access to proprietary software to franchisees that is used by customers to make appointments and for payment processing. Neither BRF OP nor BRF Software never offered franchises in any line of business and have never operated the type of business being offered under this disclosure document.

Except as noted above, we have no other affiliates, predecessors or parents that are required to be disclosed in this Item 1.

Franchise Offered

You will sign a "Franchise Agreement", attached as Exhibit B hereto, to receive the right to own and operate a Brooklyn Robot Foundry business in a designated territory, offering robotics and engineering classes and workshop, and other related services authorized for Brooklyn Robot Foundry businesses ("Services") and retail products, accessories, and other products that we periodically may modify or otherwise approve for sale from the Business ("Products"), and using our formats, designs, methods, specifications, standards, operating and marketing procedures and the Marks (as defined in Item 13), including the Mark "Brooklyn Robot Foundry" (collectively, the "System").

Market and Competition

Brooklyn Robot Foundry businesses offer robotics and engineering classes and workshops for kids and adults, and related services and products. The Brooklyn Robot Foundry customer base consists of pre-school, elementary, and middle school kids and adults that are interested in science, technology, engineering, art, and math (STEAM) educational classes. Sales are not seasonal in nature, and you are required to offer and sell classes throughout the year.

The market is developing. You may have to compete with other businesses and organizations, including franchised operations, national chains and independently owned companies offering services similar to those offered by Brooklyn Robot Foundry businesses, as well as public and private schools that offer after-school programs.

Laws and Regulations

We are not aware of any state or federal laws specifically regulating the operation of a Brooklyn Robot Foundry business. You must also comply with all local, state and federal laws of a more general nature which affect the operation of the Business, including employment, worker's compensation, insurance, corporate, taxing, licensing, and similar laws and regulations. Please be advised that you must investigate and comply with all of these applicable laws and regulations.

We will require you, and each of your owners, partners, employees, and independent contractors to undergo and pass, to our satisfaction, a complete criminal background check. You may not hire or engage any employees or independent contractors that have not yet passed the background check to our satisfaction.

ITEM 2

BUSINESS EXPERIENCE

Jennifer Young, Chief Executive Officer

Ms. Young has been our CEO since our formation in December 2021. Ms. Young has also been the CEO of Brooklyn Robot Foundry in Brooklyn, NY since September 2011.

ITEM 3

LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

ITEM 5

INITIAL FEES

The initial franchise fee for a single Brooklyn Robot Foundry franchised business is $38,500 ("Initial Franchise Fee"). The Initial Franchise Fee is paid to us when you sign the Franchise Agreement, is fully earned by us upon receipt, and is not refundable under any circumstances.

Before you open and commence operations, you must purchase from us an initial inventory of robot equipment packages and related Products. We estimate that this initial inventory will cost between $7,474 and $8,733. Your purchase of the initial inventory of robot equipment packages and related Products is not refundable.

Within five months of signing the Franchise Agreement, you must spend a minimum of $6,000 in your Designated Territory on a Business opening marketing campaign that we have approved in advance ("Launch Advertising Requirement"). We reserve the right to collect the Launch Advertising Requirement directly from you and spend it on your behalf in connection with the Business opening marketing campaign. The Launch Advertising Requirement is not refundable.

ITEM 6

OTHER FEES

Type of Fee	**Amount** (See Note 1)	**Due Date**	**Remarks**
Royalty Fee	Year 1: The greater of 7% of Gross Revenues for the prior calendar month or $480; Year 2: The greater of 7% of Gross Revenues for the prior calendar month or $480; Year 3: The greater of 7% of Gross Revenues for the prior calendar month or $960; Year 4 and each Subsequent Year: The greater of 7% of Gross Revenues for the prior calendar month or $1,340.	Payable on the 15th day of each calendar month	Based on the Gross Revenues for the preceding calendar month, or as described in the Operations Manual. You will not be obligated to pay the Royalty Fee for the period before you commence operations. You must begin paying the Royalty Fee once you open and commence operations, with your first Royalty Fee payment being due the 15th of the following calendar month. Credit card processing fees will be excluded when calculating the amount of Royalty Fees and Marketing Fees that you are required to pay us. (See Notes 2 and 3)
Marketing Fee	3% of Gross Revenues	Payable at same time as Royalty Fee	To be deposited in the System Marketing Fund. (See Note 3)

Type of Fee	Amount (See Note 1)	Due Date	Remarks
Local Marketing	A total of $12,000 during the first 12 months of operations, and 2% per month each month thereafter	Quarterly, annually, and then monthly	We will credit the amount that you spend on the Launch Advertising Requirement towards the local marketing requirement in your first year. If you fail to spend this amount, we may collect the difference between what you should have spent and what you actually spent for deposit into the System Marketing Fund.
Advertising Cooperative	Currently not assessed	Established by us	We currently do not require you to participate in or contribute to an advertising cooperative; however, in the future, we may require you to participate in local or regional advertising cooperatives. Your contributions to any regional or local advertising cooperatives will be credited toward your local marketing obligations.
Technology Fee	Our then-current fee, currently $800 per month	Payable on the 15th day of each calendar month	You must begin paying the technology fee ("Technology Fee") upon your completion of the initial training program, with your first Technology Fee payment being due the 15th of the following calendar month after training ends. For the first three months when you are required to pay the Technology Fee, you will only be required to pay 50% of our then-current Technology Fee. Beginning as of the fourth month when you are required to pay the Technology Fee, and each month thereafter, you are required to pay 100% of our then-current Technology Fee. The Technology Fee will be related to the operation of a Management System, including one or more proprietary software programs, our website, and for any other purpose we determine in our discretion. We may increase the Technology Fee upon notice to you. (See Note 3)
Launch Advertising Requirement	$6,000	When incurred	You must spend this amount within 5 months of signing the Franchise Agreement. We reserve the right to collect this amount and spend it on your behalf.
Annual Convention	Currently, $0	When incurred	We reserve the right to charge up to $1,000 per attendee

Type of Fee	**Amount** (See Note 1)	**Due Date**	**Remarks**
Supplemental or Refresher Training	Currently, $1,000 per day	When incurred	We may require your Operating Principal and any general manager to attend all supplemental and refresher training programs that we designate. We may charge you our then-current fee for these supplemental and refresher training programs. You must also pay any related travel, room and board expenses.
Operating or On-Site Assistance Fee	Current, $1,000 per day	When incurred	We may provide you with additional operating assistance for a fee. You may request such assistance or we may require such assistance. Upon your reasonable request, we may elect to provide on-site assistance and we may charge you our then-current per diem fee. You must reimburse us for all travel, lodging and living expenses incurred by our representatives to provide such on-site assistance.
Income and Sales Taxes	We may collect from you the cost of all taxes arising from our licensing of intellectual property to you in the state where your Business is located, as well as any assessment on fees and any other income we receive from you.	When applicable, payable 15 days after invoiced by us	Only imposed if state collects these taxes or assessments
Approved Supplier/ Product Testing Fee	Currently, $500	Payable when you request our approval of a proposed supplier or product	We may require you to pay our then-current fee and require you to reimburse us our costs and expenses that we incur in to review a proposed product or supplier.
Transfer Fee	$2,500	Before completion of transfer	You pay this fee upon the transfer of the Business, substantially all or all of the assets of the Business, the Franchise Agreement, or any interest in you.
Renewal Fee	20% of our then-current initial franchise fee	At least 30 days before the term of the Franchise Agreement expires	
Refurbish/Remodeling Expenses	Actual costs and expenses incurred	When incurred	(See Note 4)
Costs and Attorneys' Fees	Our actual costs and expenses incurred	When incurred	We may recover costs and reasonable attorneys' fees if you lose in a dispute with us.

Type of Fee	**Amount** (See Note 1)	Due Date	Remarks
Audit	Cost of audit plus interest from due date	15 days after receipt of report	Payable only if audit shows an understatement of at least 2% of Gross Profit for any month
Interest Expenses	Lesser of 18% per year or the maximum rate permitted by law	When due	Payable if you do not timely pay Royalty Fees, Marketing Fees, Technology Fees or other amounts owed to us or our affiliates
Service Charge	Up to $25 per day	When due	In addition to interest charges on late fee payments, you must pay to us a service charge per day for each delinquent payment that you owe to us. A payment is delinquent if: (1) we do not receive the payment on or before the date due; or (2) there are insufficient funds in your bank account to collect the payment by a transfer of funds on or after the date due.
Insurance Administration and Reimbursement Fee	5% of the insurance premium plus the cost of insurance	When incurred	If you fail to obtain and maintain required insurance, we may immediately obtain insurance for you.
Mystery Shopper or Compliance Assessment Program Expenses	Cost of third party mystery shopper or other compliance assessment services	When incurred	Payable if we establish a mystery shopper or compliance assessment program and seek reimbursement for third-party fees related to your Business.
Management Services	Currently, $1,000 per day	When incurred	If at any time the Operating Principal or general manager does not manage the Business, we immediately may appoint a manager to manage the Business for you and require you to pay us this fee and to reimburse us for our out of pocket costs and expenses.
National Accounts Program	Currently not assessed	When incurred	(See Note 5)
Relocation Fee	$2,500	At the time of relocation	You must pay us this fee if we consent to the relocation of your Business or Designated Territory.

Notes:

(1) Except where otherwise noted, all fees are payable to us, are non-refundable, and are uniformly imposed.

(2) "Gross Revenue" means the aggregate amount of all sales of goods and services, whether for cash, by check, credit card or otherwise, made or provided at or in connection with the Business. "Gross Revenue" does not include any federal, state, municipal or other sales, value added or retailer's excise taxes that you pay or accrue. For the purposes of this Agreement, a sale occurs at the time the Services or Products are purchased by your customer. Gross Revenue will not be adjusted for uncollected accounts.

(3) On or before the 10th day of each calendar month, you shall provide to us a written report, in the manner and method prescribed by us, which details your Gross Revenues for the immediately preceding calendar month. We reserve the right to modify the manner and frequency in which you must pay us ongoing fees.

(4) You must make such reasonable capital expenditures necessary to maintain the condition and appearance of the Business, vehicle(s), equipment, supplies, and signs, and otherwise comply with our then-current standards and specifications for each of those respective items. If at any time in our reasonable judgment, the general state of repair, appearance or cleanliness of the Business, equipment, vehicle(s), supplies, signs or other items do not meet our then-current standards, we will so notify you, specifying the action you must take to correct the deficiency.

(5) As further described in Item 12, we may establish a "National Accounts Program" that is designed to generate customer leads as a result of national marketing, strategic alliances and partnerships, or other lead generation efforts we or our affiliates conduct or that otherwise involves National Accounts. You must pay our then-current fees for participation in the National Accounts Program.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure (See Note 1)	**Estimated Low Amount**	**Estimated High Amount**	**Method of Payment**	**When Due**	**To Whom Payment Is To Be Made**
Initial Franchise Fee (See Note 2)	$38,500	$38,500	Lump Sum	When you sign the Franchise Agreement	Us
Initial Inventory (See Note 3)	$7,474	$8,733	As incurred	Before opening and as ordered	Us and Various Suppliers
Launch Advertising (See Note 4)	$6,000	$6,000	As incurred	As incurred	Various suppliers or Us
Office Equipment (See Note 5)	$5,737	$8,895	As agreed upon	Before opening	Various suppliers
Management System (See Note 6)	$1,647	$3,872	Lump sum/ Subscription	Before opening	Various suppliers
Initial Training Expenses (See Note 7)	$3,000	$12,300	As incurred	Before opening	Us and Various third parties
Licenses, Permits and Professional Fees (See Note 8)	$1,250	$2,250	As incurred	Before opening	Local government agencies; various third parties
Insurance (See Note 9)	$2,500	$8,000	As incurred	Before opening	Various third parties
Rent and Deposit (See Note 10)	$4,000	$6,000	As incurred	Before opening	Landlord
Additional Funds - 3 months (See Note 11)	$20,000	$25,000	As incurred	As incurred	Employees, suppliers
TOTAL (See Note 12)	$90,108	$119,550			

Notes:

(1) This Table reflects your estimated initial investment for a single Business operated under a Franchise Agreement. We do not offer direct or indirect financing for your initial investment. Except where otherwise noted, all fees that you pay to us are non-refundable. Third-party lessors, contractors and suppliers will decide if payments to them are refundable.

(2) Initial Franchise Fee. You will pay us the Initial Franchise Fee. See Item 5 for additional information.

(3) Initial Inventory. The estimated amounts in the above chart reflect the purchase of robot kits, replacement parts and mobile teacher carts from us, plus an estimated additional $600-$650 to purchase craft supplies from approved vendors. The above amounts are estimates for the purchase of inventory before you commence operations.

(4) Launch Advertising. Within the first five months of signing the Franchise Agreement, you must spend a minimum of $6,000 on the Launch Advertising Requirement. We reserve the right to collect the Launch Advertising Requirement directly from you and spend it on your behalf in connection with the Business opening campaign.

(5) Office Equipment. The cost of purchasing general office equipment and other items used in your Business, including marketing/advertising signage for your vehicle, may vary as a result of the characteristics of the Business site, price differences among suppliers and shipping distances from suppliers. This estimate includes the shelving units, storage systems and signage required by the System.

(6) Management System. We require you to purchase the Management System described further in Item 11, which includes certain computer hardware and software, and costs to subscribe to required business software, accounting, payroll, and communication software. The amount listed here is for the initial three months.

(7) Training Expenses. The above estimated training expenses reflects estimated salaries, benefits, lodging, meals and travel expenses for 1-2 people to attend our initial training program.

(8) Licenses, Permits and Professional Fees. This amount includes expenses related to legal and financial advisor fees, and local license and permit fees. The low end of this estimate assumes that you may already possess any required licenses or permits and do not require assistance from legal and financial advisors.

(9) Insurance. This amount estimates the expenses you will incur for insurance premiums during the first three months of Business operations.

(10) Rent and Deposit. You must operate the Business from a quiet, organized, and dedicated commercial office that you lease or own. Your Business Office must have a place for a desk and office equipment and be at least 400 square feet. The amount in the above chart estimates the expenses you will incur for initial deposit (first and last months' rent) and additional two months of rent for your Business Office. You must lease or own the premises for the Business Office, and the above estimate assumes that you will lease the space. You will incur substantially higher costs if you purchase the real estate for the Business Office.

(11) Additional Funds. You will need additional capital to support on-going expenses. These figures are estimates for the first three months of operations, and we cannot guarantee you will not have additional expenses starting the business. You will, at all times, maintain our then current minimum working capital requirements as set forth in our Operations Manual (currently 3 months operating expenses available through cash, line of credit, or loan).

(12) Total. This total is an estimate of your pre-opening initial investment and the expenses you will incur during the first 3 months of Business operations. This total is based on our estimate of average costs and prevailing market conditions.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To ensure a uniform image and uniform quality of Products and Services throughout the System, you must maintain and comply with our quality standards.

Designated Products and Services

You must purchase for use or sale from your Business those products used in or sold from your Business and other services or products we designate from us, our designees or from other suppliers we approve. We or our designees may be the designated or sole source of supply for certain services and products. Currently, we or our affiliates are the only supplier of robot kits, robotic components, related inventory, components of the Management System, and other products and services that you must use or offer and sell in connection with your Business. We or our affiliate are the only supplier for certain software used in connection with the Management System, including payment processing services. Currently, we have designated suppliers, which may include us or our affiliates, as approved suppliers for various marketing materials, branded uniforms, craft supplies, tools, and storage items.

Office

You must operate the Business from a quiet, organized, and dedicated commercial office that you lease or own (the "Business Office"). Your Business Office must have sufficient store space, where you can store any necessary Products, equipment, supplies, inventory, and other items that are necessary for the operation of the Business. You must identify the address of your Business Office in Exhibit A of the Franchise Agreement. See Item 11 for more information about your Business Office.

Equipment, Signs & Vehicle

In operating your Business, you may purchase only the types of equipment, products, supplies, and signs that we require and have approved as meeting our then-current specifications and standards for quality, design, appearance, function and performance as set forth in our Operations Manual or otherwise in writing. We or our affiliate may be an approved supplier of one or more of these items. We may require you to purchase certain equipment and products from us or our affiliate.

Any motor vehicle you use in the operation of your Business must comply with all federal and state laws and regulations. All motor vehicles used in operation your franchise business must be capable of prominently displaying our logo and Marks. You also agree to maintain the condition and appearance of the vehicle(s) you and your employees use in operating the Business, and repair or replace the vehicle(s) as we may require. We assume that your employees will use their own vehicles in connection with providing the Services and Products to customers, however, if at any time in our reasonable judgment, the general

state of repair, appearance or cleanliness of the vehicle(s) does not meet our then-current standards, we will so notify you, specifying the action you must take to correct the deficiency.

Computer Hardware and Software

We currently require you to purchase the Management System we designate (including the Designated Software) from our designated third-party supplier or other approved suppliers (if any). See Item 11 for further information.

Insurance

You must purchase and maintain in force, at your expense, insurance at a minimum in the types of coverage and amounts we specify in the Operations Manual or otherwise in writing. Currently, you must obtain and maintain the following minimum insurance coverage policies:

Type of Coverage	**Limits/Specifications**
Commercial General Liability	$1,000,000 per occurrence with a combined with a general aggregate of $2,000,000, including sexual abuse/molestation with a limit of at least $1,000,000, personal injury with a limit of at least $1,000,000, a professional liability.
Accident Insurance	$500,000 aggregate limit
Umbrella/Excess Liability	Not less than $2,000,000 that goes over general liability, auto liability, worker's compensation and abuse/molestation
Automobile Liability	Covering any owned, hired, or non-owned automobiles in the amount no less than $1,000,000 combined single limit
Business Interruption Insurance	Covering actual sustained loss you sustain for 12 months or not less than 50% of annual Net Sales.
Workers' Compensation	Statutory requirements
Any other insurance coverages or amounts as required by law	Statutory requirements

All insurance policies will: (1) be issued by an insurance carrier(s) acceptable to us and having an A.M. Best rating of A or higher; (2) name us and our affiliates, and their respective officers, directors and employees, as additional insured parties; (3) contain a waiver of the insurance company's right of subrogation against us; (4) contain the above-mentioned insurance coverage for each Business that you operate; and (5) provide that we will receive 30 days' prior written notice of a material change in or termination, expiration or cancellation of any policy (or such shorter period as the insurance carrier may require and as we may approve). We periodically may, with prior written notice to you, increase the minimum liability protection requirements, and require different or additional kinds of insurance to reflect inflation or changes in standards of liability. If at any time you fail to maintain in effect any insurance coverage we require, or to provide satisfactory evidence of such coverage, we, at our option, may obtain insurance coverage for you. You agree to promptly sign any applications or other forms or instruments required to obtain any insurance and pay to us, on demand, all premiums and other costs we incur, together with an administrative fee equal to 5% of the insurance premium. You will provide us with copies of the

certificate of insurance, insurance policy endorsements and other evidence of compliance with these requirements as we periodically require at least 2 weeks before you take possession and commence development of the Business premises and at such other times as we may require.

Advertising and Promotional Approval

We may develop, and make available to you, local media planning assistance. If we do so, you must use our recommended media plan in promoting the Business or otherwise develop, and obtain our advance written approval for, an alternative media/promotion plan. In addition, you will use only our approved advertising and promotional materials in promoting the Business. See Item 11 for further information regarding advertising programs.

Supplier and Product Approval

We will provide you with lists of approved manufacturers, suppliers and distributors ("Approved Suppliers List") and approved products and services, other inventory items, equipment, signs, supplies and other items or services necessary to operate your Business ("Approved Supplies List"). The Approved Suppliers List may specify the specific manufacturer of a specific product or piece of equipment, in which case you can purchase those products only from a source identified on the Approved Suppliers List. We, an affiliate of ours or a third-party vendor or supplier periodically may be the only approved supplier or lessor for certain products. The lists specify the suppliers and the products and services that we have approved for use in the System. We may revise these lists and provide you with a copy of approved lists as we deem advisable. If you propose to use any product, material, equipment, sign or other item that we have not approved, or purchase any items from any supplier that we have not approved, you must first notify us in writing and must provide us with sufficient information, specifications, samples photographs, drawings or other information to permit us to determine whether the product, service, material, fixture, equipment, sign or other item (or brand of such item) complies with our specifications, or the supplier meets our approved supplier criteria. We will notify you of our decision within 60 days of our receipt of all required documents and information requested. We reserve the right to charge you our then-current evaluation fee (currently, $500) and require you to reimburse us for our costs and expenses that we incur to review a proposed brand or supplier. We may re-inspect the facilities and products of any supplier or approved item and revoke our approval of any item or supplier failing to continue to meet any of our criteria. We will send written notice of any revocation of an approved supplier or supply. As part of the approval process, we may require that a proposed supplier sign a supplier agreement covering such items as insurance, product quality, trademark use, and indemnification. We do not provide material benefits to you based on your use of designated or approved sources of supply.

We apply certain general criteria in approving a proposed supplier, including the supplier's quality and pricing of products, ability to provide products/services that meet our specifications, responsiveness, quickness to market with new items, financial stability, credit program for franchisees, freight/shipping costs, and the ability to provide support to the System (merchandising, field assistance, education and training respecting sales and use of products and services). We may, but are not required to, provide you with these criteria.

We will notify you in writing if we elect to revoke our approval of a supplier. If we revoke our approval of a supplier, you must immediately stop offering, selling or using those products or other items or services in your Business.

During the fiscal year ended December 31, 2023, we did not receive any revenue as a result of franchisee purchases or leases. However, during the fiscal year ended December 31, 2023, our affiliate

Brooklyn Robot Foundry OP LLC collected $ 47,084.14 in revenue as a result of franchisee purchases or leases.

One or more of our officers have an interest in us and our affiliates. No officer owns a material interest in any other supplier.

Miscellaneous

We may negotiate prices for numerous products for the benefit of the System, but not for any individual franchisee. There is no purchasing or distribution cooperative in the System. We may, however, attempt to receive volume discounts for the System.

We (directly or through an affiliate) may derive revenue directly or in the form of rebates or other payments from suppliers, based directly or indirectly on sales of products, advertising materials and other items to franchisees, and from other service providers. These payments may range from less than 1% up to 10% or more of the total purchase price of those items. We currently do not collect any rebates, but we reserve the right to do so in the future.

We estimate that your purchases from approved suppliers or according to our specifications will represent approximately 5% to 25% of your total purchases in the establishment of the Business, and 75% to 95% of your total purchases in the continuing operation of the Business.

ITEM 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement. It will help you find more detailed information about your obligations in the Franchise Agreement and other items of this disclosure document.

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Sections 2, 6(A), and Exhibit A to the Franchise Agreement	Items 7, 8, 11, and 12
b. Pre-opening purchases/leases	Section 6(D)	Items 7, 8 and 11
c. Site development and other pre-opening requirements	Sections 6 and 7(A)	Item 5, 7, and 11
d. Initial and ongoing training	Sections 7(B), 14(B)-(C)	Items 5, 7 and 11
e. Opening	Sections 6(D), 7(C)	Items 5 and 11
f. Fees	Sections 3(B), 4, 5, 6(G), 7(D), 9(K), 11(C) and 14(B)	Items 5, 6 and 7
g. Compliance with standards and policies/ Operations Manual	Sections 3(B), 5(C)-(F), 6(B), 7(D)-(E), 9, 14(B), and 15(B)-(C)	Items 11 and 16
h. Trademarks and proprietary information	Sections 8, 9(L), 12, 13(C), 13(D), 17(A)	Items 13 and 14
i. Restriction on products/services offered	Sections 2, 9(B) and 9(D)	Items 8 and 16
j. Warranty and customer service requirements	Sections 9(E), (G)	Items 11 and 16
k. Territorial development and sales quotas	Sections 2(B), 6(A), and Exhibit A to the Franchise Agreement	Items 11 and 12

Obligation	Section in Agreement	Disclosure Document Item
l. Ongoing product/service purchases	Sections 6(B), 9(D), 9(H) and 9(K)	Items 8 and 11
m. Maintenance, appearance and remodeling requirements	Sections 3(B) and 9(A), (B)	Items 6 and 11
n. Insurance	Section 9(K)	Items 6, 7 and 8
o. Advertising	Sections 5, 9(H)	Items 6, 7 and 11
p. Indemnification	Section 18	None
q. Owner's participation/management/ staffing	Sections 9(C) and (J)	Items 11 and 15
r. Records and reports	Section 10	Item 6
s. Inspections and audits	Section 11	Item 6
t. Transfer	Section 14	Items 6 and 17
u. Renewal	Section 3	Items 6 and 17
v. Post-termination obligations	Sections 13(B), 13(D) and 17	Item 17
w. Non-competition covenants	Section 13	Item 17
x. Dispute resolution	Sections 19 and 20	Item 17

ITEM 10

FINANCING

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

ITEM 11

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

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

Pre-Opening Assistance. Before you open your Business, we will:

(1) Designate your Designated Territory (as defined in Item 12) (Franchise Agreement – Section 2(A) and Exhibit A).

(2) Provide you with specifications for your Business, reflecting our requirements for equipment and signs (Franchise Agreement – Section 6).

(3) Provide the initial training program described below to you and your "Operating Principal," (if they are different people) (Franchise Agreement – Section 7(B)).

(4) Provide you with access to the confidential Operations Manual. You must keep the Operations Manual confidential and discontinue using it when the Franchise Agreement terminates (Franchise Agreement – Section 7(E)).

(5) Make available to you the Management System that we have selected for the System as described further below (Franchise Agreement – Section 6(B)).

(6) Provide you with lists of approved suppliers and approved products, equipment, or services necessary to operate your Business, and sell robot kits, robotic components, and related items to

you. However, we are not required to provide you any assistance with the delivery of any products or installation of any equipment. (Franchise Agreement – Section 9(D)).

Ongoing Assistance. During the operation of your Business, we will:

(1) Provide you with on-site assistance for your first two events conducted by your Business to assist you in the opening and initial operations of the Business. In addition to your first two events, one of our representatives will also attend two additional events that your Business hosts within the first three months of your Business's operations. (Franchise Agreement – Section 7(C)).

(2) Provide advisory services relating to Business operations, including Products and Services offered for sale, selecting, purchasing and marketing other approved materials and items, marketing assistance and sales promotion programs, and general administrative and operating procedures (Franchise Agreement – Section 7(D)).

(3) Periodically provide you with updated and revised materials for the Operations Manual (Franchise Agreement – Section 7(E)).

(4) Operate the System Marketing Fund (Franchise Agreement – Section 5(B)).

(5) Provide access to software to use as a part of the Management System (Franchise Agreement – Section 4(F)).

(6) Sell, or designate an approved supplier who will sell, robot kits and related inventory to you. (Franchise Agreement – Section 7(D))

We are not required, either before or after you commence operations, to provide you any assistance with conforming your Business to any ordinances or codes, hiring any employees, or installing any equipment, signs, or fixtures at your office. We may, but are not required to, establish minimum and/or maximum prices for certain products and services (subject to applicable law).

Office

You must operate the Business from a quiet, organized, and dedicated commercial office that you lease or own (the "Business Office"). Your Business Office cannot be a home office without our prior written consent. Your Business Office must have sufficient storage space, where you can store any necessary Products, equipment, supplies, inventory, and other items that are necessary for the operation of the Business. Your Business Office must have a place for a desk and office equipment and be at least 400 square feet. Customers shall not be permitted to visit your Business Office, and it is intended for back-office operations only.

You are solely responsible for locating a Business Office that meets our standards and specifications. We will not assist you in locating a site for your Business Office or negotiating the terms of your lease, nor will we review or approve your Business Office location.

Development Time

The typical length of time between our acceptance of the Franchise Agreement and the opening of your Business is expected to vary from 1 to 6 months. This period may be longer or shorter, depending on the time of year, availability of financing, how soon you can attend training or other factors. You must complete development and open your Business within 6 months following the date of the Franchise Agreement. If you fail to do so, we may terminate the Franchise Agreement.

Advertising and Marketing

Launch Advertising

Within the first five months of signing the Franchise Agreement, you must spend the Launch Advertising Requirement. You will use our designated media vendor (if any) and must implement our recommended media plan (if any) in conducting the Business opening campaign. We reserve the right to collect the Launch Advertising Requirement directly from you and spend it on your behalf in connection with the Business opening campaign.

System Marketing Fund

We will establish and operate a system marketing and promotional fund (the "System Marketing Fund") to promote Brooklyn Robot Foundry businesses in the System and conduct other promotional and marketing activities. You must pay to us a monthly "Marketing Fee" of 3% of Gross Revenues for contribution to the System Marketing Fund. We will deposit the Marketing Fee in the System Marketing Fund that we manage through a separate account. Disbursements from the System Marketing Fund will be made solely to pay reasonable expenses we incur in connection with the general promotion of the Marks and the System, including the cost of formulating, developing and implementing advertising, marketing, promotional and public relations campaigns; the cost of market research and analytics; and the costs of administering the System Marketing Fund, including the cost of employing advertising, public relations and other third-party agencies to assist us and providing promotional brochures and advertising materials to Brooklyn Robot Foundry businesses and to regional and local advertising cooperatives, as well as accounting expenses and the actual costs of salaries and fringe benefits paid to our employees engaged in administration of the System Marketing Fund.

We are not required to spend any particular amount on marketing, advertising or production in the area in which your Business is located. Marketing Fees not spent in any fiscal year will be carried over for future use. We may make loans to the System Marketing Fund bearing reasonable interest to cover any deficit of the System Marketing Fund and cause the System Marketing Fund to invest in a surplus for future use by the System Marketing Fund. Marketing Fees will not be used for advertising principally directed at the sale of franchises. At your written request, we will provide you with an annual unaudited statement of the receipts and disbursements of the System Marketing Fund for the most recently completed calendar year.

Brooklyn Robot Foundry businesses that we operate in the United States will contribute to the System Marketing Fund at the same percentage rate as a majority of Brooklyn Robot Foundry businesses must pay to the System Marketing Fund. In the fiscal year ended December 31, 2023, we collected $451 in System Marketing Fund contributions, but did not spend any in the 2023 fiscal year.

Local Advertising

You must concentrate your advertising and marketing efforts inside your Designated Territory. In addition to the Marketing Fee, you must spend at least $12,000 on approved marketing and promotional activities in your Designated Territory during the first 12 months of operations. The amount that you spend on the Grand Opening Marketing Requirement will be credited towards the local advertising requirement during your first year of operations. Commencing as of the 13th month of operations and for the remainder of your term of this Agreement, you must spend at least 2% of Gross Revenue each month on approved advertising and marketing in your Designated Territory. Within 15 days following the end of each quarter, you will provide us with an accounting of the funds that you have spent on local marketing for the preceding quarter. If you fail to spend the minimum amount required on approved local marketing, you will deposit with us the difference between what you should have spent on approved marketing during the quarter and what you actually spent on approved marketing during the quarter. We will deposit that amount in the System Marketing Fund. Business marketing and promotional activities are "approved" if they comply with the requirements described further below.

We may develop, and make available to you, local media planning assistance. If we do so, you must use our recommended media plan in promoting the Business or otherwise develop, and obtain our advance written approval to, an alternative media/promotion plan. In addition, you will use only our approved advertising and promotional materials in promoting the Business. If you desire to use any advertising or promotional materials in promoting the Business which we previously have not approved, you must submit all materials to us for our approval before using any such materials, which approval will not be unreasonably withheld. If we do not approve those advertising or promotional materials within 10 days after you submit those materials to us, then those materials are deemed to be rejected and you may not use those materials. If you use any advertising or promotional materials without submitting those materials to us or if you use materials we disapprove, in addition to any separate remedies we may have, any amounts spent on those materials will not be credited toward your local marketing obligations.

Regional Cooperatives; Advertising Council

You will participate in, support and contribute a proportionate share of the cost of any regional or other geographic cooperative marketing programs we designate. Each Brooklyn Robot Foundry business located within the designated area of a cooperative will be a member of the cooperative. We or members of the cooperative and their designated officials may be responsible for administering the cooperative. Brooklyn Robot Foundry businesses that we or our affiliates own and operate are not obligated to participate in any cooperative we form or approve. Each cooperative must adopt written governing documents, which must reflect any form documents that we provide to franchisees or are otherwise approved by us. A copy of the governing documents of the cooperative (if one has been established) for your market area will be available upon request. The cooperative will determine the amount of your contribution; provided that if the cooperative is unable or unwilling to designate the amount of the contribution, we may designate the contribution amount. In addition, we reserve the right to establish minimum and maximum contribution amounts. We reserve the right to designate regional and other geographic marketing or advertising markets, to establish marketing cooperatives and to establish the bylaws and other rules under which such cooperatives will operate. Your contributions to marketing cooperatives will be credited toward your local marketing obligations described above. We have not currently established any advertising cooperatives.

Currently, we do not have an advertising council composed of franchisees.

Website and Internet Use

We retain the sole right to advertise the System on the Internet and to create, operate, maintain and modify, or discontinue the use of, a website using the Marks. You have the right to access and participate in our website. We will create and maintain interior pages on our website(s) that contain information about your Business and other Brooklyn Robot Foundry businesses. We may require you to prepare all or a portion of the page for your Business, at your expense, using a template that we provide and/or by paying our designated supplier. Furthermore, any updates or modifications to such pages, whether required by us or requested by you, will be at your sole expense. All such information, updates, or modifications must comply with our standards and specifications as described in our Operations Manual or otherwise in writing. Except as we may authorize in writing, however, you will not: (1) link or frame our website; (2) conduct any business or offer to sell or advertise any Products or Services or similar products or services on the Internet (or any other existing or future form of electronic communication) including e-mail marketing or other digital marketing, except through our designated website and approved social media accounts; (3) create or register any Internet domain name in any connection with the Business; (4) use any e-mail address which we have not authorized for use in operating the Business; and (5) conduct any activity on "social media" or related social networking website other than as we have expressly authorized in writing. You will not register, as Internet domain names, any of the Marks that we now or hereafter may own or any abbreviation, acronym or variation of the Marks, or any other name that could be deemed confusingly similar.

You will establish your approved social media account(s) for your Business using your Brooklyn Robot Foundry email address. Your operation and maintenance of your social media accounts(s) must comply with our then-current standards and specifications as set forth in our Operations Manual or otherwise in writing, which may include making us an administrator of the accounts.

Management System

You will use in the Business the point-of-sale system (POS System), management and reporting system, including all existing or future communication or data storage systems, components thereof and associated service, which we have developed or selected for the System (collectively, the "Management System"). The Management System may include one or more proprietary or other software programs developed or customized for us (the "Designated Software"). You must use the Designated Software, and the Designated Software will remain the confidential property of us, our affiliate, or our designated supplier. You must enter into our or our designee's standard form software license agreement in connection with your use of any Designated Software, including the Software License Agreement attached as Exhibit E to the Franchise Agreement. You will pay the then-current initial fees as well as any then-current ongoing access or license fees applicable to the Designated Software to us or our designated supplier, as applicable. Additional monthly software fees may be paid directly to the relevant approved third-party supplier.

As of April 29, 2024, the required Management System includes: a laptop computer, an iPad with cellular service (one for each teacher), color printer, our proprietary software and/or certain software programs provided by third-parties such as QuickBooks Online, Mailchimp, WhenIWork, third-party payroll services/software, and Slack. We estimate that the initial cost for the Management System will range from $1,647 to $3,872.

In addition to the foregoing, you must also pay our then-current Technology Fee (currently $800 per month) commencing upon your completion of our initial training program. For the first three months when you are required to pay the Technology Fee, you will only be required to pay 50% of our then-current Technology Fee. Beginning as of the fourth month when you are required to pay the Technology Fee, and each month thereafter, you will be required to pay 100% of our then-current Technology Fee.

You must have Internet access with a form of high-speed connection as we require. You will use an e-mail address we designate for communication with us. We have the right to designate a single source from which you must purchase the Management System, any software or hardware components thereof or associated service, and we or our affiliates may be that single source. You will be required to use and, at our discretion, pay for all future updates, supplements and modifications to the Management System, including any additions or modifications to any Designated Software. We also may independently access financial information and customer data produced by or otherwise located on your Management System (collectively the "Customer Data"). During and after the term of the franchise agreement, we will have sole ownership of the Customer Data that is stored on the Management System, although you will be responsible for obtaining all customer consents necessary to allow us to use the Customer Data for various purposes as we may identify. We will periodically establish policies respecting the Customer Data. You must comply with all laws and regulations relating to privacy and data protection, and must comply with any privacy policies or data protection and breach response policies we periodically may establish. You cannot use the Customer Data for any purpose other than the operation of the Business consistent with our standards of use. There are no contractual limitations on our right to access the information and data.

You may be required to obtain ongoing maintenance and repairs respecting the Management System, as well as upgrades or updates respecting the Designated Software. We estimate the cost of optional or required maintenance, updates and upgrades will be $0 to $500 per year. There are no contractual limitations on the frequency and cost of additional maintenance or repair. You must incorporate these upgrades and updates to the Management System. We, our affiliates, and third-party suppliers are not currently required to provide any ongoing maintenance, repairs, upgrades or updates to you.

Training

Before you open your Business, you and your Operating Principal (if different people) must attend our initial training program. Our initial training program is conducted at our headquarters in New York, New York as well as online, or another location we designate (which may include a franchisee's location). We currently plan to offer the initial training program on an as-needed basis. The initial training program may include online and classroom modules. The initial training program includes instruction relating to our company culture, Business operations, understanding the equipment and product use, customer service, comprehensive marketing and sales programs, and accountability for sales and marketing. You and the Operating Principal may be the same person.

You may not open your Business unless you and the Operating Principal complete the initial training program to our satisfaction, which we may determine based upon a variety of factors, including completing the entirety of the training described below and demonstrate sufficient understanding of the materials at the end of the initial training program. If we determine that you or the proposed Operating Principal are not qualified to manage the Business, we will allow you to select a substitute Operating Principal to complete the initial training program at an additional expense to you.

The initial training program consists of the following:

TRAINING PROGRAM

Subject	Training Hours	Hours of On-The-Job Training	Location
Your Office	5.5	0	Brooklyn, NY or another location we designate
Ops Manual Reading	13	0	Online and Brooklyn, NY or another location we designate
Products and Building Robots	63	0	Brooklyn, NY or another location we designate
Business Operations	34	0	Online and Brooklyn, NY or another location we designate
Marketing	12	0	Online
TOTAL	**127.5**	**0***	

**See the section "On-Site Assistance" below for information about on-the-job assistance that we will provide to you.*

The instructional materials for all training programs include the Operations Manual, handouts and visual aids, and will include lecture, classroom discussion, hands-on demonstration and/or practice teaching at a Brooklyn Robot Foundry business.

Jennifer Young oversees the initial training program. Ms. Young has served as our CEO since our inception and has 23 years of experience in the field. Other trainers will include: Leigh Smith (Head of Marketing, 6 years), Nicholas Shuit (Director of Administration, 3.5 years), , Carrie Bracco (Chief Operating Officer, 16 years), and other teachers and staff.

We do not charge a fee for you and your initial Operating Principal to attend the initial training program. You are, however, responsible for travel and living expenses that your Operating Principal and general manager incur while attending the initial training program. In addition, all new Operating Principals must complete our designated initial training program. We may charge you a reasonable fee for those new or additional individuals who attend the initial training program. We also reserve the right to use any space where your Business conducts classes to host and conduct training programs for new franchisees or other personnel.

On-Site Assistance

Prior to commencing operations, we will provide you with the services of one of our representatives for on-site initial inventory organization assistance at your Business Office to help you organize your inventory according to system guidelines. We will not deliver or install any equipment. We will provide this assistance once we have determined that your Business Office has been set up in accordance with our then-current standards and specifications, and subject to our availability. We estimate that this inventory organization assistance will be approximately one to two days, and we do not charge for this initial

assistance. We are not required to provide this initial inventory organization assistance if this is your second or subsequent Business.

We will also provide you with the services of one of our representatives for your first two events conducted by your Business to assist you in the opening and initial operations of the Business. The intent of this initial visit is to help you fine-tune your teaching ability by observing the first two events and offering detailed feedback. In addition to your first two events, one of our representatives will also attend two additional events that your Business hosts within the first months of your Business's operations. We will not charge you a fee in connection with this on-site assistance for these first four events.

Upon your reasonable request, we may elect to provide ongoing on-site assistance for additional events, and we may charge you a reasonable per diem fee in connection with such on-site assistance. You must reimburse us for all travel, lodging and living expenses incurred by our representatives to provide such on-site assistance.

Supplemental and Refresher Training

We may require that you and the Operating Principal attend all supplemental and refresher training programs that we designate. We may decide the time and place of training and may charge you a reasonable fee for these supplemental and refresher training programs. You are also solely responsible for the compensation, travel, lodging and living expenses you and your employees incur while attending any supplemental or refresher training programs.

Annual Conventions and Meetings

We periodically may hold or sponsor franchise conventions and meetings relating to new Services or Products, new operational procedures or programs, training, business management, sales and sales promotion, or similar topics. These franchise conventions and meetings may be optional or mandatory, as we designate. You and your Operating Principal must attend, at your expense, all mandatory franchise conventions and meetings we may hold. If you or your Operating Principal cannot attend a convention or meeting, you/he/she/they must so notify us before the convention or meeting and must have a substitute person acceptable to us attend the event. We reserve the right to charge you a fee for any annual franchise convention or meeting that we sponsor or designate, regardless of your attendance. As of April 29, 2024, we will have a mandatory annual meeting in New York, New York or such other location we designate.

You are solely responsible for the compensation, travel, lodging and living expenses you and your employees incur in attending the initial training program, supplemental or refresher training programs, and any franchise conventions or meetings.

Operations Manual

During the term of the Franchise Agreement, we will allow you to access our electronic Operations Manual (the "Operations Manual"). The Operations Manual currently contains 143 pages plus exhibits. The current table of contents of the Operations Manual as of April 29, 2024 is attached as Exhibit H to this disclosure document.

ITEM 12

TERRITORY

You will receive a "Designated Territory," which will be generally defined by one or more 5-digit ZIP codes. All areas in the territory will be contiguous. In determining your Designated Territory, we will take into account the population and demographics of the Designated Territory, as well as the number of public and private elementary and middle schools and the number of preschools. Each Designated Territory will have at least 5 elementary and 1 middle schools in aggregate. We may use demographic data provided by the U.S. Census Bureau or any other resources we determine in our sole discretion. During the term of the Franchise Agreement, if you are complying with the provisions of the Franchise Agreement, we will not establish any other franchised or company-owned Brooklyn Robot Foundry businesses in the Designated Territory. The location of the Business and the Designated Territory will be identified in Exhibit A to the Franchise Agreement.

Except as otherwise described below, you may operate your Business only in the Designated Territory and you must concentrate your advertising and marketing efforts inside your Designated Territory. Notwithstanding the foregoing, if neither we nor another franchisee operates a Brooklyn Robot Foundry business in an area adjacent to your Designated Territory, then upon your receipt of our prior written consent, you may advertise, market and/or service customers located outside of your Designated Territory. In such instances, we reserve the right to require you in the future to cease all direct advertising and marketing efforts to those customers located outside your Designated Territory and to cease offering and selling Services and Products outside of your Designated Territory, for any reason in our sole discretion. This Agreement does not include the right to sell any Services or Products identified by the Marks through any other channels of distribution, including the Internet (or any other existing or future form of electronic commerce). You will not have the right to subfranchise or sublicense any of your rights under this Agreement. You will not use the Business for any purposes other than the operation of a Brooklyn Robot Foundry business.

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

Among other rights, we (for ourselves and our affiliates) reserve the right, without compensation to you:

1. To directly operate, or to grant other persons the right to operate, Brooklyn Robot Foundry businesses at locations outside the Designated Territory;

2. To promote, sell and distribute anywhere the Services and the Products authorized for sale at Brooklyn Robot Foundry businesses under trademarks and service marks other than the Marks through similar or dissimilar channels of distribution within and outside of the Designated Territory;

3. To promote, offer, sell, distribute and license the Services and the Products authorized for sale at Brooklyn Robot Foundry businesses as well as ancillary services and products under the Marks through dissimilar channels of distribution (*i.e.*, other than the operation of full-service Brooklyn Robot Foundry businesses), including over the Internet, through direct mail and wholesale activities, and pursuant to conditions we deem appropriate within and outside the Designated Territory;

4. To offer and sell classes online under the Marks to customers that are located inside and outside of your Designated Territory, which classes may consist of content that is the same as or different from the types of services and products that Brooklyn Robot Foundry franchised businesses may offer and sell;

5. To acquire businesses that are the same as or similar to the Business or other Brooklyn Robot Foundry businesses and operate, or grant others the right to operate, such businesses regardless of whether such businesses are located within or outside the Designated Territory, and to be acquired by any third party which operates, or grants others the right to operate, businesses that are the same as or similar to the Business or other Brooklyn Robot Foundry businesses regardless of whether such businesses are located within or outside the Designated Territory;

6. To advertise, market, and promote the System and Brooklyn Robot Foundry businesses generally, including on the Internet (or any other existing or future form of one or more electronic commerce) and to customers who have attended sessions at your Business and any other Brooklyn Robot Foundry business, and to create, operate, maintain and modify, or discontinue the use of websites using the Marks;

7. To provide the Services and Products to National Accounts located inside or outside of the Designated Territory, as further described below.

We may establish a "National Accounts Program" that is designed to generate customer leads as a result of national marketing, strategic alliances and partnerships, or other lead generation efforts we or our affiliates conduct or that otherwise involves National Accounts. We may permit you to participate in the National Accounts Program and service National Accounts in your Designated Territory in accordance with the terms of the National Accounts Program as described in the Operations Manual or as we otherwise describe in writing. If we offer you the right to provide Services or Products to a National Account, then you must notify us in writing of your decision to accept or reject the performance of Services or sale of Products in accordance with the time period set forth in the Operations Manual, and your failure to provide timely written notice to us will be deemed a rejection by you.

If you agree to provide Services and Products to a National Accounts, then you must do so in accordance with the agreement that we execute with the applicable National Account. We will collect, or you must pay us, our then-current applicable National Account fee or commission (the "National Account Fee") in connection with Services and Products sold to or performed for National Accounts.

We have the right to offer and sell Services and Products to a National Account or grant a third party (including another Brooklyn Robot Foundry business, either franchisee-owned or corporately-owned) the right to sell Services and Products to a National Account in your Designated Territory without compensation to you in the event: (a) you are in default of this Agreement, (b) the National Account objects to you providing the Services or Products, or (c) you fail to timely notify us of your acceptance to offer and sell the Services and Products to the National Account.

The rights we have granted to you under this Agreement are dependent on your achieving the following minimum performance regarding the Gross Revenue collected from customers of your Business during each 12-month period following your Opening Date (referred to as the "Minimum Performance Requirements"):

Time Period	Annual Gross Revenue Minimum Performance Requirement
Year 1	$0 (No Minimum)
Year 2	$125,000
Year 3	$250,000
Year 4 and each subsequent year	$350,000

If you fail to satisfy any of the Minimum Performance Requirements, and fail to cure any deficiencies (if we grant you an opportunity to cure such a default), we may, but are not required to, take any one or more of the following actions: (1) reduce the size of your Designated Territory, with a corresponding reduction in the Minimum Performance Standard; (2) permit other franchisees, or us or our affiliates, to offer and sell Services and Products to customers located within your Designated Territory; (3) establish, or license or franchise others to establish, a Brooklyn Robot Foundry business in your Designated Territory; and/or (4) terminate your Franchise Agreement. You acknowledge and agree that the Minimum Performance Requirements do not constitute financial performance representations, and that we do not warrant or guaranty that you will achieve the Minimum Performance Requirements in any given year.

We do not grant to you any options, rights of first refusal or similar rights to acquire additional franchises within a particular territory. You will not relocate the Business from the Designated Territory without our prior written consent, which we may withhold or condition in our reasonable discretion. If we grant you the right to relocate the Business or the Designated Territory, then you will be required to pay us a relocation fee equal to $2,500.

Except as disclosed, neither we nor any affiliate operates, franchises, or has any current plans to operate or franchise any business selling the Products and Services authorized for sale at a Brooklyn Robot Foundry business under any other trademark or service mark.

ITEM 13

TRADEMARKS

We grant you the right under the Franchise Agreement to operate your Business under the name "Brooklyn Robot Foundry," and other trademarks or service marks (the "Marks").

The following schedule lists only the principal Marks that you are licensed to use. Our affiliate Brooklyn Robot Foundry IP, LLC owns the following trademarks that are registered on the U.S. Patent and Trademark Office (the "**USPTO**") on its Principal Register:

Principal Trademarks	Registration No.	Registration Date
BROOKLYN ROBOT FOUNDRY	6152010	September 15, 2020

Brooklyn Robot Foundry IP, LLC has filed all required affidavits for those Marks listed below. If our right to use the Mark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

Our right to use and license others to use the Marks is exercised under a trademark license agreement (the "TM Agreement") with Brooklyn Robot Foundry IP, LLC. Under the TM Agreement, we are granted the right to use and to permit others to use the Marks. The TM Agreement has a perpetual term. If we were ever to lose our right to the Proprietary Marks, Brooklyn Robot Foundry IP, LLC is required

under the TM Agreement to allow our franchisees to maintain their rights to use the Proprietary Marks in accordance with their franchise agreements. Other than the TM Agreement, there are no agreements in effect which significantly limit our rights to use or license the Proprietary Marks in any state in a manner material to the Franchised Business.

We have the right to periodically change the list of Marks. Your use of the Marks and any goodwill is to our exclusive benefit and you retain no rights in the Marks. You also retain no rights in the Marks when the Franchise Agreement expires or terminates. You may not use any Mark or portion of any Mark as part of any corporate or any trade name, or any modified form or in the sale of any unauthorized product or service, or in any unauthorized manner. You may not use any Mark or portion of any Mark on any website without our prior written approval.

There are currently no effective material determinations by the U.S. Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, or any pending infringement, opposition or cancellation proceeding, or any pending material litigation, involving the principal Marks that are relevant to your use in any state. There are currently no agreements in effect that significantly limit our rights to use or license the use of any principal Marks in any manner material to the franchise.

You must notify us immediately in writing of any apparent infringement of or challenge to your use of any Mark, or any claim by any person of any rights in any Mark or any similar trade name or trademark of which you become aware. You must not communicate with any person other than us, our affiliates and our respective legal counsel regarding any infringement, challenge or claim. We or our affiliates may take any action we deem appropriate and have the right to exclusively control any litigation or other proceeding arising out of any infringement, challenge or claim relating to any Mark. You will sign all documents, provide assistance and take all action as we may reasonably request to protect and maintain our interests in any litigation or other proceeding or to otherwise protect and maintain our interests in the Marks.

You will have no obligation to and will not, without our prior written consent, defend or enforce any of the Marks in any court or other proceedings for or against imitation, infringement, any claim of prior use, or for any other allegation. You will, however, immediately notify us of any claims or complaints made against you respecting the Marks and will, at your expense, cooperate in all respects with us in any court or other proceedings involving the Marks. Subject to your indemnification obligations, we will pay the cost and expense of all litigation we incur, including attorneys' fees, specifically relating to the Marks. We and our affiliates and our respective legal counsel will have the right to control and conduct any litigation relating to the Marks.

You cannot make any changes or substitutions to the Marks unless we so direct in writing. We reserve the right, in our discretion, to modify or discontinue use of any Mark, or to use one or more additional or substitute trademarks or service marks. In such event, you will, at your expense, comply with such modification or substitution within a reasonable time after we notify you. If in our or affiliate's reasonable determination, the use of Marks in connection with the System will infringe or potentially infringe upon the rights of any third party, then upon notice from us, you will terminate or modify, within a reasonable period of time, such use in the manner prescribed by us. If we change the Marks as a result of such determination, we will reimburse you for any out-of-pocket expenses that you incur to implement such modifications or substitutions. However, we are not obligated to reimburse you for any loss of goodwill or revenue associated with any modified or discontinued Mark, nor are we responsible for reimbursing you for any other costs or damages.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents or copyrights currently registered that are material to the franchise.

We do claim copyright ownership and protection for the Operations Manual as well as our advertising copy and design, written training materials and for certain other written materials we provide to assist you in operating your Business. In addition, we treat certain portions of our training curriculum as trade secrets.

We own certain proprietary or confidential information relating to the operation of Brooklyn Robot Foundry businesses, including trade secrets, methods, techniques, formats, marketing and promotional techniques and procedures, specifications, information, and information in the Operations Manual ("Confidential Information"). The Confidential Information is proprietary and is our trade secret and is disclosed to you solely on the condition that you: (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the term of the Franchise Agreement; (3) will not make unauthorized copies of any Confidential Information; (4) will adopt and implement all reasonable procedures we direct to prevent unauthorized use or disclosure of the Confidential Information; and (5) will sign a Confidentiality Agreement and will require the Operating Principal and other managers, employees and agents with access to Confidential Information to sign such an agreement in a form we approve. When your Franchise Agreement expires or terminates, you must return to us all Confidential Information and all other copyright material. You must notify us immediately if you learn of an unauthorized use of the Confidential Information. We are not obligated to take any action and we will have the sole right to decide the appropriate response to any unauthorized use of the Confidential Information. You must comply with all changes to the Operations Manual at your cost. During the term of your Franchise Agreement, you and we will have joint ownership of customer data stored on your Management System. As the customer data is Confidential Information, you must cease to use it when your Franchise Agreement expires or terminates. We will periodically establish policies respecting the Business customer data.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Franchise Agreement

You must designate an individual we approve and who successfully completes our required training to be the operating principal ("Operating Principal"). The Operating Principal does not need to be a "Principal Owner" (as defined below). The Operating Principal is responsible for day-to-day Business operations, including the training and supervision of their teachers and employees. The Operating Principal assumes his/her/their responsibilities on a full-time basis and may not engage in any other business or other activity that requires any significant management responsibility or time commitments, or that otherwise may conflict with his/her/their obligations. In addition, at all times, the Business must be under the direct, on-site supervision of the Operating Principal approved by us. The Operating Principal and all managers must agree to maintain the confidentiality of the Confidential Information described in Item 14 and must sign the Confidentiality and Non-Compete Agreement attached to the Franchise Agreement.

Each individual who owns a 10% or greater interest in the franchisee entity is considered a "Principal Owner" and must sign the Guaranty and Assumption of Obligations attached to the Franchise

Agreement. We may also require the spouse of any Principal Owner to sign the Guaranty and Assumption of Obligations. These people agree to discharge all obligations of the franchisee entity to us under the Franchise Agreement and are bound by all of its provisions, including maintaining the confidentiality of Confidential Information described in Item 14 and complying with the non-compete covenants described in Item 17.

If at any time the Operating Principal does not manage the Business, we immediately may appoint a manager to manage the Business for you and charge you a reasonable fee for these management services.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell in your Business all, and only, those Products and Services that we have approved. You must at all times maintain an inventory of approved Products and other items in such quantities and variety that we direct. We may add new Products or Services that you must offer at or use in your Business. Our right to modify the Products and Services to be offered at a Business is not limited.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise Agreement or Other Agreement	Summary
a. Length of the franchise term	Section 3	10 years.
b. Renewal or extension of the term	Section 3	If you are in good standing, you can renew the Franchise Agreement for up to 1 additional 10-year terms.
c. Requirements for you to renew or extend	Section 3	Provide advance notice, comply with current franchise agreement, sign new agreement (which may contain materially different terms and conditions than your original Franchise Agreement), upgrade and modernize the Business, pay renewal fee, and sign a general release of claims.
d. Termination by you	Section 16	If you comply with the Franchise Agreement, and we fail to cure a material provision within 60 days after written notice.
e. Termination by us without cause	Not Applicable	
f. Termination by us with cause	Section 15	We may terminate the Franchise Agreement only if you default.
g. "Cause" defined – curable defaults	Section 15(C)	Failure to conform to the material requirements of the System or the material standards of uniformity and quality for the Services and Products as described in the Operations Manual or as we have established under the System; failure to timely pay any obligations or liabilities due and owing to us or our affiliates; violation of any material provision or obligation of the Franchise Agreement; violation of any federal, state or local government law or regulation, and other breaches. The cure period is generally 30 days, except you have only 10 days to cure a

Provision	Section in Franchise Agreement or Other Agreement	Summary
		failure to pay amounts due, and you have 15 days after notification of non-compliance by federal, state or local government authorities, 15 days to cure after you purchase any items from an unapproved supplier, and 5 days to cure if you lose or fail to obtain insurance.
h. "Cause" defined – non-curable defaults	Sections 15(A) and (B)	Bankruptcy; IP violations; unauthorized transfer; failure to complete initial training; material misrepresentation or omission on franchise application; abandonment; being involved in an act that impairs the Marks; violating restrictive covenants; unauthorized offer or sale of products; insufficient funds on multiple occasions; a threat or danger to the public results from the Business, if you breach the Agreement three or more times in any 12-month period; failing to conduct a background check; having insufficient funds; and other violations.
i. Your obligations on termination/nonrenewal	Section 17 and 13	Cease operation of the Business and use of Marks, pay all amounts due us, stop using and return Operations Manual and within 30 days of the expiration or termination of your agreement, return to us, at your sole cost and expense, all Products, equipment, supplies, and inventory that are either proprietary or bear our Marks, including any unused robot kits (whether proprietary or bearing our Marks or not); assign to us the Business telephone number and telephone listing or (at our option) disconnect the telephone number, remove all signs and other materials containing any Marks, cancel all fictitious or assumed name filings, close all social media accounts, cease using Confidential Information, and agree not to divert Business customers to any competing business for 1 year (also see paragraphs o and r below).
j. Assignment of contract by us	Section 14(A)	Assignee must fulfill our obligations under the Franchise Agreement.
k. "Transfer" by you-defined	Section 14(B)	Includes transfer of Business or its assets, or your interest in the Franchise Agreement or any ownership change.
l. Our approval of transfer by franchisee	Sections 14(B) and (C)	We have the right to approve all transfers, but will not unreasonably withhold approval.
m. Conditions for our approval of transfer	Section 14(B)	New franchisee qualifies and completes training, all amounts owed us or our affiliates are paid, and you are in good standing, new franchisee assumes existing Franchise Agreement or (at our option) signs then-current agreement, we approve transfer agreement, transfer fee paid, lease assigned (if applicable), and you sign non-compete agreement and general release.
n. Our right of first refusal to acquire your business	Section 14(E)	We can match any offer for your Business.
o. Our option to purchase your business	Section 17(C)	When the Franchise Agreement expires or terminates, we may purchase assets at fair market value, less the value of any goodwill associated with our Marks and other intangible assets.
p. Your death or disability	Section 14(C)	Franchise must be assigned by estate to an approved buyer within reasonable time not exceeding 12 months.
q. Non-competition covenants during the term of the franchise	Section 13(C) and (E)	No involvement in any business that offers or sells art or STEM (science, technology, engineering, or mathematics) related programs, classes, or events, or that offers or sells any services or products that are the same as, or substantially similar to, any of the Services and Products offered by the Business.
r. Non-competition covenants after the franchise is terminated or expires	Sections 13(D) and (E) and 17(A)	No involvement in any business that offers or sells art or STEM (science, technology, engineering, or mathematics) related programs, classes, or events, or that offers or sells any services or products that are the same as, or substantially similar to, any of the Services and Products offered by the Business in the former Designated Territory of the Business, or within a 10-mile radius of the former Designated Territory of the Business, any

Provision	Section in Franchise Agreement or Other Agreement	Summary
		location that you offered or sold Services or Products outside of the former Designated Territory, or any other then-existing Brooklyn Robot Foundry business, for a period of 1 year following the termination or expiration of the Franchise Agreement.
s. Modification of the agreement	Section 20(F)	No modifications generally, except in writing. We may modify Operations Manual, Marks, System and goods/services to be offered to your Business.
t. Integration/merger clause	Section 20(N)	Only the terms of the Franchise Agreement (including exhibits) are binding (subject to federal and state law). Any other promises may not be enforceable. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	Section 19	Except for actions we bring for monies owed, injunctive or extraordinary relief, or actions involving real estate, all disputes first will be resolved by arbitration in the county where our then-current headquarters are located (subject to applicable law).
v. Choice of forum	Section 20(D)	Litigation (to the extent permitted) must be in state or federal court in the in the county where our then-current headquarters are located at the time the suit is commenced (subject to applicable law). We also have the right to file suit where the Business is located (subject to applicable law)
w. Choice of law	Section 20(E)	Laws of the state where Business is located applies (subject to applicable law).

ITEM 18

PUBLIC FIGURES

We do not use any public figure to promote our franchise.

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 Jennifer Young, 98 4th Street, Suite 106, Brooklyn, NY 11231, and 347-762-6840, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

TABLE NUMBER 1
Systemwide Outlet Summary
For Years 2020-2023

Business Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	3	3
Company-Owned	2021	1	1	0
	2022	1	1	0
	2023	1	1	0
Total Businesses	2021	1	1	0
	2022	1	1	0
	2023	1	4	4

TABLE NUMBER 2
Transfers of Outlets From Franchisee to New Owners (Other than the Franchisor)
For Years 2020-2023

State	Year	Number of Transfers
TOTAL	2021	0
	2022	0
	2023	0

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TABLE NUMBER 3
Status of Franchised Outlets
For Years 2020-2023

State	Year	Outlets at the Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations / Other Reasons	Outlets at the End of the Year
Connecticut	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
New York	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
TOTAL	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	3	0	0	0	0	3

TABLE NUMBER 4
Status of Company-Owned Outlets*
For Years 2020-2023

State	Year	Outlets at the Start of the Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at the End of the Year
New York	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
TOTAL	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1

**Reflects outlets operated by our affiliate*

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TABLE NUMBER 5
Projected Openings
As of December 31, 2023

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
New York	0	3	0
New Jersey	0	2	0
Pennsylvania	2	2	0
TOTAL	2	7	0

Attached as Exhibit F is a list of all Brooklyn Robot Foundry franchisees as of December 31, 2023. We have not had a franchisee who has had a Brooklyn Robot Foundry franchise terminated, canceled, or not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement nor transferred a Brooklyn Robot Foundry franchise. In addition, no franchisee has failed to communicate with us within the 10-week period before the issuance date of the disclosure document. If you buy a Brooklyn Robot Foundry franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

We have not had any franchisees sign confidentiality clauses with us during the last three fiscal years.

There are no trademark-specific franchisee organizations associated with the franchise system that are required to be disclosed in this Disclosure Document.

ITEM 21

FINANCIAL STATEMENTS

Attached as Exhibit A are our audited financial statements for the fiscal year ended December 31, 2023 and December 31, 2022. We have not been in business for three or more years, and therefore we cannot include all financial statements required under the FTC Rule.

ITEM 22

CONTRACTS

The Franchise Agreement (including the Personal Guaranty) is attached as Exhibit B. The State Addenda are attached as Exhibit D. The General Release Form is attached as Exhibit E. The Disclosure Acknowledgment Agreement is attached as Exhibit G.

ITEM 23

RECEIPTS

Two copies of an acknowledgment of your receipt of this disclosure document are included at the end of this disclosure document (Exhibit J). You should keep one copy as your file copy and return the second copy to us.

EXHIBIT A

FINANCIAL STATEMENTS

BROOKLYN ROBOT FOUNDRY FRANCHISING, LLC
(A Limited Liability Company)

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2023 AND 2022

BROOKLYN ROBOT FOUNDRY FRANCHISING, LLC
(A Limited Liability Company)
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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INDEPENDENT AUDITOR'S REPORT

To the Member
Brooklyn Robot Foundry Franchising, LLC

Opinion

We have audited the accompanying financial statements of Brooklyn Robot Foundry Franchising, LLC (a limited liability company), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of operations and changes in member's equity (deficit), and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Brooklyn Robot Foundry Franchising, LLC as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Brooklyn Robot Foundry Franchising, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Citrin Cooperman & Company, LLP

New York, New York
April 26, 2024

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BROOKLYN ROBOT FOUNDRY FRANCHISING, LLC
(A Limited Liability Company)
BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Current assets:		
Cash	$ 3,184	$ 25,975
Accounts receivable	4,793	-
Prepaid expenses	18,158	6,326
Prepaid commissions - current	2,000	-
Total current assets	28,135	32,301
Other assets:		
Prepaid commissions - net of current	17,167	-
TOTAL ASSETS	$ 45,302	$ 32,301
LIABILITIES AND MEMBER'S EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable and accrued expenses	$ 5,205	$ 7,404
Due to related party	8,800	-
Deferred revenue - current	28,200	-
Total current liabilities	42,205	7,404
Long-term liability:		
Deferred revenue - net of current	35,550	-
Total liabilities	77,755	7,404
Commitments and contingencies (Notes 6 and 7)		
Member's equity (deficit)	(32,453)	24,897
TOTAL LIABILITIES AND MEMBER'S EQUITY (DEFICIT)	$ 45,302	$ 32,301

See accompanying notes to financial statements.

BROOKLYN ROBOT FOUNDRY FRANCHISING, LLC
(A Limited Liability Company)
STATEMENTS OF OPERATIONS AND CHANGES IN MEMBER'S EQUITY (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Revenues:		
Franchise fees	$ 26,250	$ -
Royalties	4,020	-
Marketing fee revenue	451	-
Total revenues	30,721	-
Selling, general and administrative expenses	191,029	252,339
Net loss	(160,308)	(252,339)
Member's equity - beginning	24,897	-
Member contributions	102,958	312,236
Member distributions	-	(35,000)
MEMBER'S EQUITY (DEFICIT) - ENDING	$ (32,453)	$ 24,897

See accompanying notes to financial statements.

BROOKLYN ROBOT FOUNDRY FRANCHISING, LLC
(A Limited Liability Company)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Cash flows from operating activities:		
Net loss	$ (160,308)	$ (252,339)
Adjustments to reconcile net loss to net cash used in operating activities:		
Expenses incurred on behalf of the Company by the Parent	102,958	102,236
Changes in operating assets and liabilities:		
Accounts receivable	(4,793)	-
Prepaid expenses	(11,832)	(6,326)
Prepaid commissions	(19,167)	-
Accounts payable and accrued expenses	(2,199)	7,404
Due to related party	8,800	-
Deferred revenue	63,750	-
Net cash used in operating activities	(22,791)	(149,025)
Cash provided by financing activities:		
Member contributions	-	210,000
Member distributions	-	(35,000)
Net cash provided by financing activities	-	175,000
Net increase (decrease) in cash	(22,791)	25,975
Cash - beginning	25,975	-
CASH - ENDING	$ 3,184	$ 25,975

See accompanying notes to financial statements.

NOTE 1. ORGANIZATION AND NATURE OF OPERATIONS

Brooklyn Robot Foundry Franchising, LLC (the "Company"), a wholly-owned subsidiary of Worldwide Brooklyn Robot Foundry, LLC (the "Parent"), was formed on December 22, 2021, as a New York limited liability company to sell franchises pursuant to a license agreement dated February 17, 2022, between the Company and Brooklyn Robot Foundry IP, LLC (the "Licensor"), an entity related to the Company by common ownership and control. Pursuant to the Company's standard franchise agreement, franchisees will operate a business under the "Brooklyn Robot Foundry" name and system that will offer robotics and engineering classes and workshops for kids and adults, and related services and products. The Company did not have any operations from December 21, 2021 (inception) through December 31, 2021.

The Company is a limited liability company and, therefore, the member is not liable for the debts, obligations or other liabilities of the Company, whether arising in contract, tort or otherwise, unless the member has signed a specific guarantee.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Variable interest entities

U.S. GAAP provides a framework for identifying variable interest entities ("VIEs") and determining when a company should include the assets, liabilities, noncontrolling interests, and results of activities of a VIE in its financial statements. In general, a VIE is a corporation, partnership, limited liability corporation, trust, or any other legal structure used to conduct activities or hold assets that (1) has an insufficient amount of equity to carry out its principal activities without additional subordinated financial support, (2) has a group of equity owners that is unable to direct the activities of the entity that most significantly impact its economic performance, or (3) has a group of equity owners that does not have the obligation to absorb losses of the entity or the right to receive returns of the entity. A VIE should be consolidated if a party with an ownership, contractual or other financial interest in the VIE that is considered a variable interest (a variable interest holder), has the power to direct the VIE's most significant activities and the obligation to absorb losses or right to receive benefits of the VIE that could be significant to the VIE. A variable interest holder that consolidates the VIE is called the primary beneficiary. Upon consolidation, the primary beneficiary generally must initially record all of the VIE's assets, liabilities and noncontrolling interests as if it were consolidated based on a majority voting interest.

The Company applies the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") No. 2018-17, *Consolidation (Topic 810): Targeted Improvements to Related Party Guidance for Variable Interest Entities*, which no longer requires nonpublic companies to apply variable interest entity guidance to certain common control arrangements, including leasing arrangements under common control. The Company has determined that related parties, as described in Note 6, meet the conditions under the standard, and accordingly, is not required to include the accounts of related parties in the Company's financial statements.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates may be adjusted due to changes in future economic, industry or other financial conditions. Estimates are used in accounting for, among other items, uncertain tax positions and contingencies. Actual results could ultimately differ from these estimates.

Revenue and cost recognition

The Company derives its revenue from franchise fees, royalties, marketing fund and other franchise related fees and services.

Franchise fees and royalties

Contract consideration from franchisees consists primarily of initial or renewal franchise fees, sales-based royalties, sales-based marketing fund fees and transfer fees payable by a franchisee for the transfer of its franchise unit to another franchisee. The Company collects an up-front fee for the grant of such rights. The initial franchise fees are nonrefundable and collectable when the underlying franchise agreement is signed by the franchisee. Sales-based royalties and sales-based marketing fund fees are payable on a monthly basis. Renewal and transfer fees are due from franchisees when an existing franchisee renews the franchise agreement for an additional term or when a transfer to a third party occurs, respectively.

The Company's primary performance obligation under the franchise agreement includes granting certain rights to the Company's intellectual property in addition to a variety of activities relating to opening a franchise unit. Those services include site selection, training and other such activities commonly referred to collectively as "pre-opening activities." Pre-opening activities consistent with those under ASU No. 2021-02, *Franchisors - Revenue from Contracts with Customers* (Subtopic 952-606) ("ASU 2021-02"), will be recognized as a single performance obligation. For all other pre-opening activities, if any, the Company determines if a certain portion of those pre-opening activities provided is not brand specific and provides the franchisee with relevant general business information that is separate from the operation of a Company-branded franchise unit. The portion of pre-opening activities that is not brand specific is deemed to be distinct as it provides a benefit to the franchisee and is not highly interrelated to the use of the Company's intellectual property, and is therefore accounted for as a separate performance obligation. All other pre-opening activities are expected to be highly interrelated to the use of the Company's intellectual property and are therefore accounted for as a single performance obligation, which is satisfied by granting certain rights to use the Company's intellectual property over the term of each franchise agreement.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and cost recognition (continued)

Franchise fees and royalties (continued)

The Company estimates the stand-alone selling price of pre-opening activities using an adjusted market assessment approach. The Company first allocates the initial franchise fees and the fixed consideration under the franchise agreement to the stand-alone selling price of the pre-opening activities and the residual, if any, to the right to access the Company's intellectual property. Consideration allocated to pre-opening activities, other than those included under ASU 2021-02, which are not brand specific is recognized when those performance obligations are satisfied. Consideration allocated to pre-opening activities included under ASU 2021-02 is recognized when those performance obligations are satisfied.

Initial and renewal franchise fees allocated to the right to access the Company's intellectual property are recognized as revenue on a straight-line basis over the term of the respective franchise agreement.

Royalties are earned as a percentage of franchisee gross sales ("sales-based royalties") over the term of the franchise agreement, as defined in each respective franchise agreement. Franchise royalties which represent sales-based royalties that are related entirely to the use of the Company's intellectual property are recognized as franchisee sales occur and the royalty is deemed collectible.

Marketing Fund

The Company maintains an marketing fund established to collect and administer funds contributed for use in advertising and promotional programs for franchise units. Marketing fund fees are earned based on a percentage of franchisee gross sales over the term of the franchise agreement, as defined in each respective franchise agreement. The Company has determined that it acts as a principal in the collection and administration of the marketing fund and therefore recognizes the revenues and expenses related to the marketing fund on a gross basis. The Company has determined that the right to access its intellectual property and administration of the marketing fund are highly interrelated and therefore are accounted for as a single performance obligation. As a result, revenues from the marketing fund represent sales-based royalties related to the right to access the Company's intellectual property, which is recognized as franchisee sales occur.

When marketing fund fees exceed the related marketing fund expenses in a reporting period, advertising costs will be accrued up to the amount of marketing fund revenues recognized.

Other revenues

The Company recognizes revenue from other fees and other services provided to the franchisees as a single performance obligation, when the services are rendered.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and cost recognition (continued)

Incremental costs of obtaining a contract

The Company capitalizes direct and incremental costs, principally consisting of commissions, associated with the sale of franchises and amortize them over the term of the franchise agreement.

Accounts receivable

Accounts receivable are stated at the amount the Company expects to collect. The Company maintains allowances for doubtful accounts and changes in the allowance are included in "Selling, general and administrative" expenses in the statements of operations. The Company assesses collectibility by reviewing accounts receivable on a collective basis where similar risk characteristics exist. In determining the amount of the allowance for doubtful accounts, management considers historical collectibility and make judgments about the creditworthiness of the pool of customers based on credit evaluations. Current market conditions and reasonable and supportable forecasts of future economic conditions adjust the historical losses to determine the appropriate allowance for doubtful account. Uncollectible accounts are written off when all collection efforts have been exhausted.

The Company had no allowance for doubtful accounts balance at December 31, 2023. Accounts receivables as of December 31, 2023 was $4,793.

Income taxes

The Company is treated as a partnership for tax purposes and, as such, is not liable for federal or state income taxes. As a single-member limited liability company and, therefore, a disregarded entity for income tax purposes, the Company's assets and liabilities are combined with and included in the income tax return of the Parent. Accordingly, the accompanying financial statements do not include a provision or liability for federal or state income taxes.

The Company recognizes and measures its unrecognized tax benefits in accordance with FASB Accounting Standards Codification ("ASC") 740, *Income Taxes*. Under that guidance, management assesses the likelihood that tax positions will be sustained upon examination based on the facts, circumstances and information, including the technical merits of those positions, available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available or when an event occurs that requires a change. There were no uncertain tax positions at December 31, 2023 and 2022.

The Parent files income tax returns in the U.S. federal jurisdiction and in various state jurisdictions.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising

Advertising costs are expensed as incurred or as committed to be spent as part of the marketing fund. Advertising costs aggregated $59,962 and $29,312 for the years ended December 31, 2023 and 2022, respectively.

Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation. These reclassification adjustments had no effect on the Company's previously reported net income.

Subsequent events

In accordance with FASB ASC 855, *Subsequent Events*, the Company has evaluated subsequent events through April 26, 2024, the date on which these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

NOTE 3. RECENTLY ADOPTED ACCOUNTING STANDARD

In June 2016, FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326)* ("ASC 326"), which along with subsequently issued related ASUs, requires financial assets (or groups of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected, among other provisions. ASC 326 eliminates the probable initial threshold for recognition of credit losses for financial assets recorded at amortized cost, which could result in earlier recognition of credit losses. It utilizes a lifetime expected credit loss measurement model for the recognition of credit losses at the time the financial asset is originated or acquired.

The Company's financial instruments include accounts receivable. The expected credit losses are adjusted each period for changes in expected lifetime credit losses.

The Company adopted ASC 326 using the modified retrospective method at January 1, 2023 and it did not have a material impact on the financial statements.

NOTE 4. REVENUES AND RELATED CONTRACT BALANCES

Disaggregated revenues

The Company derives its revenues from franchisees located in the United States. The economic risks of the Company's revenues are dependent on the strength of the economy in the United States and its ability to collect on its contracts. The Company disaggregates revenue from contracts with customers by the timing of revenue recognition by type of revenues, as it believes this best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

NOTE 4. REVENUES AND RELATED CONTRACT BALANCES (CONTINUED)

Disaggregated revenues (continued)

Revenues by timing of recognition were as follows:

	2023
Point in time:	
Franchise fees	$ 24,000
Royalties	4,020
Marketing fee revenue	451
Total point in time	28,471
Over time:	
Franchise fees	2,250
Total revenues	$ 30,721

Contract balances

Contract liabilities are comprised of unamortized initial franchise fees received from franchisees, which are presented as "Deferred revenue" in the accompanying balance sheets. A summary of significant changes in deferred revenue as of December 31, 2023 is as follows:

	2023
Deferred franchise fee - January 1	$ -
Additions for initial franchise fees received	90,000
Revenue recognized during the year	(26,250)
Deferred revenue - end of year	$ 63,750

Deferred revenues are expected to be recognized as revenue over the remaining term of the associated franchise agreements as follows:

Year ending December 31:	Amount
2024	$ 28,200
2025	4,200
2026	4,200
2027	4,200
2028	4,200
Thereafter	18,750
Total	$ 63,750

Deferred revenue consisted of the following at December 31, 2023:

	2023
Franchise units not yet opened	$ 29,850
Opened franchise units	33,900
Total	$ 63,750

NOTE 4. REVENUES AND RELATED CONTRACT BALANCES (CONTINUED)

Contract balances (continued)

The direct and incremental costs, principally consisting of commissions, are included in "Prepaid commissions" in the accompanying balance sheets, expected to be recognized over the remaining term of the associated franchise agreements at December 31, 2023, are as follows:

Year ending December 31:	Amount
2024	$ 2,000
2025	2,000
2026	2,000
2027	2,000
2028	2,000
Thereafter	9,167
Total	$ 19,167

Franchise outlets

The following data reflects the status of the Company's franchise outlets as of and for the years ended December 31, 2023 and 2022:

	2023	2022
Franchises sold	5	-
Franchises purchased	-	-
Franchised outlets in operation	3	-
Franchisor-owned outlets in operation	-	-

NOTE 5. CONCENTRATIONS OF CREDIT RISK

Cash

The Company places its cash, which may at times be in excess of Federal Deposit Insurance Corporation insurance limits, with high credit quality financial institutions and attempts to limit the amount of credit exposure with any one institution.

Accounts receivable

Concentrations of credit risk with respect to accounts receivable are limited due to the number of franchisees in the Company's customer base.

As of December 31, 2023, 100% of the Company's accounts receivables were due from two franchisees.

Revenues

For the year ended December 31, 2023, 100% of the Company's revenues were derived from two franchisees.

NOTE 6. RELATED-PARTY TRANSACTIONS

License agreement

On February 17, 2022, the Company entered into a no fee license agreement with the Licensor for the use of the registered name "Brooklyn Robot Foundry" (the "license agreement"). Pursuant to the license agreement, the Company acquired the right to sell "Brooklyn Robot Foundry" franchises, and the right to earn franchise fees, royalties and other fees from franchisees. There was no license fee charged for the years ended December 31, 2023 and 2022.

Shared services arrangement - Parent

During 2022, the Company entered into a shared service arrangement with the Parent. The Parent provides management oversight services and other services, as agreed upon. Pursuant to the shared services arrangement, the Company has agreed to reimburse the Parent for all shared service costs incurred by the Parent on behalf of the Company. There were no shared service expenses for the years ended December 31, 2023 and 2022.

Shared service agreement - Affiliate

On January 1, 2023, the Company entered into a shared service agreement with Brooklyn Robot Foundry Software, LLC., an affiliate through common ownership and control, Under this agreement, the Company is authorized to act as an agent in facilitating software licensing between the Affiliate and the Company's franchisees. These software licenses are subsequently provided to the Company's franchisees through individual software license agreements between the Affiliate and franchisee. While the Affiliate retains control over its proprietary software and establishes the terms of software licenses, the Company collects payments on behalf of the Affiliate from franchisees under these individual software license agreements.

Pursuant to this shared service agreement, the Company collected $8,800 on behalf of the Affiliate which is recorded in "Due to related party" at December 31, 2023, in the accompanying balance sheets.

NOTE 7. MARKETING FUND

System marketing fund

Pursuant to the structured form of the franchising arrangement, the Company reserves the right to collect marketing fund fees up to 3% of franchisees' reported sales. These funds are to be spent solely on advertising and related expenses for the benefit of the franchisees, with a portion designated to offset the Company's administrative costs to administer the funds, all at the discretion of the Company. As of December 31, 2023, the Company has not yet established a marketing fund.

NOTE 7. MARKETING FUND (CONTINUED)

Cooperative fund

Pursuant to the structured form of the franchising arrangement, the Company also has reserved the right to designate any geographical area in which franchisees are operating for purposes of establishing a regional advertising cooperative ("Cooperative"). If the Cooperative is established, franchisees will contribute a percentage of their monthly gross revenue as further defined in the franchise agreement to the Cooperative. As of December 31, 2023, the Company has not yet established a Cooperative.

NOTE 8. MEMBER'S EQUITY (DEFICIT)

The Company has sustained continued losses and negative cash flows from operations and, as a result, has accumulated deficit of $32,453 as of December 31, 2023. Since inception, the Company's operations have been funded through contributions from the sole member of the Parent. The Company is looking to grow and, as such, is incurring expenditures in the near term to benefit the future as it looks to grow the franchisee base and expand into new markets. Some expenses could be reduced or eliminated in order to improve operating cash flows as needed.

Subsequent to year end, management has taken several actions to improve operating cash flows mainly through the sales of franchise agreements and the anticipated opening of franchised units. As of the date these financial statements were available to be issued, the Company continues to sell franchises and collect franchise fees. The monthly royalties are expected to continue to increase as the Company opens additional franchised units. The Company believes that the combination of the actions taken will enable it to meet its funding requirements for one year from the date these financial statements were available to be issued. If necessary, management of the Company has been advised that the sole member of the Parent will continue to provide any financial assistance needed by the Company should its cash flows from operations combined with its available cash balances not be sufficient to meet its working capital needs. Management believes that the sole member of the Parent has the intent and ability to provide the funds needed, if any, to continue to fund the operations of the Company for at least one year from the date these financial statements were available to be issued.

EXHIBIT B

FRANCHISE AGREEMENT

BROOKLYN ROBOT FOUNDRY®
FRANCHISE AGREEMENT

_____
YOU (FRANCHISEE)

_____
DATE OF AGREEMENT

Brooklyn Robot Foundry Franchising, LLC
2024 Franchise Agreement

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EXHIBITS

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C – GUARANTY AND ASSUMPTION OF OBLIGATIONS

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BROOKLYN ROBOT FOUNDRY FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 20_____, between Brooklyn Robot Foundry Franchising, LLC , a New York limited liability company with a principal place of business at 98 4th Street, Suite 106, Brooklyn, NY, 11231 ("we" or "us"), and _____, a _____ with a principal place of business at _____ ("you").

INTRODUCTION

A. We have developed and own a "System" (as defined in Section 1(K) below) relating to the development and operation of Brooklyn Robot Foundry® businesses offering robotics and engineering classes and workshops for kids and adults, and related services and products.

B. We own the BROOKLYN ROBOT FOUNDRY trademark, and other trademarks and service marks (the "Marks") used in operating the System.

C. We grant qualified persons the right to develop, own and operate a Brooklyn Robot Foundry business in a specific territory.

D. You desire to obtain the right to develop and operate a Brooklyn Robot Foundry business using the System in a specific territory.

AGREEMENTS

In consideration of the mutual covenants and agreements stated below, the parties agree as follows:

1. DEFINITIONS

A. "Business" means the Brooklyn Robot Foundry business developed and operated under this Agreement which offers the Services and Products.

B. "Confidential Information" means the methods, techniques, formats, marketing and promotional techniques and procedures, specifications, information, Operations Manual (as defined in Section 7(E)), systems, and knowledge of and experience in the operation and franchising of Brooklyn Robot Foundry businesses that we communicate to you or that you otherwise acquire in operating the Business (as defined in Section 1) under the System. Confidential Information does not include information, processes or techniques that are generally known to the public, other than through disclosure (whether deliberate or inadvertent) by you.

C. "Gross Revenue" means the aggregate amount of all sales of goods and services, whether for cash, by check, credit card or otherwise, made or provided at or in connection with the Business. "Gross Revenue" does not include any federal, state, municipal or other sales, value added or retailer's excise taxes that you pay or accrue. For the purposes of this Agreement, a sale occurs at the time the Services or Products are purchased by your customer. Gross Revenue will not be adjusted for uncollected accounts.

D. "Marks" means the "BROOKLYN ROBOT FOUNDRY" trademark and service mark, the related design logo, and other trademarks, service marks, domain names, logos, slogans, and commercial symbols that we have designated, or may in the future designate, for use in the System.

E. "National Accounts" means those customers or accounts we designate, in our sole and absolute discretion, or that have two (2) or more locations, and such locations are located in more than one franchised or company-owned territory or market.

F. "Operating Principal" means the designated individual responsible for the day-to-day operation of the Business, including the training and supervision of their teachers and employees. The Operating Principal does not have to have an ownership interest in you. We must approve the Operating Principal and the Operating Principal must successfully complete our initial training program and all mandatory follow-up training programs.

G. "Principal Owner" means any person or entity who directly or indirectly owns a ten percent (10%) or greater interest in you. If any corporation or other entity other than a partnership is a Principal Owner, a "Principal Owner" also will mean a shareholder or owner of a ten percent (10%) or greater interest in such corporation or other entity. If a partnership is a Principal Owner, a "Principal Owner" also will mean each general partner of such partnership and, if such general partner is an entity, each owner of a ten percent (10%) or greater interest in such general partner.

H. "Products" means retail products, accessories, and other products that we periodically may modify or otherwise approve for sale from the Business.

I. "Designated Territory" means the geographic area, identified in Exhibit A, that we determine.

J. "Services" means the robotics and engineering classes and workshop, and other related services authorized for Brooklyn Robot Foundry businesses, as we periodically may modify or otherwise approve for sale from the Business.

K. "System" means the Brooklyn Robot Foundry system which includes the sale of Services and Products under the Marks at Brooklyn Robot Foundry businesses, using certain distinctive types of décor, products, equipment (including the Management System (as defined in Section 6(B) below)), supplies, Confidential Information, business techniques, methods and procedures, and sales promotion programs, as we periodically may modify and further improve.

2. GRANT OF FRANCHISE

A. Grant of Franchise and Designated Territory. Subject to the provisions contained in this Agreement, we grant you a franchise (the "Franchise") to own and operate a Brooklyn Robot Foundry business (the "Business") in a Designated Territory we approve and to use the Marks and other aspects of the System in operating the Business. The location of the Business and your Designated Territory are identified in Exhibit A,

B. Nature of Your Designated Territory. During the term of this Agreement, if you are in compliance with the terms of this Agreement, we will not directly operate or franchise other persons to operate any other Brooklyn Robot Foundry business within the Designated Territory. Except as otherwise described in this Section 2, you may operate your Business only in the Designated Territory. The license granted to you under this Agreement is personal in nature, may not be used in any area other than within the Designated Territory, and does not include the right to sell any Services or Products identified by the Marks at any location other than in the Designated Territory. Except as expressly stated in this Agreement, you must concentrate your advertising and marketing efforts inside your Designated Territory. Notwithstanding the foregoing, if neither we nor another franchisee operates a Brooklyn Robot Foundry business in an area adjacent to your Designated Territory, then upon your receipt of our prior written

consent, you may advertise, market and/or service customers located outside of your Designated Territory. In such instances, we reserve the right to require you in the future to cease all direct advertising and marketing efforts to those customers located outside your Designated Territory and to cease offering and selling Services and Products outside of your Designated Territory, for any reason in our sole discretion. This Agreement does not include the right to sell any Services or Products identified by the Marks through any other channels of distribution, including the Internet (or any other existing or future form of electronic commerce). You will not have the right to subfranchise or sublicense any of your rights under this Agreement. You will not use the Business for any purposes other than the operation of a Brooklyn Robot Foundry business. We also reserve the right to use any space where your Business conducts classes to host and conduct training programs for new franchisees or other personnel.

C. Rights Reserved to us. We (for us and our affiliates) retain the right:

1. To directly operate, or to grant other persons the right to operate, Brooklyn Robot Foundry businesses at locations outside the Designated Territory;

2. To promote, sell and distribute anywhere the Services and the Products authorized for sale at Brooklyn Robot Foundry businesses under trademarks and service marks other than the Marks through similar or dissimilar channels of distribution within and outside of the Designated Territory;

3. To promote, offer, sell, distribute and license the Services and the Products authorized for sale at Brooklyn Robot Foundry businesses as well as ancillary services and products under the Marks through dissimilar channels of distribution (*i.e.*, other than the operation of full-service Brooklyn Robot Foundry businesses), including over the Internet, through direct mail and wholesale activities, and pursuant to conditions we deem appropriate within and outside the Designated Territory;

4. To offer and sell classes online under the Marks to customers that are located inside and outside of your Designated Territory, which classes may consist of content that is the same as or different from the types of services and products that Brooklyn Robot Foundry franchised businesses may offer and sell;

5. To acquire businesses that are the same as or similar to the Business or other Brooklyn Robot Foundry businesses and operate, or grant others the right to operate, such businesses regardless of whether such businesses are located within or outside the Designated Territory, and to be acquired by any third party which operates, or grants others the right to operate, businesses that are the same as or similar to the Business or other Brooklyn Robot Foundry businesses regardless of whether such businesses are located within or outside the Designated Territory;

6. To advertise, market, and promote the System and Brooklyn Robot Foundry businesses generally, including on the Internet (or any other existing or future form of one or more electronic commerce) and to customers who have attended sessions at your Business and any other Brooklyn Robot Foundry business, and to create, operate, maintain and modify, or discontinue the use of websites using the Marks;

7. To provide the Services and Products to National Accounts located inside or outside of the Designated Territory, as further described in Section 9(N); and

8. All other rights not granted to you under this Agreement.

D. Minimum Performance Requirement. The rights we have granted to you under this Agreement are dependent on your achieving the following minimum performance regarding the Gross Revenue collected from customers of your Business during each 12-month period following the date you commence operations (referred to as the "Minimum Performance Requirements"):

Time Period	**Annual Gross Revenue Minimum Performance Requirement**
Year 1	$0 (No Minimum)
Year 2	$125,000
Year 3	$250,000
Year 4 and each subsequent year	$350,000

If you fail to satisfy any of the Minimum Performance Requirements, and fail to cure any deficiencies (if we grant you an opportunity to cure such a default), we may, but are not required to, take any one or more of the following actions: (1) reduce the size of your Designated Territory, with a corresponding reduction in the Minimum Performance Standard; (2) permit other franchisees, or us or our affiliates, to offer and sell Services and Products to customers located within your Designated Territory; (3) establish, or license or franchise others to establish, a Brooklyn Robot Foundry business in your Designated Territory; and/or (4) terminate this Agreement.

You acknowledge and agree that the Minimum Performance Requirements do not constitute financial performance representations, and that we do not warrant or guaranty that you will achieve the Minimum Performance Requirements in any given year.

3. TERM OF FRANCHISE; RENEWAL RIGHTS

A. Term. The term of this Agreement will be for ten (10) years commencing on the date of this Agreement (the "Effective Date").

B. Renewal Terms. You will have the right to enter into a successor agreement for the Franchise for one (1) additional renewal term of ten (10) years, provided you satisfy the following conditions respecting each renewal term:

1. You have given us written notice at least one hundred eighty (180) days but no more than three hundred and sixty (360) days before the end of the term of this Agreement of your intention to enter into a successor agreement;

2. You have complied with all of the material provisions of this Agreement and all other agreements between you and us or any of our respective affiliates, including the payment of all monetary obligations you owe to us or our affiliates, and have complied with our material operating and quality standards and procedures;

3. You have upgraded and modernized your Business, including purchasing any new equipment, materials, and supplies we designate, to reflect our then-current requirements and standards

4. You have paid to us at least thirty (30) days before the term of this Agreement expires a renewal fee equal to 20% of our then-current initial franchise fee ("Renewal Fee");

5. You sign our then-current standard Franchise Agreement which may differ materially from the provisions of this Agreement; provided that you will be required to pay the Renewal Fee in lieu of the Initial Franchise Fee stated in the then-current Franchise Agreement; and

6. You and each Principal Owner sign a general release, in form acceptable to us, of all claims against us and our affiliates, officers, directors, employees, and agents.

4. FRANCHISE AND OTHER FEES

A. Initial Franchise Fee. You will pay us an initial franchise fee of $38,500 (the "Initial Franchise Fee"). The Initial Franchise Fee is payable when you sign this Agreement, is fully earned by us upon receipt, and is not refundable.

B. Royalty Fee. You will pay us a monthly royalty fee equal to the amount as follows ("Royalty Fee"):

Year	Royalty Fee
Year 1	The greater of (i) 7% of your Gross Revenue for the prior calendar month, or (ii) $480.
Year 2	The greater of (i) 7% of your Gross Revenue for the prior calendar month or (ii) $480.
Year 3	The greater of (i) 7% of your Gross Revenue for the prior calendar month or (ii) $960.
Year 4 and Each Subsequent Year	The greater of (i) 7% of your Gross Revenue for the prior calendar month or (ii) $1,340.

The Royalty Fee is due and payable on or before the 15th day of each calendar month based on the Gross Revenues for the immediately preceding calendar month, or as otherwise described in the Operations Manual. We reserve the right to modify the manner or frequency in which we collect the Royalty Fee upon notice to you. For purposes of clarity, "Year 1" shall consist of the 12-month period following the date you commence operations. You shall not be obligated to pay any Royalty Fees for the period before you commence operations. You must begin paying the Royalty Fee once you open and commence operations, with your first Royalty Fee payment being due the 15th of the following calendar month. Credit card processing fees will be excluded when calculating the amount of Royalty Fees and Marketing Fees that you are required to pay us.

C. Gross Revenue Reports. In addition, on or before the 10th day of each calendar month, you shall provide to us a written report, in the manner and method prescribed by us, which details your Gross Revenues for the immediately preceding calendar month.

D. Marketing Fee. As further described in Section 5(A) below, throughout the Term of this Agreement you are required to pay us Marketing Fees. We will deposit the Marketing Fee into the System Marketing Fund described in Section 5(B) below. The Marketing Fee is due and payable at the same time and in the same manner as the Royalty Fee.

E. Technology Fee. You are required to pay us our then-current technology fee (the "Technology Fee"), which will be related to the operation of the Management System, including one or more proprietary software programs, our website, and for any other purpose we determine in our discretion. The Technology Fee is due and payable on or before the 15th day of each calendar month, but we reserve the right to modify the manner or frequency in which we collect the Royalty Fee upon notice to you. You must begin paying us the Technology Fee upon completion of the initial training program described in Section 7 of this Agreement, with your first Technology Fee payment being due the 15th of the following calendar month after training ends. For the first three months when you are required to pay the Technology Fee, you will only be required to pay 50% of our then-current Technology Fee. Beginning as of the fourth month when you are required to pay the Technology Fee, and each month thereafter, you are required to pay 100% of our then-current Technology Fee. We may increase the Technology Fee upon notice to you.

F. Electronic Transfer of Funds. We will require you to sign electronic transfer of funds ("EFT") authorization attached to this Agreement as Exhibit B and other documents as we periodically designate to authorize your bank to transfer, either electronically or through some other method of payment we designate, directly to our account and to charge your account for all minimum Royalty Fees, Marketing Fees, and other amounts you owe us. Your authorization will permit us to designate the amount to be transferred from your account. You must maintain a balance in your accounts sufficient to allow us to collect the amounts owed to us when due. You will be responsible for any penalties, fines or similar expenses associated with the transfer of funds described herein. Further, in addition to interest charges on late fee payments, you must pay to us a service charge of up to $25 per day for each delinquent payment that you owe to us under this Agreement. A payment is delinquent for any of the following reasons: (1) we do not receive the payment on or before the date due; or (2) there are insufficient funds in your bank account to collect the payment by a transfer of funds on or after the date due.

G. Interest on Late Payments. All Royalty Fees, Marketing Fees, and other amounts which you owe to us or our affiliates will bear interest after the due date at the lesser of: (1) eighteen percent (18%) per year; or (2) the maximum contract rate of interest permitted by law in the state in which the Business is located.

H. Application of Payments. We have discretion to apply amounts due to us or any of our affiliates any payments received from you or any amount we owe you.

I. Withholding Payments Unlawful. You agree that you will not withhold payment of any Royalty Fees, Marketing Fees, or any other amount due us, and that the alleged non-performance or breach of any of our obligations under the Franchise Agreement or any related agreement does not establish a right at law or in equity to withhold payments due us for Royalty Fees, Marketing Fees or any other amounts due.

J. Tax Indemnification. You will indemnify us and reimburse us for all income, capital, gross receipts, sales, and other taxes that the state in which the Business is located imposes as a result of your operation of the Business or the license of any of our intangible property in the jurisdiction in which the Business is located. If more than one Brooklyn Robot Foundry business is located in such jurisdiction, they will share the liability in proportion to their Gross Sales from the franchised business, except in the case of sales taxes and gross receipts taxes, which will be divided in proportion to taxable sales to you. If applicable, this payment is in addition to the Royalty Fee payments described above.

5. ADVERTISING

A. Launch Advertising. During the first five months after the Effective Date of this Agreement, you must spend a minimum of $6,000 in your Designated Territory on a Business opening

marketing campaign that we have approved in advance ("Launch Advertising Requirement"). We reserve the right to collect the $6,000 directly from you and spend it on your behalf in connection with the Business opening marketing campaign.

B. Marketing and Promotional Fund. Within 90 days of the Effective Date of this Agreement, you are required to pay to us for deposit in a marketing and promotional fund (the "System Marketing Fund" or "Fund") a monthly marketing fee (the "Marketing Fee") of 3% of Gross Revenues. The Marketing Fee is due and payable in the same manner as the Royalty Fee described in Section 4(B) above. We will place all Marketing Fees we receive in the System Marketing Fund and will manage such Fund. We also will contribute to the System Marketing Fund for each Brooklyn Robot Foundry business that we operate in the United States at the same rate as a majority of Brooklyn Robot Foundry businesses must pay to the System Marketing Fund. Reasonable disbursements from the System Marketing Fund will be made solely to pay expenses we incur in connection with the general promotion of the Marks and the System, including the cost of formulating, developing and implementing advertising, marketing, promotional and public relations campaigns; the cost of market research and analytics; and the reasonable costs of administering the System Marketing Fund, including the cost of employing advertising, public relations and other third party agencies to assist us and providing promotional brochures and advertising materials to Brooklyn Robot Foundry businesses and to regional and local advertising cooperatives, as well as accounting expenses and the actual costs of salaries and fringe benefits paid to our employees engaged in administration of the System Marketing Fund. The System Marketing Fund is not a trust or escrow account, and we have no fiduciary obligations regarding the System Marketing Fund. We cannot ensure, and do not represent that, that you will benefit directly or on a pro rata basis from the future placement of any such advertising in your local market. We may spend in any fiscal year an amount greater or less than the aggregate contributions of Brooklyn Robot Foundry businesses to the System Marketing Fund in that year. We may have the System Marketing Fund borrow from us or other lenders to cover any System Marketing Fund deficits. We may have the System Marketing Fund invest any surplus for the System Marketing Fund's future use. We may, through the System Marketing Fund, furnish you with approved local marketing plans and materials on the same terms and conditions as plans and materials we furnish to other Brooklyn Robot Foundry businesses. We will determine the methods of advertising, media employed and scope, contents, terms and conditions of advertising, marketing, promotional and public relations campaigns and programs. Upon written request, we will provide you an annual unaudited statement of the receipts and disbursements of the System Marketing Fund for the most recent calendar year.

C. Local Marketing and Business Promotion. In addition to the Marketing Fee, you must spend at least $12,000 during the first twelve months of operations on approved marketing and promotional activities in your Designated Territory, however, the amount that you spend on the Launch Advertising Requirement will be credited towards your local advertising requirement during your first 12 months of operations. Commencing as of the 13th month of operations and for the remainder of your term of this Agreement, you must spend at least 2% of Gross Revenue each month on approved marketing and promotional activities in your Designated Territory. Within 15 days following the end of each quarter, you will provide us with an accounting of the funds that you have spent on local marketing for the preceding quarter. If you fail to spend the minimum amount required under this Section on approved local marketing, then at our discretion, we may require you to deposit with us the difference between what you should have spent on approved marketing during the quarter, and what you actually spent on approved marketing during the quarter. We will deposit that amount in the System Marketing Fund. For purposes of this Section, Business marketing and promotional activities are "approved" if they comply with Section 5(E) below.

D. Cooperative Advertising. In the future, we may require that you will participate in, support and contribute to the cost of regional cooperative advertising programs we designate. We reserve the right to designate regional and local advertising markets, to establish regional advertising councils and to establish the bylaws and other rules under which such councils will operate. Your contributions to regional

and local advertising cooperatives will be credited toward your local marketing obligations described in Section 5(C), as we periodically prescribe.

E. Approved Advertising, Media Plans and Business Promotion Materials. We may develop, and make available to you, local media planning assistance. If we do so, you must use our recommended media plan in promoting the Business or otherwise develop, and obtain our advance written approval to, an alternative media/promotion plan. In addition, you will use only our approved advertising and promotional materials in promoting the Business. If you desire to use any advertising or promotional materials in promoting the Business which we previously have not approved, you must submit all materials to us for our approval before using any such materials, which approval will not be unreasonably withheld. If we do not approve in writing those advertising or promotional materials within ten (10) days after you submit those materials to us, then those materials are deemed to be rejected and you may not use those materials. If you use any advertising or promotional materials without submitting those materials to us or if you use materials we disapprove, in addition to any separate remedies we may have, any amounts spent on those materials will not be credited toward your local marketing obligations described in Section 5(C) above.

F. Participation in Certain Programs and Promotions. You must use your best efforts to promote and advertise your Business and must participate in all advertising and promotional programs we establish in the manner we direct. You must, at your expense, participate in, and honor all provisions of any gift card and/or loyalty program that we have established or may establish and as we may modify, as further described in the Operations Manual. You also must honor all coupons, discounts and gift certificates as we may reasonably specify in the Operations Manual or otherwise in writing. You must also participate in any mystery shopper program or compliance assessments we require.

6. DEVELOPMENT AND OPENING OF THE BUSINESS

A. Business Office. You must operate the Business from a quiet, organized, and dedicated commercial office that you lease or own (the "Business Office"). Your Business Office cannot be a home office without our prior written consent. Your Business Office must have sufficient storage space, where you can store any necessary Products, equipment, supplies, inventory, and other items that are necessary for the operation of the Business. Your Business Office must have a place for a desk and office equipment and be at least 400 square feet. You are solely responsible for locating a Business Office that meets our standards and specifications. You must identify the address of your Business Office in Exhibit A.

B. Management System. You will use in the Business the point-of-sale system (POS System), management and reporting system, including all existing or future communication or data storage systems, components thereof and associated service, which we have developed or selected for the System (collectively, the "Management System"). The Management System may include one or more proprietary or other software programs developed or customized for us (the "Designated Software"). You must use the Designated Software from us, our affiliate, or our designated supplier. The Designated Software will remain the confidential property of us, our affiliate, or our designated supplier. You must enter into our, our affiliate's, or our designee's standard form software license agreement in connection with your use of any Designated Software, which may include the form of sample software license agreement attached to this Agreement as Exhibit E. We and our affiliate reserve the right to charge you initial and ongoing license and access fees related to your use of the Designated Software. You will pay the then-current initial fee (if any) for the Designated Software at or before the Designated Software is delivered to you. We and our affiliates reserve the right to assign our rights, title and interest in any Designated Software to a third party we designate or to replace the Designated Software. In such event, you may be required to enter into a separate computer software license agreement specified by the third party supplier of the Designated Software and pay any separate fees imposed under that agreement. You must participate in our designated Payment Card Industry ("PCI") compliance program if we establish such a program and pay the then-

current fee associated with such program. If we do not designate a separate PCI compliance program, you must take all necessary steps to comply with all applicable PCI data security standards. We also may access financial information and customer data produced by or otherwise located on your Management System (collectively the "Customer Data"). During and after the term of this Agreement, we will have sole ownership of the Customer Data that is stored on the Management System and that you otherwise collect in operating your Business, although you will be responsible for obtaining all customer consents necessary to allow us to use the Customer Data for various purposes as we may identify. We will periodically establish policies respecting the Customer Data. You must comply with all laws and regulations relating to privacy and data protection, and must comply with any privacy policies or data protection and breach response policies we periodically may establish. You must notify us immediately of any suspected data breach at or in connection with the Business. You must have Internet access with a form of high-speed connection as we require. You will use an e-mail address we designate for communication with us. The computer hardware component of the Management System must comply with specifications we develop. We reserve the right to require the Management System to be configured as a package unit. We have the right to designate a single source from which you must purchase the Management System, any software or hardware components thereof or associated service, and we or our affiliates may be that single source. You will be required to use and, at our discretion, pay for all future updates, supplements and modifications to the Management System. It is your responsibility to protect yourself from disruptions, Internet access failures, Internet content failures, and attacks by hackers and other unauthorized intruders and you waive any and all claims you may have against us as the direct or indirect result of such disruptions, failures and attacks.

D. Business Opening. You must comply with any Business opening requirements we periodically describe in the Operations Manual. You will not open the Business for business without our prior written approval. You agree to complete the development and open the Business for business within 6 months following the Effective Date.

G. Relocation of Business. You will not relocate the Business from the Designated Territory or relocate the Designated Territory without our prior written consent, which we may withhold or condition in our reasonable discretion. If we grant you the right to relocate the Business or the Designated Territory, then you will be required to pay us a relocation fee equal to $2,500.

7. TRAINING AND OPERATING ASSISTANCE

A. Development of Business. We will provide you with reasonable consulting services in connection with the selection and evaluation of the proposed territory and development of the Business. You acknowledge that our assistance in territory location and consent to the territory does not represent a representation or guaranty by us that the territory will contribute to your Business being a success.

B. Training. Before the opening of the Business, we will provide to the you and Operating Principal (if they are different people) an initial training program on the operation of a Brooklyn Robot Foundry business, provided at a place and time we designate. The Operating Principal must be approved by us, which we will not unreasonably withhold. You (and the Operating Principal if they are different people) must attend and successfully complete our initial training program. The initial training program may include online tutorials, classroom instruction and on-site training relating to Business operations, customer service, marketing and sales programs, and any other topics that we determine in our sole discretion. If, during the initial training program, we determine that you (or the Operating Principal) is not qualified to manage the Business, we will notify you and you must select and enroll a substitute Operating Principal in the initial training program. In addition, all new Operating Principals must complete our designated initial training program. We may charge you a reasonable fee for those new or additional individuals who attend the initial training program. We may require the Operating Principal to attend all supplemental and refresher training programs that we designate during the Term of this Agreement, and we

may charge you a reasonable fee for these supplemental and refresher training programs. You are solely responsible for the compensation, travel, lodging and living expenses you and your employees incur in attending the initial training program, as well as any supplemental or refresher training programs. You also are solely responsible for paying your employees and providing all necessary insurance, including worker's compensation insurance, for you and your employees, while you and your employees attend training.

C. Initial Inventory Organization Assistance; Opening Assistance.

1. Prior to commencing operations, we will provide you with the services of one of our representatives for on-site initial inventory organization assistance at your Business Office to help you organize your initial inventory according to system guidelines for approximately one to two days. We will provide this assistance once we have determined that your Business Office has been set up in accordance with our then-current standards and specifications, and subject to our availability. However, we are not required to provide this initial inventory organization assistance if this is your second or subsequent Business.

2. We will provide you with the services of one of our representatives for your first two (2) events conducted by your Business to assist you in the opening and initial operations of the Business. In addition to your first two events, one of our representatives will also attend two (2) additional events that your Business hosts within the first (3) months of your Business's operations. We will not charge you a fee in connection with this on-site assistance for these first four (4) events.

D. Operating Assistance. We will advise you on operational issues and provide assistance in operating the Business as we deem appropriate. Operating assistance may include advice regarding the following:

1. additional Services and Products authorized for sale at Brooklyn Robot Foundry businesses;

2. selecting, purchasing and marketing products, inventory, and other approved supplies and suppliers;

3. marketing assistance and sales promotion programs;

4. establishing and operating administrative, bookkeeping, accounting, inventory control, sales and general operating procedures for the proper operation of a Brooklyn Robot Foundry business; and

5. an overall evaluation of the performance of the Business and conformity within the System.

Upon your reasonable request, we may elect to provide ongoing on-site assistance for additional events, and we may charge you a reasonable per diem fee in connection with such on-site assistance. You must reimburse us for all travel, lodging and living expenses incurred by our representatives to provide such on-site assistance.

We will provide such guidance, in our discretion, through our Operations Manual, bulletins or other written materials, telephone conversations and/or meetings at our office or at a location in your Designated Territory in conjunction with an inspection of the Business. We may, in our discretion, also provide a written evaluation of the Business regarding your overall performance and conformity with the System. We will provide additional assistance in a manner we determine in our sole discretion for a fee.

E. Operations Manual. We will provide on loan to you, during the term of this Agreement, electronic (Internet) access to an Operations Manual, which may include other handbooks, manuals, videos, and written materials (collectively, the "Operations Manual") for Brooklyn Robot Foundry franchised businesses. The Operations Manual will contain mandatory and suggested specifications, standards and operating procedures that we develop for Brooklyn Robot Foundry businesses and information relating to your other obligations. Any required specifications, standards and operating procedures exist to protect our interests in the System and the Marks and to create a uniform customer experience, and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. We may add to, and otherwise modify, the Operations Manual to reflect changes in authorized Services and Products, and specifications, standards and operating procedures of a Brooklyn Robot Foundry business. The master copy of the Operations Manual that we maintain at our principal office or on our website, and make available to you electronically, will control if there is a dispute involving the contents of the Operations Manual.

F. Conventions and Meetings. We periodically may hold or sponsor franchise conventions and meetings at a location we designate relating to new Services or Products, new operational procedures or programs, training, business management, sales and sales promotion, or other topics that we determine in our discretion. These franchise conventions and meetings may be optional or mandatory, as we designate. You and your Operating Principal must attend, at your expense, all mandatory franchise conventions and meetings we may hold. If you or your Operating Principal cannot attend a convention or meeting, you/he/she/they must so notify us before the convention or meeting and must have a substitute person acceptable to us attend the event. We reserve the right to charge you a fee for any annual franchise convention or meeting that we sponsor or designate, regardless of your attendance.

8. MARKS

A. Ownership and Goodwill of Marks. You acknowledge that you have no interest in or to the Marks and that your right to use the Marks is derived solely from this Agreement and is limited to the conduct of business in compliance with this Agreement and all applicable specifications, standards and operating procedures that we require during the term of the Franchise. You agree that the use of the Marks and any goodwill established exclusively benefits us, and that you receive no interest in any goodwill related to your use of the Marks or the System. You must not, at any time during the term of this Agreement or after your termination or expiration, contest or assist any other person in contesting the validity or ownership of any of the Marks.

B. Limitations on Your Use of Marks. You agree to use the Marks as the sole identification of the Business, but you must identify yourself as the independent owner in the manner we direct. You must not use any Mark as part of any corporate or trade name or in any modified form, nor may you use any Mark in selling any unauthorized product or service or in any other manner we do not expressly authorize in writing. You agree to display the Marks prominently and in the manner we direct on all signs and forms. Subject to our rights described in this Agreement, you agree to obtain fictitious or assumed name registrations as may be required under applicable law.

C. Restrictions on Internet and Website Use. Except as otherwise described in this Agreement, we retain the sole right to advertise the System on the Internet and to create, operate, maintain and modify, or discontinue the use of, a website using the Marks. You have the right to access and participate in our website as further described in Section 9(L) below. We will create and maintain interior pages on our website(s) that contain information about your Business and other Brooklyn Robot Foundry businesses. We may require you to prepare all or a portion of the page for your Business, at your expense, using a template that we provide and/or by paying our designated supplier. Furthermore, any updates or modifications to such pages, whether required by us or requested by you, will be at your sole expense. All

such information, updates, or modifications must comply with our standards and specifications as described in our Operations Manual or otherwise in writing. Except as we may authorize in writing, however, you will not: (1) link or frame our website; (2) conduct any business or offer to sell or advertise any Products or Services or similar products or services on the Internet (or any other existing or future form of electronic communication) including e-mail marketing or other digital marketing, except through our designated website and approved social media accounts; (3) create or register any Internet domain name in any connection with the Business; (4) use any e-mail address which we have not authorized for use in operating the Business; and (5) conduct any activity on "social media" or related social networking website other than as we have expressly authorized in writing. You will not register, as Internet domain names, any of the Marks that we now or hereafter may own or any abbreviation, acronym or variation of the Marks, or any other name that could be deemed confusingly similar.

D. Notification of Infringements and Claims. You must notify us immediately in writing of any apparent infringement of or challenge to your use of any Mark, or any claim by any person of any rights in any Mark or any similar trade name, trademark or service mark of which you become aware. You must not communicate with any person other than us and our counsel regarding any infringement, challenge or claim. We may take any action we deem appropriate and have the right to exclusively control any litigation or other proceeding arising out of any infringement, challenge or claim relating to any Mark. You will sign all documents, provide assistance and take all action as we may reasonably request to protect and maintain our interests in any litigation or other proceeding or to otherwise protect and maintain our interests in the Marks.

E. Litigation. You will have no obligation to and will not, without our prior written consent, defend or enforce any of the Marks in any court or other proceedings for or against imitation, infringement, any claim of prior use, or for any other allegation. You will, however, immediately notify us of any claims or complaints made against you respecting the Marks and will, at your expense, cooperate in all respects with us in any court or other proceedings involving the Marks. Subject to our right of indemnification (as described in Section 18(B) below), we will pay the cost and expense of all litigation we incur, including attorneys' fees, specifically relating to the Marks. We and our legal counsel will have the right to control and conduct any litigation relating to the Marks.

F. Changes. You cannot make any changes or substitutions to the Marks unless we so direct in writing. We reserve the right, in our discretion, to modify or discontinue use of any Mark, or to use one or more additional or substitute trademarks or service marks. In such event, you will, at your expense, comply with such modification or substitution within a reasonable time after notice by us. If in our or affiliate's reasonable determination, the use of Marks in connection with the System will infringe or potentially infringe upon the rights of any third party, then upon notice from us, you will terminate or modify, within a reasonable period of time, such use in the manner prescribed by us. If we change the Marks as a result of such determination, we will reimburse you for any out-of-pocket expenses that you incur to implement such modifications or substitutions. However, we are not obligated to reimburse you for any loss of goodwill or revenue associated with any modified or discontinued Mark, nor are we responsible for reimbursing you for any other costs or damages.

9. BUSINESS IMAGE AND OPERATING STANDARDS

A. Condition and Appearance of Business/Remodeling of Business. You agree to maintain the condition and appearance of the Business, vehicle(s), equipment, supplies, and signs, and otherwise comply with our then-current standards and specifications for each of those respective items. You will replace non-compliant, worn out, or obsolete equipment, vehicles, supplies, signs, and other items. If at any time in our reasonable judgment, the general state of repair, appearance or cleanliness of the Business, equipment, vehicle(s), supplies, signs or other items do not meet our then-current standards, we will so

notify you, specifying the action you must take to correct the deficiency. If you fail, within ten (10) days after receipt of notice, to commence action and continue in good faith and with due diligence, to undertake and complete any required maintenance, refurbishing, or upgrading, we may (in addition to our rights under Section 15 below) correct the deficiencies on your behalf, and at your expense.

B. Restriction on Use of Premises. You agree that you will not, without our prior written approval, offer from the Business any services or products we have not then authorized for use or sale for Brooklyn Robot Foundry businesses, nor will the Business or any proprietary Brooklyn Robot Foundry supplies be used for any purpose other than the operation of a Brooklyn Robot Foundry business in compliance with this Agreement.

C. Your Hiring and Training of Employees. You will hire all employees of the Business, and be exclusively responsible for the terms of their employment, scheduling, benefits, disciplining, compensation, and all other personnel decisions. You will implement a training program for Business employees in compliance with our requirements. You will maintain at all times a staff of trained employees sufficient to operate the Business in compliance with our standards. You acknowledge and agree that any training we provide for your employees is geared to impart to those employees, with your ultimate authority, the various procedures, protocols, systems and operations of a Brooklyn Robot Foundry business and in no fashion reflects any employment relationship between us and such employees. You must ensure that all Business employees comply with all licenses and certifications respecting the Business as we may require or as federal, state and/or local authorities may require. At all times, the Business must be operated under the direct supervision of the Operating Principal. If it is ever asserted that we are the employer, joint employer or co-employer of any of your employees in any private or government investigation, action, proceeding, arbitration or other setting, you irrevocably agree to assist us in defending said allegation, appearing at any venue requested by us to testify on our behalf; participating in depositions or other appearances; or preparing affidavits rejecting any assertion that we are the employer, joint employer or co-employer of any of your employees. Further, it is the intention of the parties to this Agreement that we shall not be deemed a joint employer with you for any reason.

D. Authorized Products, Supplies and Equipment. You agree to offer and sell from the Business all and only the Services and Products, including Brooklyn Robot Foundry gift cards, which we have approved as being suitable for sale and meeting the standards of quality and uniformity for the System. In addition, you agree to use in the operation of the Business only such products, supplies and equipment which we have approved as being suitable for use and meeting the standards of quality and uniformity for the System and are purchased from suppliers we have approved (which may include us and/or our affiliates). We periodically may modify the lists of approved products, supplies, equipment, brands and suppliers. If you propose to offer for sale or use in operating the Business any products, supplies or equipment which we have not approved, you must first notify us in writing and provide sufficient information, specifications and samples concerning the brand and/or supplier to permit us to determine whether the brand complies with our specifications and standards and/or the supplier meets our approved supplier criteria. We will notify you within sixty (60) days of our receipt of all required documents whether the proposed brand and/or supplier is approved. We may develop procedures for the submission of a request for approved brands or suppliers and obligations that approved suppliers must assume (which may be incorporated in a written agreement to be signed by the approved supplier). We reserve the right to charge you our then-current evaluation fee and require you to reimburse us our reasonable costs and expenses that we incur to review a proposed brand or supplier. We may impose limits on the number of suppliers and/or brands for any products, supplies or equipment sold or used in the Business or otherwise related to the Franchise, and we may require that you use only one supplier for any products, supplies or equipment. You agree that certain products, materials, and other items and supplies may only be available from one source, and we or our affiliates may be that source. WE AND OUR AFFILIATES MAKE NO WARRANTY AND EXPRESSLY DISCLAIM ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND

FITNESS FOR ANY PARTICULAR PURPOSE, RESPECTING PRODUCTS, EQUIPMENT (INCLUDING ANY REQUIRED POINT-OF-SALE SYSTEMS), SUPPLIES, FIXTURES, FURNISHINGS OR OTHER ITEMS THAT ARE MANUFACTURED OR DISTRIBUTED BY THIRD PARTIES AND THAT WE APPROVE FOR USE IN THE SYSTEM.

E. Safety Standards. You must comply with all applicable governmental safety standards in operating and maintaining your Business. You also must comply with any higher standards that we prescribe.

F. Business Operation. We will approve the days and hours of operation for the Business and you may not modify those hours of operation without our prior written consent.

G. Standards of Service. You must at all times give prompt, courteous and efficient service to your customers equally. You must, in all dealings with your customers and suppliers and the public, adhere to the highest standards of honesty, integrity and fair dealing.

H. Specifications, Standards and Procedures. You acknowledge that each and every detail of the appearance and operation of the Business is important to us and other Brooklyn Robot Foundry businesses. You agree to maintain the highest standards of quality and service in the Business and agree to comply with all mandatory specifications, standards and operating procedures (whether contained in the Operations Manual or any other written or oral communication to you) relating to the appearance or operation of a Brooklyn Robot Foundry business, including:

1. type and quality of Services and Products and Product procurement;

2. methods and procedures relating to marketing and customer service;

3. the safety, maintenance, cleanliness, function and appearance of the Business, and its equipment, vehicle, décor and signs;

4. qualifications, dress, general appearance and demeanor of Business employees. Each of your employees will wear only those uniforms which we have approved in writing;

5. conducting criminal background checks on all employees and independent contractors of your Business;

6. the style, make and/or type of equipment (including computer equipment) used in operating the Business;

7. Use of signs, posters, displays, standard formats and similar items; and

8. Business advertising and promotion.

I. Compliance with Laws and Good Business Practices. You must secure and maintain in force all required licenses, permits and certificates relating to the operation of the Business, and must operate the Business in full compliance with all applicable laws, ordinances and regulations, including all labor and employment laws. You must notify us in writing within five (5) days of the commencement of any action, suit, proceeding or investigation, and of the issuance of any order, injunction, or award of decree, by any court, agency, or other governmental instrumentality that may adversely affect the operation or financial condition of you or the Business. You will not conduct any business or advertising practice which

injures our business, the System or the goodwill associated with the Marks and other Brooklyn Robot Foundry businesses.

J. Management of the Business/Conflicting Interests. The Business must at all times be under the direct supervision of the Operating Principal. The person who is responsible for the day-to-day supervision of the Business (i.e., the Operating Principal) must at all times faithfully, honestly and diligently perform his/her/their obligations and continuously use best efforts to promote and enhance the business of the Business. The person who is responsible for the day-to-day supervision of the Business must assume his/her/their responsibilities on a full-time basis and must not engage in any other business or other activity, directly or indirectly, that requires any significant management responsibility, time commitments, or otherwise may conflict with your obligations. If at any time the Operating Principal is not managing the Business, we immediately may appoint a manager to maintain Business operations on your behalf. Our appointment of a manager of the Business does not relieve you of your obligations or constitute a waiver of our right to terminate the Franchise under Section 15 below. We are not liable for any debts, losses, costs or expenses you incur in operating the Business or to any of your creditors for any products, materials, supplies or services purchased by the Business while it is managed by our appointed manager. We may charge a reasonable fee for management services and cease to provide management services at any time.

K. Insurance. You agree to purchase and maintain in force, at your expense, insurance at a minimum in the types of coverage and amounts we specify in the Operations Manual or otherwise in writing. All insurance policies will: (1) be issued by an insurance carrier(s) acceptable to us and that have an A.M. Best rating of A or higher; (2) will name us and our affiliates, and their respective officers, directors and employees, as an additional insured; (3) contain a waiver of the insurance company's right of subrogation against us; (4) contain the above-mentioned insurance coverage for each Brooklyn Robot Foundry business that you operate; and (5) provide that we will receive thirty (30) days' prior written notice of a material change in or termination, expiration or cancellation of any policy (or such shorter period as the insurance carrier may require and approved by us). We periodically may, with prior written notice to you, increase the minimum liability protection requirements, and require different or additional kinds of insurance to reflect inflation or changes in standards of liability. If at any time you fail to maintain in effect any insurance coverage we require, or to furnish satisfactory evidence thereof, we, at our option, may obtain insurance coverage for you. You agree to promptly sign any applications or other forms or instruments required to obtain any insurance and pay to us, on demand, any costs and premiums we incur, together with an administrative fee equal to five percent (5%) of the insurance premium. You will provide us with copies of the certificate of insurance, insurance policy endorsements and other evidence of compliance with these requirements as we periodically require at least two (2) weeks before you take possession and commence development of the Business premises and at such other times as we may require. In addition, you will provide to us a copy of the evidence of the renewal or extension of each insurance policy in a form we require. Your obligation to obtain and maintain these insurance policies in the amounts specified will not be limited in any way by reason of any insurance that we may maintain, nor does your procurement of required insurance relieve you of liability under the indemnity obligations described in Section 18. Your insurance procurement obligations under this Section are separate and independent of your indemnity obligations**.** We do not represent or warrant that any insurance that you are required to purchase will provide you with adequate coverage. The insurance requirements specified in this Agreement are for our protection. You should consult with your own insurance agents, attorneys and other insurance advisors to determine the level of insurance protection you need and desire, in addition to the coverage and limits we require.

L. Participation in Internet Website.

1. You will participate in a Brooklyn Robot Foundry website listed on the Internet or other online communications and participate in any intranet system we control. We will, at our

discretion, determine the content and use of a Brooklyn Robot Foundry website and intranet system and will establish rules under which you may or will participate. We will retain all rights relating to the Brooklyn Robot Foundry website and intranet system and may alter or terminate the website or intranet system at any time without notice to you. Your general conduct on the Internet and the Brooklyn Robot Foundry intranet system, and specifically your use of the Marks or any advertising on the Internet (including the domain name and any other Marks we may develop as a result of participation in the Internet), will be subject to the provisions of this Agreement. You acknowledge that certain information obtained through your online participation in the website or intranet system is considered Confidential Information, including access codes and identification codes. Your right to participate in the Brooklyn Robot Foundry website or intranet system or otherwise use the Marks or the System on the Internet will terminate when this Agreement expires or terminates.

2. We will establish your approved social media account(s) for your Business using your Brooklyn Robot Foundry email address. Your operation and maintenance of your social media accounts(s) must comply with our then-current standards and specifications as set forth in our Operations Manual or otherwise in writing, which may include making us an administrator of the accounts. At our sole discretion, we reserve the right to remove any social media posts that do not constitute approved marketing or otherwise comply with our Operations Manual. You are prohibited from creating any additional social media accounts in connection with your Business. All content that you post on social media will constitute Improvements (as defined in Section 12(B) of the Franchise Agreement).

M. National Accounts.

1. We may establish a "National Accounts Program" that is designed to generate customer leads as a result of national marketing, strategic alliances and partnerships, or other lead generation efforts we or our affiliates conduct or that otherwise involves National Accounts. We may permit you to participate in the National Accounts Program and service National Accounts in your Designated Territory in accordance with the terms of the National Accounts Program as described in the Operations Manual or as we otherwise describe in writing. If we offer you the right to provide Services or Products to a National Account, then you must notify us in writing of your decision to accept or reject the performance of Services or sale of Products in accordance with the time period set forth in the Operations Manual, and your failure to provide timely written notice to us will be deemed a rejection by you.

2. If you agree to provide Services and Products to a National Accounts, then you must do so in accordance with the agreement that we execute with the applicable National Account. We will collect, or you must pay us, our then-current applicable National Account fee or commission (the "National Account Fee") in connection with Services and Products sold to or performed for National Accounts. In any event, you will not be entitled to any amounts under the National Account Program after the expiration or termination of this Agreement.

3. We have the right to offer and sell Services and Products to a National Account or grant a third party (including another Brooklyn Robot Foundry business, either franchisee-owned or corporately-owned) the right to sell Services and Products to a National Account in your Designated Territory without compensation to you in the event: (a) you are in default of this Agreement, (b) the National Account objects to you providing the Services or Products, or (c) you fail to timely notify us of your acceptance to offer and sell the Services and Products to the National Account.

N. Minimum Working Capital. You will, at all times, maintain our then current minimum working capital requirements as set forth in our Operations Manual to operate the Business and to fulfill your obligations under this Agreement.

O. Criminal Background Checks. We will require your Operating Principal, and each of your Owners, partners, employees, and independent contractors to undergo and pass, to our satisfaction, a complete criminal background check. You may not hire or engage any employees or independent contractors that have not yet passed the background check to our satisfaction.

10. RECORDS AND REPORTS

A. Accounting and Records. During the term of this Agreement, you will, at your expense, establish and maintain at a business location within the Designated Territory and retain for a minimum of five (5) years from the date of their preparation, an accounting and record keeping system we designate that will generate complete and accurate books, records, and accounts relating to the Business (the "Records"). The accounting and record keeping system will include accounting and reporting software that we periodically direct. The Records must be prepared in the form and manner we direct in the Operations Manual or otherwise in writing, and must include the following: (1) monthly bank statements and daily deposit slips; (2) all tax returns relating to the Business and each of its Principal Owners; (3) suppliers' invoices (paid and unpaid); (4) monthly balance sheets and profit and loss statements; (5) weekly inventories; and (6) such other records and information as we periodically may request. You must preserve the Records and submit reports electronically, consistent with our requirements. You will ensure that we have electronic access at all times to the Records and related reports. If at any time you fail to fully comply with your obligations under this Section 10, we may require that you engage, at your expense, a third party accounting firm or other service provider that we designate to satisfy the requirements of this Section 10.

B. Reports and Tax Returns. You will deliver or allow us access to the following: (1) at our request, profit and loss statements for the Business at such intervals as we periodically may require; (2) at our request, an annual profit and loss statement and source and use of funds statement for the Business for the year and a balance sheet for the Business as of the end of the year, reviewed by an independent certified public accountant; and (3) at our request, all tax returns relating to the Business and each of its Principal Owners. You also will provide to us copies of all Records and other information and supporting documents as we designate. All financial statements, reports and information must be on forms we approve and that you have signed and verified.

11. INSPECTION AND AUDITS

A. Our Right to Inspect the Business. To determine whether you are complying with this Agreement, we may, at any time during business hours and without prior notice to you, observe the provision of the Services and Products, which we may do in person or electronically (such as through videoconferencing), and test, sample, inspect and evaluate your supplies, equipment and Products as well as the storage of those items. You will fully cooperate with our representatives making any inspection and will permit our representatives to take photographs or videotapes of the Business and to interview employees and customers of the Business. If we establish a mystery shopper, customer survey, or compliance assessment program, we may require you to pay for the reasonable expense of mystery shopper visits, customer surveys, or the completion of any compliance assessments at your Business.

B. Our Right to Examine Books and Records. We may, at all reasonable times and without prior notice to you, examine, audit, or request copies of the Records, including the books, records and state and/or federal income tax records and returns of any Principal Owner. You must maintain all Records and supporting documents at all times at your office and you must notify us of this address and any changes to

this address. You will make financial and other information available at a location we reasonably request, and will allow us (and our agents) full and free access to any such information. You otherwise will fully cooperate with our representative and independent accountants hired to conduct any examination or audit.

C. Result of Audit; Unreported Gross Revenue. If any examination or audit discloses an understatement of Gross Revenue, you will pay to us, within fifteen (15) days after receipt of the examination or audit report, the Royalty Fees and any Marketing Fees due on the amount of the understatement, plus interest (at the rate provided in Section 4(G) above) from the date originally due until the date of payment. You must reimburse us for the cost of the audit or examination, including the charges of any independent accountants and the travel expenses, room and board and compensation of our employees, if: (1) an examination or audit is necessary because you failed to timely provide required information; or (2) any examination or audit results in a determination that Gross Revenue for any month are understated by greater than 2%. The foregoing remedies are in addition to all of our other remedies and rights under applicable law.

12. CONFIDENTIAL INFORMATION/IMPROVEMENTS

A. Confidential Information. You acknowledge and agree that you do not acquire any interest in the Confidential Information, other than the right to use it in developing and operating the Business pursuant to this Agreement, and that the use or duplication of the Confidential Information in any other business constitutes an unfair method of competition. You acknowledge and agree that the Confidential Information is proprietary and is our trade secret and is disclosed to you solely on the condition that you: (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the term of this Agreement; (3) will not make unauthorized copies of any Confidential Information disclosed in written form; (4) will adopt and implement all reasonable procedures we direct to prevent unauthorized use or disclosure of the Confidential Information, including restrictions on disclosure to Business employees; and (5) will sign a Confidentiality Agreement and will require the Operating Principal and other managers, employees and agents with access to Confidential Information to sign such an agreement in a form we approve. A copy of our current form Confidentiality and Non-Competition Agreement is attached as Exhibit D, although we have the right to periodically modify this form document.

The restrictions on your disclosure and use of the Confidential Information will not apply to disclosure of Confidential Information in judicial or administrative proceedings to the extent you are legally compelled to disclose this information, if you use your best efforts to maintain the confidential treatment of the Confidential Information, and provide us the opportunity to obtain an appropriate protective order or other assurance satisfactory to us of confidential treatment for the information required to be so disclosed.

B. Improvements. You must fully and promptly disclose to us all ideas, concepts, products, process methods, techniques, improvements, additions and Customer Data relating to the development and/or operation of a Brooklyn Robot Foundry business or the System, or any new trade names, service marks or other commercial symbols, or associated logos relating to the operation of the Business, or any advertising or promotion ideas related to the Business (collectively, the "Improvements") that you, the Principal Owners or your employees or agents conceive or develop during the term of this Agreement. You and your Principal Owners, agents and employees acknowledge and agree that: (1) all Customer Data is jointly owned during the term of this Agreement as further described in Section 6(B) above and becomes our property upon expiration or termination of this Agreement; and (2) any other Improvement immediately becomes our property. You and your Principal Owners, agents or employees must sign all documents necessary to evidence the assignment of each Improvement to us without any additional compensation. We may use the Improvement and disclose and/or license the Improvement for use by others. You must not

introduce any Improvement or any additions or modifications of or to the System into the Business without our prior written consent.

C. Generative AI. You will not, without our prior written consent, utilize any generative artificial intelligence software, tools, or technologies, including, natural language processing, deep learning algorithms, or machine learning models ("Generative AI") directly or indirectly in the operation of the Business, including without limitation, in advertising, promotion, or marketing of the Business or the Brooklyn Robot Foundry System, communications with customers, business planning, analysis or optimization, or in any social media. You acknowledge and agree not to upload or share any Confidential Information (including any inputs of information containing trade secrets, sensitive confidential information or personal information) with any unapproved third-party platforms, including Generative AI, except as authorized by us in writing. In addition, you shall prohibit your employees from using any Confidential Information in Generative AI. In the event you utilize any Generative AI, with or without our prior approval, you shall comply with all laws applicable to such use, including without limitation, all trademark, copyright, and biometric laws, and shall not infringe upon the intellectual property of a third party, or use such intellectual property without appropriate authorization and attribution.

13. COVENANTS

A. Organization. You and each Principal Owner covenants that:

1. You are organized and validly exist under the laws of the state where you were formed and are qualified and authorized to do business in the jurisdiction where the Designated Territory and Business is located;

2. Your articles of incorporation, bylaws, operating agreement or other organizational documents ("Authorizing Documents") at all times will provide that your business activities will be limited exclusively to the ownership and operation of the Business, unless you otherwise obtain our written consent;

3. You have the power under the Authorizing Documents to sign this Agreement and comply with the provisions of this Agreement;

4. You must provide us copies of all Authorizing Documents and any other documents, agreements or resolutions we request in writing;

5. The names of all Principal Owners are accurately stated on the Guaranty attached hereto as Exhibit C; and

6. You will maintain a current schedule of the Principal Owners and their ownership interests (including the Principal Owners' names, address and telephone numbers) at all times and will immediately provide us with an updated ownership schedule if there is any change in ownership.

B. Non-Solicitation of Customers. You covenant that, during the term of this Agreement, and for a period of one (1) year thereafter, you will not, directly or indirectly: (1) divert or attempt to divert any business, account or customer of the Business or any other Brooklyn Robot Foundry businesses or the System to any "Competing Business" (as defined below).

C. Covenant Not to Compete During Term. You (and the Operating Principal and each other Principal Owner) will not, during the term of this Agreement, directly or as an employee, agent, consultant,

partner, officer, director or shareholder of any other person, firm, entity, partnership or business: (i) divert or attempt to divert any business or customers of the Business to any Competing Business or perform any act that would damage the goodwill associated with the Marks or the System; or (ii) own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in, or assist any person or entity engaged in any Competing Business (including any e-commerce or Internet-based business), except: (1) with our prior written consent; (2) the ownership of securities listed on a stock exchange or traded on the over-the-counter market that represent one percent (1%) or less of that class of securities; or (3) under a separate agreement between you and us.

D. Post-Term Covenant Not to Compete. You (and the Operating Principal and each other Principal Owner) will not, for a period of one (1) year after this Agreement expires or is terminated or the date on which you cease to operate the Business, whichever is later, directly or as an employee, agent, consultant, partner, officer, director or shareholder of any other person, firm, entity, partnership or corporation: (1) divert or attempt to divert any business or customers of the Business to any Competing Business or perform any act that would damage the goodwill associated with the Marks or the System; (2) own, operate, lease, franchise, conduct, engage in, be connected with, having any interest in, or assist any person or entity engaged in any Competing Business which is located in the former designated territory of the Business; or (3) own, operate, lease, franchise, conduct, engage in, be connected with, having any interest in, or assist any person or entity engaged in any Competing Business that is located within a 10-mile radius of: (i) any part of the former designated territory of the Business; (ii) any location where you offered or sold Services or Products outside of your former designated territory; or (iii) any other then-existing Brooklyn Robot Foundry business designated territory; provided, however, that this Section 13(D) will not apply to: (i) other Brooklyn Robot Foundry businesses that you operate under separate Brooklyn Robot Foundry franchise agreements; or (ii) the ownership of securities listed on a stock exchange or traded on the over-the-counter market that represent one percent (1%) or less of that class of securities.

E. Competing Business. "Competing Business" means any business that offers or sells art or STEM (science, technology, engineering, or mathematics) related programs, classes, or events, or that offers or sells any services or products that are the same as, or substantially similar to, any of the Services and Products offered by the Business.

F. Injunctive Relief. You agree that damages alone cannot adequately compensate us if there is a violation of any covenant in this Section in that injunctive relief is essential for our protection. You therefore agree that we may seek injunctive relief without posting any bond or security, in addition to the remedies that may be available to us at equity or law, if you or anyone acting on your behalf violates any covenant in this Section. The covenants stated in this Section will survive the termination or expiration of this Agreement.

14. ASSIGNMENT

A. By Us. This Agreement is fully assignable by us without your consent or having to provide notice to you, and benefits our successors and assigns. Any such assignment will require the assignee to fulfill our obligations under this Agreement. You acknowledge and agree that, following the effective date of any such assignment, you will look solely to the transferee or assignee, and not to us, for the performance of all obligations under this Agreement. Separately, we may assign or delegate to an affiliate or other third party certain of our obligations under this Agreement without assigning our interest in this Agreement. In such instance, we will remain the party ultimately responsible for the performance of such obligation(s).

B. Your Assignment or Sale of Substantially all of Your Assets. You understand that we have granted the Franchise under this Agreement in reliance upon the individual or collective character, aptitude, attitude, business ability and financial capacity of your Principal Owners. You (and your Principal Owners)

will not transfer (whether voluntary or involuntary), assign or otherwise dispose of, in one or more transactions, your business, the Business, substantially all or all of the assets of the Business, this Agreement or any controlling interest in you ("controlling interest" to include a proposed transfer of twenty-five percent (25%) or more of the common (voting) stock in a corporation or of the ownership interest in a limited liability company or partnership) unless you obtain our prior written consent. We will not unreasonably withhold our consent to an assignment of this Agreement, provided you comply with any or all of the following conditions which we may, in our discretion, deem necessary:

1. All of your accrued monetary obligations to us and our affiliates have been satisfied, and you otherwise are in good standing under this Agreement and any other agreement between you and us;

2. The transferee (or the Operating Principal, if applicable) is approved by us and demonstrates to our satisfaction that he/she/they meets our managerial, financial and business standards for new Brooklyn Robot Foundry businesses, possesses a good business reputation and credit rating, and has the aptitude and ability to operate the Business. You understand that we may communicate directly with the transferee during the transfer process to respond to inquiries, as well as to ensure that the transferee meets our qualifications;

3. The transferee enters into a written agreement, in form satisfactory to us, assuming and agreeing to discharge all of your obligations and covenants under this Agreement for the remainder of your term or, at our option, signs our then-current standard form of franchise agreement (which may contain materially different terms and conditions than this Agreement);

4. The transferee and the new Operating Principal successfully complete the initial training program required of new Brooklyn Robot Foundry businesses;

5. You pay us a transfer fee equal to $2,500;

6. You (and each Principal Owner, if applicable) sign a general release, in a form and substance satisfactory to us, of any and all claims against us and our affiliates, officers, directors, employees and agents, except to the extent limited or prohibited by applicable law;

8. We approve the material provisions of the assignment or sale of assets which assignment or sale cannot permit you to retain a security interest in this Agreement or any other intangible asset; and

9. You (and each Principal Owners, if applicable) sign an agreement, in form satisfactory to us, in which you and each Principal Owner covenant to observe the post-termination covenant not to compete and all other applicable post-termination obligations.

If the transfer involves less than a "controlling interest" in you (taking into account any prior changes of ownership or transfers), you are not required to obtain our prior written consent, provided you comply with any or all of the following conditions which we may deem necessary:

1. You provide us with thirty (30) days advance written notice of the transfer;

2. Any new Principal Owner signs a personal guaranty in the form we designate;

3. You pay us a transfer fee equal to $2,500; and

4. You provide us with such other information relating to the transfer as we request.

We may expand upon, and provide more details related to, the conditions for transfer and our consent as described in this Section 14(B), and may do so in the Operations Manual or otherwise in writing.

C. Death or Disability. If the Operating Principal dies or is permanently disabled, the remaining Principal Owners must appoint (if necessary) a competent Operating Principal acceptable to us within a reasonable time, not to exceed thirty (30) days, from the date of death or permanent disability. The appointed Operating Principal must satisfactorily complete our designated training program. If an approved Operating Principal is not appointed within thirty (30) days after the Operating Principal's death or permanent disability, we may, but are not required to, immediately appoint an Operating Principal to maintain Business operations on your behalf until an approved assignee can assume the management and operation of the Business. Our appointment of an Operating Principal does not relieve you of your obligations, and we will not be liable for any debts, losses, costs or expenses you incur in operating the Business or to any creditor of yours for any products, materials, supplies or services purchased by the Business while it is managed by our appointed manager. We may charge a reasonable fee for management services and may cease to provide management services at any time.

If the Operating Principal dies or is permanently disabled, his/her executor, administrator, or other personal representative must transfer his/her interest within a reasonable time, not to exceed twelve (12) months from the date of death or permanent disability, to a person we approve. Such transfers, including transfers by devise or inheritance, will be subject to conditions contained in Section 14(B) above.

D. Public or Private Offerings. Subject to Section 14(B) above, if you (or any of your Principal Owners) desire to raise or secure funds by the sale of securities (including common or preferred stock, bonds, debentures or general or limited partnership interests) in you or any affiliate of you, you agree to submit any written information to us before your inclusion of that information in any registration statement, prospectus or similar offering circular or memorandum and must obtain our written consent to the method of financing before any offering or sale of securities. Our written consent will not imply or represent our approval respecting the method of financing, the offering literature submitted to us or any other aspect of the offering. No information respecting us or any of our affiliates will be included in any securities disclosure document, unless we furnish the information in writing in response to your written request, which request will state the specific purpose for which the information is to be used. Should we, in our discretion, object to any reference to us or any of our affiliates in the offering literature or prospectus, the literature or prospectus will not be used unless and until our objections are withdrawn. We assume no responsibility for the offering.

The prospectus or other literature used in any offering must contain the following language in boldface type on the first textual page:

> "NEITHER BROOKLYN ROBOT FOUNDRY FRANCHISING, LLC NOR ANY OF ITS AFFILIATES: (A) IS DIRECTLY OR INDIRECTLY THE ISSUER OF THE SECURITIES OFFERED, (B) ASSUMES ANY RESPONSIBILITY RESPECTING THIS OFFERING AND/OR THE ADEQUACY OR ACCURACY OF THE INFORMATION CONTAINED HEREIN, OR (C) ENDORSES OR MAKES ANY RECOMMENDATION RESPECTING THE INVESTMENT CONTEMPLATED BY THIS OFFERING."

E. Our Right of First Refusal. If you or your Principal Owners at any time desire to sell or assign for consideration the Franchise, the Business, an ownership interest representing (in the aggregate) fifty percent (50%) or more of the ownership in you or all or substantially all of your assets, you or your

Principal Owners must obtain a bona fide, executed written offer from a responsible and fully disclosed purchaser and must deliver a copy of the offer to us. We have the right, exercisable by written notice delivered to you or your Principal Owners within thirty (30) days following receipt of the proposed offer, to purchase the interest in the Business or ownership interest in you for the price and on terms contained in the offer. We may substitute cash for any non-cash form of payment proposed in the offer and will have a minimum of sixty (60) days to prepare for closing. If we do not exercise our right of first refusal, you or your Principal Owners may complete the sale to the proposed purchaser under the terms of the offer, provided you and the Principal Owners otherwise comply with this Section 14. If the sale to the proposed purchaser is not completed within one hundred twenty (120) days after delivery of the offer to us, or if there is a material change in the terms of the sale, we again will have the right of first refusal.

F. Guaranty. All of your Principal Owners will sign the Guaranty and Assumption Agreement in the form attached to this Agreement as Exhibit C (the "Guaranty Agreement"). We may also require the spouse of any Principal Owner to sign the Guaranty Agreement. Any person or entity that at any time after the date of this Agreement becomes a Principal Owner of yours under the provisions of this Section 14 or otherwise will, as a condition of becoming a Principal Owner, sign the Guaranty Agreement.

15. OUR TERMINATION RIGHTS

A. Automatic Termination. This Agreement will automatically terminate without notice or an opportunity to cure upon the occurrence of any of the following defaults:

1. If you make an assignment for the benefit of creditors, file a voluntary petition in bankruptcy, are adjudicated bankrupt or insolvent, file or acquiesces in the filing of a petition seeking reorganization or arrangement under any federal or state bankruptcy or insolvency law, or consent to or acquiesce in the appointment of a trustee or receiver for you or the Business;

2. If proceedings are commenced to have you adjudicated bankrupt or to seek your reorganization under any state or federal bankruptcy or insolvency law, and such proceedings are not dismissed within 60 days, or a trustee or receiver is appointed for you or the Business without your consent, and the appointment is not vacated within 60 days; or

3. If you purport to sell, transfer or otherwise dispose of you or any interest in this Agreement or the Business in violation of Section 14 hereof.

B. Termination Upon Notice. We have the right to terminate this Agreement upon notice to you without providing you an opportunity to cure for any of the following breaches or defaults:

1. If you or the Operating Principal fail to satisfactorily complete the initial training program or fail to open and commence operations of the Business at such time as provided in this Agreement;

2. If you or any of your managers, directors, officers or any Operating Principal make a material misrepresentation or omission in the application for the Business or any time thereafter, including, without limitation understating Gross Revenue in any report you submit to us by more than 2% in a particular month;

3. If you or any of your managers, directors, officers or any Operating Principal are convicted of, or plead guilty to or no contest to a felony, a crime involving moral turpitude, or any other crime or offense that we believe will injure the System, the Marks or the goodwill associated therewith, or if we reasonably believe that you have committed such a felony, crime or offense;

4. If you fail to conduct a criminal background check to our satisfaction on any employee or independent contractor before you hire them;

5. If you voluntarily or otherwise abandon the Business without our prior written consent. The term "abandon" means your failure to operate the Business for a period of five consecutive business days without notification to your Accounts or our prior written consent;

6. If you are involved in any act or conduct which materially impairs or otherwise is prejudicial to the goodwill associated with the name Brooklyn Robot Foundry or any of the Marks or the System, or otherwise violate any provision hereof pertaining to Marks or Confidential Information or misuse the Marks or Confidential Information;

7. If you fail to pay us, our affiliate(s), or any approved or designated supplier any amount that is due and owed to that party, and fail to cure such breach within 10 days of the date you receive written notice from us (or any other party that is owed money) regarding such breach;

8. If there are insufficient funds in your designated bank account to cover a check or EFT payment to us 3 or more times within any 12 month period;

9. If you (or any Owner) violate any in-term restrictive covenant set forth in Section 13 of this Agreement, or any of the other restrictive covenants set forth in this Agreement;

10. If you fail, within 15 days after notification of non-compliance by federal, state or local government authorities, to comply with any law or regulation applicable to the Business;

11. If you offer or sell any unauthorized or unapproved products or services at or from the Business;

12. If you purchase any product, equipment, or supplies from an unapproved supplier, and fail to cure the default within 15 days of receiving notice from us by purchasing the product, equipment, or supplies from an approved supplier;

13. If you willfully and repeatedly deceive customers relative to the source, nature or quality of goods sold;

14. If you fail to obtain or maintain the minimum required insurance policies as described in Section 9(K) of this Agreement and our Operations Manual, and fail to cure the default within 5 days of receiving written notice from us; or

15. If you fail to comply with one or more material requirements of this Agreement on 3 or more separate occasions within any 12-month period, regardless of whether or not those breaches were cured;

16. If the nature of your breach makes it not curable.

C. Termination upon Notice and 30 Days' Notice to Cure. Except for those defaults set forth in Sections 15(A) and 15(B) of this Agreement, we may terminate this Agreement upon notice to you in the event you: (i) breach or violate any other covenant, obligation, term, condition, warranty, or certification under this Agreement, including your failure to comply with any other term or condition of this Agreement,

the Operating Manual, or any ancillary agreement between you and us (or our affiliate); and (ii) fail to cure such default(s) within 30 days after being provided with notice thereof.

D. Management of Business While You are in Default. In addition to our termination rights described in Sections 15(A)-(C) above, while you are in default of this Agreement, we may, but are not required to, manage, or designate a third party to manage, the Business on your behalf. Our, or our designee's, management of the Business does not relieve you of your obligations and neither we nor our designee will be liable for any debts, losses, costs or expenses incurred in operating the Business or to any of your creditors for any materials supplies or services purchased by the Business while we, or our designee, manage it. We, or our designee, may charge you a fee for management services and may cease providing management services at any time.

E. Applicable Law. If the provisions of this Section 15 are inconsistent with applicable law, the applicable law will apply.

16. YOUR TERMINATION RIGHTS

You may terminate this Agreement if we violate any material obligation of us to you and fail to cure such violation within sixty (60) days after our receipt of written notice from you; provided, however, that you are in substantial compliance with the Agreement at the time of giving such notice of termination. Your written notice will identify the violation and demand that it be cured.

17. YOUR OBLIGATIONS UPON TERMINATION OR EXPIRATION

A. Post-Term Duties. If this Agreement expires or is terminated for any reason, you will:

1. immediately cease operation of the Business and using the Marks as well as any confusingly similar trademarks or service marks;

2. within ten (10) days after termination, pay all amounts due and owing to us or our affiliates, including all Royalty Fees, Marketing Fees and accrued interest due under this Agreement;

3. discontinue using, and return to us by priority United States mail with a tracking number, any hard copies of, the Operations Manuals and any other manuals, advertising materials, and all other printed materials relating to the operation of the Franchise;

4. assign to us or, at our discretion, disconnect the telephone number for the Business and all social media accounts. You acknowledge that we have the sole right to and interest in all telephone numbers and directory listings associated with the Marks, and you authorize us, and appoint us as your attorney-in-fact, to direct the telephone company and all listing agencies to transfer such numbers and listings to us;

5. remove from the Business and vehicles used in connection with the Business all signs, posters, fixtures, decals, and other materials that are distinctive of a Brooklyn Robot Foundry business or bear the name "Brooklyn Robot Foundry" or other Marks;

6. take all necessary action to cancel all fictitious or assumed name or equivalent registrations relating to your use of any of the Marks;

7. immediately cease using Confidential Information (including all Customer Data) and return to us all documents in your possession that contain Confidential Information;

8. within 30 days of the expiration or termination of your agreement, return to us, at your sole cost and expense, all Products, equipment, supplies, and inventory that are either proprietary or bear our Marks, including any unused robot kits (whether proprietary or bearing our Marks or not);

9. immediately refund your customers, or at our direction pay us such amounts for remittance to your customers, for any Services or Products that were pre-paid for by your customers but you have not provided the purchased Services or Products to the customer as of the expiration or termination of this Agreement;

10. comply with all other applicable provisions of this Agreement, including the non-compete provisions.

Upon termination or expiration of this Franchise Agreement for any reason, your right to use the name "Brooklyn Robot Foundry" and the other Marks and the System will immediately terminate and you (and the Principal Owners) will not in any way associate yourself/themselves as being associated with us. If you fail to immediately remove all signs and other materials bearing the Marks, we may do so at your expense.

B. Redecoration. If this Agreement expires or is terminated for any reason, and you either remain in possession of the premises of the former Business to operate a separate business not in violation of Section 13 above or enter into an agreement with a third party to allow such third party to directly operate a business at the premises of the former Business, you will, at your expense, modify both the exterior and interior appearance of the business premises so that they will be easily distinguished from the standard appearance of Brooklyn Robot Foundry businesses. At a minimum, such changes and modifications to the premises will include: (1) repainting the premises with totally different colors; (2) removing all signs and other materials bearing the name "Brooklyn Robot Foundry" and other Marks; (3) removing from the premises all fixtures which are indicative of Brooklyn Robot Foundry businesses; (4) discontinuing use of the approved employee uniforms and refraining from using any uniforms which are confusingly similar; (5) discontinuing use of all packaging and Confidential Information regarding the operation of the Business; and (6) taking such other action, at your expense, as we may reasonably require. If you fail to immediately initiate modifications to the premises of the former Business or complete such modifications with any period of time we deem appropriate, you agree that we or our designated agents may enter the premises of the former Business to make such modifications, at your risk and expense, without responsibility for any actual or consequential damages to your property or others, and without liability for trespass or other tort or criminal act.

C. Our Option to Purchase Business. If this Agreement expires or is terminated for any reason (other than our fault), we have the option, upon thirty (30) days' written notice from the date of expiration or termination, to purchase from you all the tangible and intangible assets relating to the Business, including the Business premises if you own the Business premises (excluding any unsalable inventory, cash, short-term investments and accounts receivable) (collectively, the "Purchased Assets") and to an assignment of your lease for (1) the Business premises (or, if an assignment is prohibited, a sublease for the full remaining term under the same provisions as your lease) and (2) any other tangible leased assets used in operating the Business. If the landlord respecting the lease for the Business premises is an affiliate of you (controlling, controlled by or under common control with you) we will have the right to assume the lease on terms generally consistent with then-current market rates for space in the immediate area surrounding the

Business location. We may assign to a third party this option to purchase and assignment of leases separate and apart from the remainder of this Agreement.

The purchase price for the Business will be the fair market value of the Purchased Assets ; provided that: (1) we may exclude from the Purchased Assets any products or other items that were not acquired in compliance with this Agreement; and (2) we may exclude from fair market value any provision for goodwill or similar value attributable to intangible property (such as the Marks, any Designated Software and Confidential Information). If the parties cannot agree on fair market value within a reasonable time, we will designate an independent appraiser to determine the fair market value of the Purchased Assets. The determination of such appraiser will be binding on the parties hereto, and the costs of such appraisal will be divided equally between you and us. The purchase price, as determined above, will be paid in cash at the closing of the purchase, which will occur within a reasonable time, not to exceed sixty (60) days, after the fair market value is determined. At the closing, you will deliver documents transferring good and merchantable title to the assets purchased, free and clear of all liens, encumbrances and liabilities to us or our designee and such other documents we may reasonably request to permit us to operate the Business without interruption. We may set off against and reduce the purchase price by all amounts you owe to us or any of our affiliates. If we exercise our option to purchase the Business, we may, pending the closing, appoint a manager to maintain Business operations.

D. Continuing Obligations. All obligations of us and you which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect following its expiration or termination and until they are satisfied or expire.

18. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION

A. Relationship of the Parties. We and you are independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venture or employee of the other. Neither party will independently obligate the other to any third parties or represent any right to do so. This Agreement does not reflect or create a fiduciary relationship or a relationship of special trust or confidence. You must conspicuously identify yourself at the premises of the Business and in all dealings with customers, lessors, contractors, suppliers, public officials and others as the owner of the Business under a franchise agreement from us, and must place other notices of independent ownership on signs, forms, stationery, advertising and other materials as we require.

B. Your Indemnification Obligations. You agree to indemnify and hold us and our subsidiaries, affiliates, stockholders, members, directors, officers, employees and agents harmless against, and to reimburse us or them for, any loss, liability or damages arising out of or relating to your ownership or operation of the Business, and all reasonable costs of defending any claim brought against us or any of them or any action in which us or any of them is named as a party (including reasonable attorneys' fees) unless the loss, liability, damage or cost is solely due to our breach of this Agreement, gross negligence or willful misconduct. You must pay all losses, liability or damages we incur pursuant to your obligations of indemnity under this Section 18(B) regardless of any settlement, actions or defense we undertake or the subsequent success or failure of any settlement, actions or defense. Further, you agree to give us immediate notice of any such action, proceeding, demand or investigation brought against you or the Business. We may, at our option, designate counsel, at your expense, to defend or settle such action, proceeding, demand or investigation brought against you or the Business. This obligation does not diminish your indemnification obligations under this Section 18(B).

C. Our Indemnification Obligations. We agree to indemnify and hold you and your officers, directors and agents harmless against, and to reimburse you and them for, any loss, liability or damage solely arising from or relating to our breach of this Agreement, gross negligence or willful misconduct, and

all reasonable costs of defending any claim brought against you or them or any action in which you or they are named as a party (including reasonable attorneys' fees).

D. Survival. The indemnities and assumptions of liabilities and obligations continue in full force and effect after the expiration or termination of this Agreement.

19. DISPUTE RESOLUTION

A. Arbitration. Except to the extent we elect to enforce the provisions of this Agreement by injunction as provided in Section 19(B) below, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud in the arbitrability of any matter) will be resolved by arbitration on an individual basis under the authority of the Federal Arbitration Act in the county where our then-current headquarters are located. Any arbitration proceeding may not be consolidated with any other arbitration proceeding, and you agree not to seek joinder of any claims with those with any other party. The arbitrator(s) will have a minimum of five (5) years' experience in franchising or distribution law and will have the right to award specific performance of this Agreement. The proceedings will be conducted under the Commercial Arbitration Rules of the American Arbitration Association, or the rules of such other arbitration services organization as the parties otherwise may agree upon in writing, to the extent such rules are not inconsistent with the provisions of this arbitration provision or the Federal Arbitration Act. The decision of the arbitrator(s) will be final and binding on all parties; provided, however, the arbitrator(s) may not under any circumstances: (1) stay the effectiveness of any pending termination of this Agreement; (2) assess punitive or exemplary damages; or (3) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance we establish. Any arbitration proceeding will be limited to controversies between you and us, and will not be expanded to include any other Brooklyn Robot Foundry franchisee or include any class action claims. This Section 19 will survive termination or nonrenewal of this Agreement under any circumstances. Judgment upon the award of arbitrator(s) may be entered in any court having jurisdiction thereof. During any arbitration proceeding, we and you will fully perform our respective obligations under this Agreement. The parties agree that all arbitration proceedings, including any arbitration award or ruling, will be confidential in nature, except as otherwise required by law or court order or as necessary to confirm, vacate or enforce the award and for disclosure in confidence to the parties' respective attorneys and tax advisors.

B. Injunctive Relief. Notwithstanding Sections 19(A) above, you recognize that a single franchisee's failure to comply with the terms of its agreement could cause irreparable damage to us and/or to some or all other Brooklyn Robot Foundry businesses. Therefore, if you breach or threaten to breach any of the terms of this Agreement, we will be entitled to an injunction restraining such breach and/or a decree of specific performance, without showing or proving any actual damage, together with recovery of reasonable attorneys' fees and other costs incurred in obtaining such equitable relief, until such time as a final and binding determination is made by the arbitrators.

C. Attorneys' Fees. The nonprevailing party will pay all costs, expenses, and interest including reasonable attorneys' fees, the prevailing party incurs in any action brought to enforce any provision of this Agreement or to enjoin any violation of this Agreement.

20. ENFORCEMENT

A. Severability. All provisions of this Agreement are severable and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein and partially valid and enforceable provisions will be enforced to the extent valid and enforceable. If any

applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of or non-renewal of this Agreement than is required, or the taking of some other action not required, or if under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by us are invalid or unenforceable, the prior notice and/or other action required by law or rule will be substituted for the comparable provisions.

B. Waiver of Obligations. Our waiver of any breach by you, or our delay or failure to enforce any provision of this Agreement, will not be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce our rights respecting that or any other breach.

C. Rights of Parties Are Cumulative. The rights of us and you are cumulative and no exercise or enforcement by either party of any right or remedy precludes the exercise or enforcement by such party of any other right or remedy to which such party is entitled by law or equity to enforce.

D. Venue. Subject to the provisions of Sections 19(A) above, any cause of action, claim, suit or demand allegedly arising from or related to this Agreement or the relationship of the parties must be brought exclusively in any state or federal court of competent jurisdiction in the county where our then-current headquarters is located. We also have the right to file any such suit against you in the federal or state court where the Business is located. Any such action will be conducted on an individual basis, and not as part of a consolidated, common, or class action, and you and your Principal Owners waive any and all rights to proceed on a consolidated, common, or class basis. Each of us and you irrevocably consents to the jurisdiction of such courts and waive all rights to challenge personal jurisdiction and venue.

E. Governing Law. Subject to our rights under federal trademark laws and the parties' rights under the Federal Arbitration Act, this Agreement will be governed by and construed under the laws of the state in which the Business is located, without regard to any conflict of laws principles of such state. You waive, to the fullest extent permitted by law, the rights and protections that might be provided through any state franchise or business opportunity laws, other than those of the state in which the Business is located.

F. Binding Effect. This Agreement is binding upon the parties and their respective executors, administrators, heirs, assigns, and successors in interest, and will not be modified except by written agreement signed by both you and us. Except as provided above, this Agreement is not intended, and will not be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

G. References. If you consist of two or more individuals, such individuals will be jointly and severally liable, and references to you in this Agreement will include all such individuals.

H. Interpretation of Rights and Obligations. The following provisions will apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement and the relationship between the parties:

1. Our Rights. Whenever this Agreement provides that we have or reserve (retain) a certain right, that right is absolute and the parties intend that our exercise of that right will not be subject to any limitation or review. We have the right to operate, administrate, develop and change the System in any manner that is not specifically precluded by the provisions of this Agreement.

2. Our Reasonable Business Judgment. Whenever we reserve discretion in a particular area or where we agree or are required to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever we exercise "reasonable business judgment" in making our decision or exercising our rights. A decision or action by us will be deemed to be the result of

"reasonable business judgment," even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended to promote or benefit the System generally even if the decision or action also promotes a financial or other individual interest of ours. Examples of items that will promote or benefit the System include enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System. Neither you nor any third party (including a trier of fact) will substitute their judgment for our reasonable business judgment.

I. **WAIVER OF PUNITIVE DAMAGES. YOU AND WE AND OUR AFFILIATES AGREE TO WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO OR A CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF ANY DISPUTE BETWEEN US, EACH WILL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY US.**

J. **WAIVER OF JURY TRIAL. YOU AND WE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.**

K. *Force Majeure*. If any party fails to perform any obligation under this Agreement due to a cause beyond the control of and without the negligence of such party, such failure will not be deemed a breach of this Agreement, provided such party uses reasonable best efforts to perform such obligations as soon as possible under the circumstances. Such causes include strikes, wars, riots, civil commotion, supply chain disruption, and acts of government, except as may be specifically provided for elsewhere in this Agreement. Notwithstanding the foregoing, this Section 20(K) shall not apply to your payment obligations under this Agreement, such as the minimum Royalty Fee, which you must pay in full on time in the manner and frequency described in this Agreement.

L. Notice of Potential Profit. We advise you that we and/or our affiliates may make available to you goods, products and/or services for use in the Business on the sale of which we and/or our affiliates may make a profit. We further advise you that we and our affiliates periodically may receive consideration from suppliers and manufacturers respecting sales of goods, products or services to you or in consideration for services provided or rights license to such persons. You agree that we and our affiliates will be entitled to such profits and consideration.

M. Limitation of Actions. Subject to any applicable statute of limitations, you and we agree that neither party will have the right to bring any claim or action against the other party unless the action or claim is commenced within one (1) year after the offended party has knowledge of the facts giving rise to the action or claim.

N. Entire Agreement. The "Introduction" section, the exhibit(s) to this Agreement, and that certain Disclosure Acknowledgment Agreement signed contemporaneously by you are a part of this Agreement, which represents the entire agreement of the parties, and there are no other oral or written understandings or agreements between us and you relating to the subject matter of this Agreement. Nothing in the Agreement is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

21. NOTICES

All written notices and reports permitted or required to be delivered by the provisions of this Agreement will be delivered by hand, sent by a recognized overnight delivery service or by registered U.S. Mail, or by other means which provides the sender with evidence of delivery, or of rejected delivery, and addressed to the party to be notified at the address stated herein or at such other address as may have been designated in writing to the other party. Any notice by a means which provides the sender with evidence of delivery, or rejected delivery, will be deemed to have been given at the date and time of receipt or rejected delivery.

22. ACKNOWLEDGEMENTS

A. Success of Business. The success of the business venture you intend to undertake under this Agreement is speculative and depends, to a large extent, upon your (or the Principal Owner's) ability as an independent businessman, and your active participation in the daily affairs of the Business as well as other factors. We do not make any representation or warranty, express or implied, as to the potential success of the business venture.

B. Independent Investigation. You acknowledge that you have entered into this Agreement after making an independent investigation of our operations and not upon any representation as to gross revenues, volume, potential earnings or profits which you might be expected to realize, nor has anyone made any other representation, which is not expressly stated herein, to induce you to accept this Franchise and sign this Agreement.

C. Receipt of Documents. Except for filling in the blank provisions and changes made as a result of negotiations that you initiated, you acknowledge that you received a copy of the complete Franchise Agreement, and exhibits attached hereto, at least seven (7) calendar days before the date on which this Agreement was executed. You further acknowledge that you received the disclosure document required by the trade regulation rule of the Federal Trade Commission entitled "Franchise Disclosure Document" at least fourteen (14) calendar days prior to the date on which this Agreement was executed. You represent that you have read this Agreement in its entirety and that you have been given the opportunity to clarify any provisions that you did not understand and to consult with any attorney or other professional advisor. You further represent that you understand the provisions of this Agreement and agree to be bound.

D. Other Franchises. You acknowledge that other Brooklyn Robot Foundry businesses have or will be granted franchises at different times and in different situations, and further acknowledge that the provisions of such franchises may vary substantially from those contained in this Agreement.

[Signatures Appear on Following Page]

The parties have signed this Agreement on the date stated in the first paragraph.

WE:	**YOU:**
BROOKLYN ROBOT FOUNDRY FRANCHISING, LLC	_____ Name of corporation or limited liability company
By_____ Name: _____ Its_____	By_____ Name: _____ Its_____

EXHIBIT A
TO FRANCHISE AGREEMENT

BUSINESS LOCATION AND DESIGNATED TERRITORY

This Exhibit is attached to and is an integral part of the Brooklyn Robot Foundry Franchise Agreement dated _____, 20_____ (the "Franchise Agreement"), between us and you.

1. Designated Territory. We and you agree that the Business will be operated solely within the following Designated Territory: _____

2. Business Office Address: _____

_____

3. Defined Terms. All capitalized terms contained in this Exhibit not defined herein will have the same meaning as provided in the Franchise Agreement.

WE:	**YOU:**
BROOKLYN ROBOT FOUNDRY FRANCHISING, LLC	_____ Name of corporation or limited liability company
By_____	By_____
Name: _____	Name: _____
Its_____	Its_____

EXHIBIT B
TO FRANCHISE AGREEMENT

ELECTRONIC FUNDS TRANSFER AUTHORIZATION

AUTHORIZATION AGREEMENT FOR PREARRANGED PAYMENTS (DIRECT DEBITS)

_____ (Name of Person or Legal Entity)
_____ (ID Number)

The undersigned depositor ("**Depositor**" or "**Franchisee**") hereby authorizes Brooklyn Robot Foundry Franchising, LLC ("**Franchisor**") to initiate debit entries and/or credit correction entries to the undersigned's checking and/or savings account(s) indicated below and the depository designated below ("**Depository**" or "**Bank**") to debit or credit such account(s) pursuant to Franchisor's instructions.

Depository	Branch
City	State Zip Code
Bank Transit/ABA Number	Account Number
Phone Number Associated With This Account	

This authority is to remain in full and force and effect until sixty (60) days after Franchisor has received written notification from Franchisee of its termination.

Depositor:	Depository:
By:	By:
Name:	Name:
Title:	Title:
Date:	Date:

EXHIBIT C
TO FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

In consideration of the execution of that certain Franchise Agreement of even date (the "Agreement") by Brooklyn Robot Foundry Franchising, LLC ("we" or "us"), each of the undersigned (a "Guarantor") personally and unconditionally guarantees to us, and our successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement that _____ _____ ("you") will timely pay and perform each and every undertaking, agreement and covenant stated in the Agreement; and agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement.

Each of the undersigned waives: (1) acceptance and notice of acceptance by us of the foregoing undertaking; (2) notice of demand for payment of any indebtedness; (3) protest and notice of default to any party respecting the indebtedness; (4) any right he may have to require that an action be brought against you or any other person as a condition of liability.

Each Guarantor consents and agrees that:

(1) Guarantor's liability under this undertaking will be direct and independent of the liability of, and will be joint and several with, you and the other Guarantors of you;

(2) Guarantor will make any payment or perform any obligation required under the Franchise Agreement upon demand if you fail to do so;

(3) Guarantor's liability hereunder will not be diminished or relieved by bankruptcy, insolvency or reorganization of you or any assignee or successor;

(4) Guarantor's liability will not be diminished, relieved or otherwise affected by any extension of time or credit which we may grant to you, including the acceptance of any partial payment or performance, or the compromise or release of any claims;

(5) We may proceed against Guarantor and you jointly and severally, or we may, at our option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against you or any other Guarantor; and

(6) Guarantor will pay all reasonable attorneys' fees and all costs and other expenses we incur in enforcing this Guaranty against Guarantor or any negotiations relative to the obligations hereby guaranteed.

The provisions of Sections 19 and 20 of the Agreement will apply as to any interpretation or enforcement of this Guaranty, and the provisions of Section 21 of the Agreement will apply to any notice to either party, except that notice to Guarantors will be provided at the following alternative address (if applicable): _____. If no address is provided, any notice to Guarantors will be sent to the address designated in Section 21 of the Agreement.

[Signatures Appear on Following Page]

Each of the undersigned has signed this Guaranty as of the same day and year as the Agreement was executed.

GUARANTOR(S)	**PERCENTAGE OWNERSHIP IN YOU**
_____	_____
_____	_____
_____	_____

EXHIBIT D
TO FRANCHISE AGREEMENT

CONFIDENTIALITY AND NON-COMPETE AGREEMENT

This Confidentiality and Non-Competition Agreement ("**Confidentiality Agreement**") is entered into as of _____, 20_____ and is by and between _____ _____ ("**Franchisee**") and _____ ("**Employee**") residing at _____. Franchisee and the Employee may sometimes be referred to in the singular as a "Party" or jointly as the "Parties."

RECITALS

WHEREAS, Franchisee has entered into a Franchise Agreement (the "**Franchise Agreement**") with Brooklyn Robot Foundry Franchising, LLC a New York limited liability company ("**Franchisor**"), and as such, is the beneficiary of certain confidential and proprietary procedures, methods of operation, systems, techniques, pricing, accounting systems and procedures, specifications, products manuals, Operations Manuals, business plans, customer lists and data, technical designs, or drawings that relate to Franchisee's business, suppliers, marketing plans, and the like, developed and owned by Franchisor and made available to Franchisee (the "**Proprietary Information**");

WHEREAS, the Franchisee has been granted the right to operate a Brooklyn Robot Foundry franchised business in _____ (the "**Designated Territory**").

WHEREAS, for the purposes of this Confidentiality Agreement, the term "Employee" shall also include the family members of Employee;

WHEREAS, Employee, in the course of his/her/their employment with Franchisee, will have access to such Proprietary Information;

WHEREAS, all capitalized terms not otherwise defined in this Confidentiality Agreement shall have the meaning set forth in the Franchise Agreement;

NOW, THEREFORE, in consideration of the employment of the Employee by Franchisee, and for other good and valuable consideration, the adequacy of which is admitted by all Parties, it is agreed as follows:

COVENANTS

1. The Recitals are incorporated herein by this reference.

2. Employee acknowledges that, during the course of his/her/their employment with Franchisee, he/she/they has obtained or may obtain knowledge of the Proprietary Information, all of which is necessary and essential to the operation of the business of Franchisee and without which said information Franchisee could not efficiently, effectively, and profitably operate its Business. Employee further acknowledges that such Proprietary Information was not known to him prior to his employment.

3. Except as may be required in the performance of duties for Franchisee, Employee will not, during the course of his/her/their employment and thereafter, directly or indirectly, use or disclose to any third party, or authorize any third party to use, any Proprietary Information relating to the business or interest of Franchisee or Franchisor.

4. If Employee is a manager or is in a management position with Franchisee, Employee will not, during the course of his/her/their employment and for one (1) years thereafter, directly or indirectly, as an owner, officer, director, shareholder, partner, associate, employee, agent, representative, consultant or in some other similar capacity, without Franchisee's prior written consent, engage in a business, or plan or organize a business, or have any financial interest in any business, that offers or sells art or STEM (science, technology, engineering, or mathematics) related programs, classes, or events, or that offers or sells any services or products that are the same as, or substantially similar to, any of the Services and Products offered by a Brooklyn Robot Foundry business (a "**Competitive Business**") located within the Designated Territory.

5. Notwithstanding the foregoing, the ownership of not more than one percent (1%) of the voting stock of a publicly-held corporation engaged in a Competitive Business shall not be considered a violation of the foregoing provision.

6. Employee, regardless of his/her/their position with Franchisee, will not, during the course of his/her/their employment and for one (1) year thereafter, directly or indirectly contact any customer of Franchisee for the purpose of soliciting from any such customer any business that is the same as, or substantially similar to, the business conducted between Franchisee and the customer.

7. At the termination of his/her/their employment, Employee agrees to deliver to Franchisee (and will not keep in his possession or deliver to anyone else) all Proprietary Information, including all Operations Manuals and other Confidential Information, records, data, designs, photographs, notes, reports, proposals, lists, correspondence, specifications, drawings, robot kits, materials, equipment, other documents or property, or reproductions of any such items belonging to Franchisee, its successors or assigns, which relate in any way to the operation of Franchisee's business, and shall not keep any copies of any such documents or information.

8. Employee hereby acknowledges and agrees that any breach by him or her of this Confidentiality Agreement will cause irreparable damage to Franchisee, Franchisor and the Franchisor's entire Business System. Accordingly, in addition to any other relief to which Franchisee or Franchisor may be entitled, either Franchisee or Franchisor shall be entitled to temporary, preliminary, or permanent injunctive relief for any breach or threatened breach of this Agreement by Employee without proof of actual damages that have been or may be caused.

9. If any portion of this Confidentiality Agreement shall be held invalid or inoperative, then, so far as is reasonable and possible, the remainder of this Agreement shall be considered valid and operative, and effect shall be given to the intent manifested by the portion held invalid or inoperative. Whenever the context so requires, the masculine shall include the feminine and neuter, and the singular shall include the plural and conversely.

10. This Agreement shall bind the successors and assigns of Franchisee and the heirs, personal representative, successors, and assigns of Employee.

11. All covenants made in this Agreement by Employee shall survive the termination of this Confidentiality Agreement.

12. This Confidentiality Agreement may be amended in whole or in part only by an agreement in writing signed by the Parties.

13. This Confidentiality Agreement contains the entire understanding of the Parties in reference to the subject matter found herein. Any prior understanding or agreement, whether oral or written, shall be merged herein.

14. Any notice, request, demand, or other communication given pursuant to the terms of this Confidentiality Agreement shall be deemed given upon delivery, if hand-delivered, or three (3) days after deposit in the U.S. mail, postage prepaid, and sent Certified or Registered Mail, Return Receipt Requested, addressed to the addresses of the parties indicated below or at such other address as such Party shall have advised the other Party in writing.

15. EMPLOYEE ACKNOWLEDGES AND AGREES THAT FRANCHISOR IS AN INTENDED THIRD-PARTY BENEFICIARY OF THIS AGREEMENT WITH THE RIGHT TO ENFORCE IT, INDEPENDENTLY OR JOINTLY WITH THE FRANCHISEE. ACCORDINGLY, FRANCHISOR SHALL HAVE THE RIGHT TO ENFORCE ITS RIGHTS UNDER THIS AGREEMENT DIRECTLY AGAINST EMPLOYEE IN THE EVENT OF EMPLOYEE'S BREACH OF THIS AGREEMENT.

EMPLOYEE ACKNOWLEDGES THAT HE/SHE/THEY HAS READ THIS AGREEMENT AND UNDERSTANDS ITS CONTENTS.

EXECUTED AND AGREED AS OF THE DATE AND YEAR FIRST ABOVE WRITTEN.

FRANCHISEE

Company: _____
Signer's Name: _____
Signature: _____
Title: _____

EMPLOYEE

Signature: _____
Name: _____
Address: _____
_____
_____

EXHIBIT E
TO FRANCHISE AGREEMENT

SAMPLE SOFTWARE LICENSE AGREEMENT

THIS SOFTWARE ACCESS AGREEMENT (this "Agreement"), is by and between Brooklyn Robot Foundry Software, LLC ("Company"), and _____ ("Franchisee"), is effective as of _____, 20_____ (the "Effective Date").

BACKGROUND

A. Brooklyn Robot Foundry Franchising, LLC ("Franchisor") and Franchisee have entered into a Brooklyn Robot Foundry® franchise agreement (the "Franchise Agreement") under which Franchisee will operate a Brooklyn Robot Foundry® franchised business in a designated territory (the "Franchised Business"). Under the Franchise Agreement, Franchisor may require Franchisee to use software designated by Franchisor in operating the Franchised Business.

B. Company, an affiliate of Franchisor, owns proprietary or customized software, including proprietary scheduling and payment processing software (the "Software"), which Software is used in back-office computers to track, analyze and report sales and inventory, and provide other operational information for franchisees to use in operating Brooklyn Robot Foundry® franchised businesses.

C. Company agrees to grant Franchisee a license to use the Software at the Franchised Business under the terms stated below.

AGREEMENT

In consideration of the foregoing and the agreements stated below, the parties agree as follows:

1. ACCESS TO SOFTWARE

Company grants to Franchisee a non-transferable and non-exclusive right to use the Software solely in connection with the operation and management of the Franchised Business.

2. RESTRICTIONS ON USE

A. General Obligations. Franchisee agrees to fully comply with each of the provisions of this Agreement, including those additional obligations and restrictions described on Exhibit A attached hereto.

B. Limitations on Use. Franchisee may use the Software only as permitted under the terms of this Agreement. Franchisee cannot use the Software for any other use, including copying or reproduction; processing of data arising other than from the internal operations of the Franchised Business; disassembling, reverse engineering, or accessing the source code of the Software; publication or disclosure; license, sublicense or re-license; alteration; or unauthorized assignment or transfer. Franchisee will use its best efforts to protect the Software at all times from any unauthorized use.

C. Restriction on Multiple Locations. This Agreement applies only to the authorized Franchised Business location. If Franchisee operates more than one Brooklyn Robot Foundry® franchised

business, Franchisee and Company must enter into a separate software license agreement for each franchised business location.

3. HOSTING SERVICE

A. Connectivity. Franchisee must provide connectivity, either Internet–based or private connection, from Franchisee's site with sufficient bandwidth to meet Franchisee's use demands. Franchisee will comply with Company's and Franchisor's minimum hardware and software requirements, as disclosed and periodically updated in Franchisor's confidential franchise operations manuals.

B. Security. Company or Franchisor will administer the distribution and assignment of logon identities and passwords for each user in Franchisee's organization. Franchisee is responsible for keeping and maintaining the security of the passwords. Franchisee must comply with all then-current PCI requirements concerning payment card processing. Franchisee also must ensure the security, integrity and confidentiality of all of Franchisee's data. Neither Company nor Franchisor will be responsible for unauthorized access to Franchisee's data that results from Franchisee's failure to keep secure the assigned passwords.

4. PAYMENT

A. Monthly Fee. Franchisee will pay Company or its designee Company's then-current monthly software license fee for accessing the Software and the support and maintenance services described herein. Currently, Franchisor includes this ongoing fee as a part of the then-current technology fee ("Technology Fee") that Franchisee is required to pay Franchisor under the Franchise Agreement. Franchisee is responsible for any sales, excise, use or value-added taxes applicable to the Software or this Agreement. Company reserves the right to periodically increase the ongoing fee by a reasonable amount to reflect Company's increased costs of providing services (including those provided by third parties) and Software access under this Agreement.

B. Hardware and Third-Party Software Fees. Franchisee is responsible for purchasing and obtaining all hardware as Company designates for use with the Software.

5. SUPPORT AND MAINTENANCE

A. Support Services. Company or Franchisor will provide the following services to Franchisee during the term of this Agreement: help desk support to answer questions related to functionality of the Software; correcting identifiable and reproducible program errors in the Software; and providing major upgrades of the Software that are made generally available by Company. Help desk services are not a substitute for training or consulting services. Training documentation may be provided to Franchisee to train its own employees.

B. Software Updates. Company may, in its sole discretion, periodically release updates, modifications and enhancements respecting the Software. Franchisee will use or install any fixes, updates, modifications or enhancements that Company designates as mandatory. Company may charge a reasonable fee for its services, including any services or expenses relating to updates, modifications, and enhancements to the Software which it elects to release.

6. CONFIDENTIALITY

A. Confidential Information. Franchisee acknowledges and agrees that all provisions in the Franchise Agreement respecting confidential information will apply to this Agreement.

B. Customer Data. Franchisee acknowledges and agrees that all provisions in the Franchise Agreement respecting customer data will apply to this Agreement.

7. INDEMNIFICATION FOR THIRD PARTY INFRINGEMENT CLAIMS

A. Indemnification of Franchisee for Software. Company does not have actual knowledge of any claim that the Software infringes upon a third party's patent, copyright or other proprietary right. If a third party asserts such an infringement claim against Franchisee, Franchisee will immediately notify Company in writing. Company and Franchisor will have the right (but not the obligation) to defend any such claim, at Company's expense, and Franchisee will cooperate with Company and Franchisor with respect to such defense. In the event of any such claim, Franchisee will, at Company's direction, immediately discontinue using the Software. Company will either modify the Software to make it non-infringing, replace the Software with such other non-infringing software as Company or Franchisor may furnish to Franchisee or discontinue using the Software without compensation to Franchisee. Neither Company nor Franchisor will be liable to Franchisee if an infringement claim is based on Franchisee's unauthorized use or modification of the Software.

B. Franchisee Indemnification of Company. In addition to Franchisee's indemnification obligations under the Franchise Agreement, Franchisee will hold harmless, indemnify and defend Company and Franchisor against all claims and will pay all costs, damages and reasonable attorneys' fees, arising out of or resulting from Franchisee's failure to comply with all applicable terms of this Agreement.

8. WARRANTY DISCLAIMER

COMPANY DISCLAIMS ALL WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING NON-INFRINGEMENT (EXCEPT AS PROVIDED IN SECTION 7(A) ABOVE), MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. COMPANY DOES NOT WARRANT THAT THE SOFTWARE IS ERROR-FREE OR THAT USE OF THE SOFTWARE WILL BE FREE FROM MINOR INTERRUPTIONS.

9. LIMITATION ON DAMAGES

THE LIABILITY OF COMPANY AND FRANCHISEE TO FRANCHISEE WILL NOT EXCEED THE AMOUNTS FRANCHISEE PAYS TO COMPANY OR IT'S DESIGNEE UNDER THIS AGREEMENT. NEITHER COMPANY, FRANCHISOR, NOR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, AGENTS, AFFILIATES OR REPRESENTATIVES WILL BE LIABLE TO FRANCHISEE FOR INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS) RELATED TO THIS AGREEMENT OR RESULTING FROM FRANCHISEE'S USE OR INABILITY TO USE THE SOFTWARE, THAT ARISE FROM ANY CAUSE OF ACTION, INCLUDING CONTRACT, WARRANTY, STRICT LIABILITY, OR NEGLIGENCE, EVEN IF COMPANY HAS BEEN NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

10. PROPRIETARY RIGHTS

Other than the access granted under this Agreement, no right, title or interest in all or any portion of the Software is conveyed or assigned to Franchisee, either expressly or by implication, under this Agreement, including any patents, copyrights, trade secrets, trademarks, trade names, or other intellectual property associated with the Software.

11. TERM AND TERMINATION

This Agreement commences on the Effective Date and continues until the current term of the Franchise Agreement terminates or expires, unless this Agreement is earlier terminated under this Section. Company may terminate this Agreement: (1) immediately upon written notice to Franchisee if Franchisee violates Sections 2(A) or 6 above or if Franchisee makes an assignment for the benefit of creditors, or commences or has commenced against it any proceeding in bankruptcy, insolvency, or reorganization pursuant to bankruptcy laws or laws of debtor's moratorium; (2) if Franchisee violates any provision of this Agreement and fails to cure such violation within thirty (30) days or such shorter time as Company deems reasonably necessary to avoid termination of the Franchise Agreement; (3) Franchisee ceases to have the right to operate the Franchised Business; or (4) otherwise upon termination of the Franchise Agreement. In addition, Company has the right to terminate this Agreement upon sixty (60) days' written notice to Franchisee if Company intends to discontinue or replace the Software. Upon termination of this Agreement: (1) Company agrees to provide Franchisee with access to the customer data; provided, Franchisee agrees not to use any customer data for any activity that would violate Franchisee's covenants or post-termination obligations stated in the Franchisee Agreement; and (2) Franchisee will immediately pay Company or its designee all amounts due respecting the Software and immediately return to Company or its designee all property relating to the Software and related Software documentation.

12. MISCELLANEOUS

A. This Agreement represents the entire agreement between the parties respecting this subject matter and supersedes all prior agreements, representations, negotiations and understandings between the parties. Company and Franchisee acknowledge and agree that dispute resolution, governing law and venue will be governed in the same manner as under the corresponding provisions of the Franchise Agreement.

B. Franchisee understands that violation of any provisions of this Agreement may jeopardize Company's, Franchisor's, and other franchisees' use of the Software, in addition to the possible termination of Franchisee's rights under this Agreement, and that Company and Franchisor will be entitled to injunctive relief restraining such violation or a threatened violation without showing or proving any actual damage. In addition, Franchisee expressly acknowledges that a violation or default of the Franchise Agreement will constitute a default of this Agreement and any default of this Agreement will constitute a default of the Franchise Agreement. If Franchisee defaults under the Franchise Agreement, Company may pursue all remedies available to it under this Agreement, including the right of termination.

C. Franchisee acknowledges and agrees that Franchisor is an intended third-party beneficiary of this Agreement with the right to enforce it, independently or jointly with Company. Accordingly, Franchisor shall have the right to enforce its rights under this Agreement directly against Franchisee in the event of Franchisee's breach of this Agreement.

D. All amendments to this Agreement must be in writing and signed by both parties.

E. If any provision of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, such invalid or unenforceable provision will be modified to the extent required to be valid and enforceable, and the remaining provisions will remain in full force and effect.

F. Company may freely assign all or any of its interests or obligations in this Agreement to any other person or entity without providing notice to Franchisee. Franchisee may assign this Agreement only to its successor in interest under the terms of the Franchise Agreement.

G. Notices to Company shall be sent to 98 4th Street, Suite 106, Brooklyn, NY, 11231, and notices to Franchisee shall be sent to the Franchisee's at the addresses listed in the Franchise Agreement, or such other address as either parties specifies in writing, and will be deemed given as described in the Franchise Agreement.

The parties have signed this Agreement on the date stated in the first paragraph.

COMPANY:	**FRANCHISEE:**
BROOKLYN ROBOT FOUNDRY SOFTWARE, LLC	_____ Name of corporation or limited liability company
By_____ Name: _____ Its_____	By_____ Name: _____ Its_____

EXHIBIT A

ADDITIONAL RESTRICTIONS ON USE OF SOFTWARE

With respect to third-party computer programs provided by Company for use with the Software, Franchisee acknowledges that its right to use any such third-party software is specified on the license agreement provided by the appropriate licensor of such software.

Except as otherwise agreed to by Company, no express or implied license or right of any kind is granted to Franchisee regarding the Software including any right to know, use, produce, receive, reproduce, copy, market, sell, distribute, transfer, translate, modify, or adapt the Software or related Software documentation (the "Documentation") or create derivative works based on the Software or Documentation or any portions thereof, or obtain possession of any source code or other technical material relating to the Software. The Software may not be used for commercial timesharing, service, business or other rental or sharing arrangements although it may be used by Franchisee as described in the attached Agreement. Franchisee will not decompile, reverse assemble, or otherwise reverse engineer the Software. Further, Franchisee will comply with all applicable laws in connection with the use of the Software.

Franchisee acknowledges and agrees that, except for Franchisee's license expressly described in this Agreement, Franchisee has no right, title and interest in the Software, in any form, or in any copies thereof, including all worldwide copyrights, trade secrets, patent rights and any other proprietary information and confidential information rights therein. In connection therewith, Franchisee agrees at all times to keep the Software free of all security interests, liens, encumbrances (other than licenses permitted hereunder), mortgages and claims, and Franchisee agrees that neither it nor anyone at its direction will file a financing statement, mortgage, notice of lien, deed of trust, security agreement or any other agreement or instrument creating or giving notice of an encumbrance or charge against the Software.

Company will not be liable for any default or delay in the performance of its obligations hereunder: (i) if and to the extent that such default or delay arises out of causes beyond its reasonable control, including acts of God, acts of war, acts of governmental authority, acts of public energy, insurrection, earthquakes, fires, cable cuts, floods, terrorism, and riots (each, a "Force Majeure Event") and (ii) provided such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternative sources, work-around plans or other means. Upon the occurrence of a Force Majeure Event, Company will be excused from further performance or observance of the obligation(s) affected so long as such circumstances caused by the Force Majeure Event prevail and Company uses its reasonable efforts to promptly recommence performance or observance of such obligation(s).

EXHIBIT C

LIST OF STATE ADMINISTRATORS; AGENTS FOR SERVICE OF PROCESS

LIST OF STATE ADMINISTRATORS

STATE	STATE ADMINISTRATOR/AGENT	ADDRESS
California	California Department of Financial Protection and Innovation	320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 1-866-275-2677
Hawaii (State Administrator)	Commissioner of Securities Dept. of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch	335 Merchant Street Room 203 Honolulu, HI 96813
Illinois	Illinois Attorney General	500 South Second Street Springfield, IL 62706
Indiana (State Administrator)	Indiana Securities Commissioner Securities Division	302 West Washington Street, Room E111 Indianapolis, IN 46204
Indiana (Agent)	Indiana Secretary of State	302 West Washington Street, Room E018 Indianapolis, IN 46204
Maryland (State Administrator)	Office of the Attorney General Division of Securities	200 St. Paul Place Baltimore, MD 21202-2020
Maryland (Agent)	Maryland Securities Commissioner	200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Michigan Department of Attorney General Consumer Protection Division	G. Mennen Williams Building, 1st Floor 525 West Ottawa Street Lansing, MI 48933
Minnesota	Commissioner of Commerce Minnesota Department of Commerce	85 7th Place East, Suite 280 St. Paul, MN 55101-2198
New York (State Administrator)	Office of the New York State Attorney General Investor Protection Bureau, Franchise Section	28 Liberty Street, 21st Floor New York, New York 10005 212-416-8236 Phone 212-416-6042 Fax
New York (Agent)	New York Department of State	One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 518-473-2492
North Dakota	Securities Commissioner North Dakota Securities Department	600 East Boulevard Avenue State Capitol, Fifth Floor, Dept. 414 Bismarck, ND 58505-0510
Rhode Island	Director, Department of Business Regulation, Securities Division	1511 Pontiac Avenue John O. Pastore Complex – Building 68-2 Cranston, RI 02920
South Dakota	Department of Labor and Regulation Division of Insurance – Securities Regulation	124 S. Euclid, Suite 104 Pierre, SD 57501
Virginia (State Administrator)	Virginia State Corporation Commission Division of Securities and Retail	1300 East Main Street, 9th Floor Richmond, VA 23219-3630
Virginia (Agent)	Clerk of the State Corporation Commission	1300 East Main Street, 1st Floor Richmond, VA 23219-3630
Washington	Department of Financial Institutions Securities Division	150 Israel Road SW Tumwater, WA 98501 360-902-8760 Department of Financial Institutions Securities Division PO Box 9033 Olympia, WA 98507
Wisconsin	Commissioner of Securities	Department of Financial Institutions Division of Securities 4822 Madison Yards Way, North Tower Madison, WI 53705

EXHIBIT D

STATE ADDENDA

CALIFORNIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the California Franchise Investment Law, Cal. Corp. Code §§ 31000-31516 or the California Franchise Relations Act, Cal. Bus. & Prof. Code §§20000-20043 applies, the terms of this Addendum apply.

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

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AND COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT, IN A FORM CONTAINING THE INFORMATION THAT THE COMMISSIONER MAY BY RULE OR ORDER REQUIRE, BEFORE A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner of the Department of Financial Protection and Innovation.

Item 3, Additional Disclosure:

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

Item 5, Additional Disclosure:

The Department of Financial Protection and Innovation requires that the franchisor defer the collection of all initial fees from California franchisees until the franchisor has completed all its pre-opening obligations and franchisee is open for business.

Item 6, Additional Disclosure:

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

Item 17, Additional Disclosures:

The franchise agreement requires franchisee 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 there under is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043)).

The franchise agreement requires application of the laws of New York. This provision may not be enforceable under California law.

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

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

Under California Civil Code §1671, certain liquidated damages clauses are unenforceable.

The franchise agreement requires binding arbitration. The arbitration will occur in the county where our then-current headquarters are located with the cost being borne by the non-prevailing party. Prospective franchisees are encouraged to consult with private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

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

California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

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

CALIFORNIA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the California Franchise Investment Law, Cal. Corp. Code §§ 31000-31516 or the California Franchise Relations Act, Cal. Bus. & Prof. Code §§20000-20043 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

The Franchise Agreement requires franchisee 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 there under is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043)).

The Franchise Agreement requires application of the laws of New York. This provision may not be enforceable under California law.

Under California Civil Code §1671, certain liquidated damages clauses are unenforceable.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. The Federal Bankruptcy Code also provides rights to franchisee concerning termination of the Franchise Agreement upon certain bankruptcy-related events. If the Franchise Agreement is inconsistent with the law, the law will control.

The Franchise Agreement requires binding arbitration. The arbitration will occur in the county where our then-current headquarters are located with the cost being borne by the non-prevailing party. Prospective franchisees are encouraged to consult with private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

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

California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

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

The Department of Financial Protection and Innovation requires that the franchisor defer the collection of all initial fees from California franchisees until the franchisor has completed all its pre-opening obligations and franchisee is open for business.

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

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

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

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:	**FRANCHISEE:**
Brooklyn Robot Foundry Franchising, LLC	_____
By: _____ Its:	By: _____ Its:
Date: _____	Date: _____

ILLINOIS ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. §§705/1 – 705/44 applies, the terms of this Addendum apply.

Item 5, Additional Disclosure:

Payment of the initial franchise fee is deferred until such time as the franchisor completes its initial obligations and franchisee is open for business. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

Item 12, Additional Disclosure:

A National Account customer is a customer responsible for a business in more than one location. The franchisor has the exclusive right to negotiate and enter into agreements to provide services to National Account customers. You may be offered the opportunity to service a National Account. If you decline or are unable to service the account, the franchisor, an affiliate or another franchisee may provide the service with no compensation to you.

Item 17, Additional Disclosures. The following statements are added to Item 17:

> Illinois law governs the Franchise Agreement.
>
> Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.
>
> Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.
>
> Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Illinois Franchise Disclosure Act, Ill. Comp. Stat. §§705/1 – 705/44 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Illinois law governs the Franchise Agreement.

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

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

Your rights upon termination and non-renewal of a franchise agreement are set forth in section 19 and 20 of the Illinois Franchise Disclosure Act.

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

Payment of the initial franchise fee is deferred until such time as the franchisor completes its initial obligations and franchisee is open for business. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

A National Account customer is a customer responsible for a business in more than one location. The franchisor has the exclusive right to negotiate and enter into agreements to provide services to National Account customers. You may be offered the opportunity to service a National Account. If you decline or are unable to service the account, the franchisor, an affiliate or another franchisee may provide the service with no compensation to you.

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

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

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

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:	**FRANCHISEE:**
Brooklyn Robot Foundry Franchising, LLC	_____
By: _____ Its:	By: _____ Its:
Date: _____	Date: _____

MARYLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14-201 – 14-233 applies, the terms of this Addendum apply.

Item 5, Additional Disclosure:

Based upon franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor complete its pre-opening obligations under the franchise agreement.

Item 17, Additional Disclosures:

Our termination of the Franchise Agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C. 101 et seq.).

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

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

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

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

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:	**FRANCHISEE:**
Brooklyn Robot Foundry Franchising, LLC	_____
By: _____	By: _____
Its:	Its:
Date: _____	Date: _____

MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Maryland Franchise Registration and Disclosure Law, Md. Code Bus. Reg. §§14-201 – 14-233 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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

Nothing in the Franchise Agreement prevents the franchisee from bringing a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Nothing in the Franchise Agreement operates to reduce the 3-year statute of limitations afforded to a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law. Further, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

Franchisor's termination of the Franchise Agreement because of Franchisee's bankruptcy may not be enforceable under applicable federal law (11 U.S.C. 101 et seq.).

Based upon franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor complete its pre-opening obligations under the franchise agreement.

Sections 22(a)-(c) of the Franchise Agreement are deleted in their entirety.

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

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

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

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

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:	**FRANCHISEE:**
Brooklyn Robot Foundry Franchising, LLC	_____
By: _____ Its:	By: _____ Its:
Date: _____	Date: _____

NEW YORK ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

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

Cover Page, Additional Disclosure.

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT C OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

Item 3, Additional Disclosure. The following is to be added at the end of Item 3:

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

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

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

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

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

Item 4, Additional Disclosure. Item 4 is deleted and replaced with the following:

Neither we nor any of our predecessors, affiliates, or officers, during the 10-year period immediately before the date of the Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the Bankruptcy Code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within one year after the officer or general partner of the franchisor held this position in the company or partnership.

Item 5, Additional Disclosures.

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

Item 17, Additional Disclosures.

The following is added to the Summary sections of Item 17(c) and 17(m): To the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Section 687.4 and 687.5 be satisfied.

The Summary section of Item 17(d) is deleted and replaced with the following language: You may terminate the agreement on any grounds available by law.

The following is added to the Summary section of Item 17(j): No assignment will be made except to an assignee who in good faith and judgment of the franchisor is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

The following is added to the Summary sections of Items 17(v) and 17(w): The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

Franchise Questionnaires and Acknowledgements

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

Receipts

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

NEW YORK ADDENDUM TO FRANCHISE AGREEMENT

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

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Any provision in the Franchise Agreement that is inconsistent with the New York General Business Law, Article 33, Section 680 - 695 may not be enforceable.

Any provision in the Franchise Agreement requiring franchisee to sign a general release of claims against franchisor does not release any claim franchisee may have under New York General Business Law, Article 33, Sections 680-695.

The New York Franchise Law shall govern any claim arising under that law.

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

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

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

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:	**FRANCHISEE:**
Brooklyn Robot Foundry Franchising, LLC	_____
By:_____	By:_____
Its:_____	Its:_____

RHODE ISLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Rhode Island Franchise Investment Act, R.I. Gen. Law ch. 395 §§19-28.1-1 – 19-28.1-34 applies, the terms of this Addendum apply.

Item 17, Additional Disclosure. The following statement is added to Item 17:

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that: "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

RHODE ISLAND ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Rhode Island Franchise Investment Act, R.I. Gen. Law ch. 395 §§19-28.1-1 – 19-28.1-34 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that: "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

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

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

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

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:	**FRANCHISEE:**
Brooklyn Robot Foundry Franchising, LLC	_____
By: _____	By: _____
Its:	Its:
Date: _____	Date: _____

VIRGINIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Virginia Retail Franchising Act, Va. Code §§13.1-557 – 13.1-574 applies, the terms of this Addendum apply.

Item 17, Additional Disclosures:

Any provision in any of the contracts that you sign with us which provides for termination of the franchise upon the bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. 101 et. seq.).

"According to Section 13.1 – 564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable."

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

VIRGINIA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Virginia Retail Franchising Act, Va. Code §§13.1-557 – 13.1-574 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

> "According to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable."
>
> No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

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

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

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

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:	**FRANCHISEE:**
Brooklyn Robot Foundry Franchising, LLC	_____
By: _____	By: _____
Its:	Its:
Date: _____	Date: _____

EXHIBIT E

GENERAL RELEASE FORM

FORM RELEASE OF CLAIMS

THIS IS A CURRENT RELEASE FORM THAT GENERALLY WILL BE USED WITH OR INCORPORATED INTO A SEPARATE AGREEMENT. THIS FORM IS SUBJECT TO CHANGE OVER TIME.

For and in consideration of the Agreements and covenants described below, Brooklyn Robot Foundry Franchising, LLC ("we" or "us"), _____ ("you") and _____ ("Guarantors") enter into this Release of Claims ("Agreement").

RECITALS

A. We and you entered into a Brooklyn Robot Foundry Franchise Agreement dated _____, ____ (the "Franchise Agreement").

B. [NOTE: Describe the circumstances relating to the release.]

AGREEMENTS

1. **Consideration**. [NOTE: Describe the consideration paid.]

2-3. [NOTE: Detail other terms and conditions of the release.]

4. **Release of Claims.**

A. Definitions.

1. Franchisor Parties: We and each of our subsidiaries, corporate parents and affiliates, and their respective officers, directors, owners, stockholders, members, employees, insurers, attorneys, agents, successors, predecessors, assigns, heirs and personal representatives.

2. Franchisee Parties: You and each of the Guarantors and all persons or entities acting on their behalf or claiming under them including each of their respective past and present corporate parents, subsidiaries, affiliates, owners, heirs, executors, administrators, managers, directors, officers, employees, trustees, agents, partners, business entities, attorneys, insurers, successors and assigns.

B. The Franchisee Parties irrevocably and unconditionally waive, release and forever discharge, and covenant not to sue, the Franchisor Parties of and from any and all claims, suits, debts, liabilities, causes of action, demands, contracts, promises, obligations, losses, rights, controversies, damages, costs, expenses (including actual attorneys' fees and costs incurred), actions and causes of action of every nature, whether known or unknown, direct or indirect, vested or contingent, at law or in equity, whether arising by statute, common law, or otherwise, including claims for negligence (collectively, "Claims"), that they may now have, or at any time heretofore had, or hereafter may have, against each or any of the Franchisor Parties arising out of or relating to any conduct, transaction, occurrence, act or omission at any time before the [Effective Date] relating to the Franchise Agreement(s), the development or operation of the Business(s), the franchise relationship between the parties, the offer or sale of any franchise, or any agreement between any of the Franchisee Parties and any of the Franchisor Parties.

C. The Franchisee Parties specifically and expressly acknowledge and agree that the consideration accepted under this Agreement is accepted in full satisfaction of any and all injuries and/or damages that have previously arisen and which may hereafter arise respecting any of the claims being released.

D. The Franchisee Parties acknowledge that they have had a reasonable opportunity to consult with an attorney prior to signing this release and they have executed this release voluntarily. Also, the Franchisee Parties represent that they have not assigned or transferred to anyone any claims released by them under Section 4(B) above.

5. **General**. No amendment to this Agreement or waiver of the rights or obligations of either party shall be effective unless in writing signed by the parties. This Agreement is governed by the laws of the State of _____ without regard to conflicts of laws principles. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. This Agreement contains the entire agreement and understanding of the parties concerning the subject matter of this Agreement. [NOTE: Detail other miscellaneous provisions.]

YOU:	**WE:**
_____	**BROOKLYN ROBOT FOUNDRY FRANCHISING, LLC**
BY:_____	BY:_____
ITS:_____	ITS:_____
DATE:_____	DATE:_____

PERSONAL GUARANTORS:

_____

_____

EXHIBIT F

LIST OF FRANCHISEES
as of December 31, 2023

Franchisees as of December 31, 2023

Territory	Name	Street	City	State	Zip	Phone Number
Fairfield, CT	John Choi	388 Grandview Rd	Fairfield	CT	06825	203-350-9454
Midtown East/Upper East Side, NY	Janine Harper	997 Sterling Place	Brooklyn	NY	11213	917-408-3492
Rochester, NY	Kimberly Hand	13 Talos Way	Rochester	NY	14624	585-201-8636

Signed but Unopened as of December 31, 2023

Territory	Name	Street	City	State	Zip	Phone Number
East Philadelphia, PA	Denise and Richard Snow	115 Gainsboro Rd	Cherry Hill	NJ	08003	215-326-9325
West Philadelphia, PA	Denise and Richard Snow	115 Gainsboro Rd	Cherry Hill	NJ	08003	215-326-9325

EXHIBIT G

DISCLOSURE ACKNOWLEDGMENT AGREEMENT

DISCLOSURE
ACKNOWLEDGMENT AGREEMENT

As you know, Brooklyn Robot Foundry Franchising, LLC ("we" or "Franchisor) and you are entering into a Franchise Agreement for the operation of a Brooklyn Robot Foundry franchised business ("Business"). The purpose of this Acknowledgment Agreement is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your business. Please review each of the following questions carefully and provide honest responses to each question.

DO NOT SIGN THIS STATEMENT IF YOU ARE A RESIDENT OF, OR INTENT TO OPERATE THE FRANCHISED BUSINESS IN CALIFORNIA.

For Prospective Franchisee's who may operate a business in Maryland or who reside in Maryland: Do not sign this acknowledgment agreement if you are a resident of Maryland or the business is to be operated in Maryland.

Acknowledgments and Representations.

1. Did you receive a copy of our franchise disclosure document ("FDD") (and all exhibits and attachments) at least 14 calendar days prior to signing the Franchise Agreement? Yes _____ No _____

2. Did you sign a receipt for the FDD indicating the date you received it? Yes _____ No _____

3. If we materially altered the provisions of the Franchise Agreement (except as a result of negotiations you initiated), did you receive a copy of the Franchise Agreement at least 7 calendar days before signing it? Yes _____ No _____

4. Have you personally reviewed our FDD, Franchise Agreement and related exhibits attached to them? Yes _____ No _____

5. Do you understand all of the information contained in the FDD, Franchise Agreement and related exhibits provided to you? Yes _____ No _____

   If no, what parts of the disclosure document, Franchise Agreement and related exhibits do you not understand? (Attach additional pages, as needed.)

   _____

   _____

   _____

6. Do you understand that the Franchise Agreement contains a number of provisions that may affect your legal rights, including those with respect to the Business for any judicial proceedings, a waiver of a jury trial, a waiver of punitive or exemplary damages, limitations on when claims may be filed, and other waivers and limitations? Yes _____ No _____

7. Have you reviewed the FDD and Franchise Agreement with an attorney, accountant, or other professional advisor and discussed the benefits and risks of establishing and operating the Business with these professional advisors? Yes _____ No _____

   If No, do you wish to have more time to do so? Yes _____ No _____

8. Do you understand that the success or failure of your Business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors? Yes _____ No _____

9. Has anyone speaking on the Franchisor's behalf made any statement or promise to you concerning the revenues, profits or operating costs of an Brooklyn Robot Foundry business operated by the franchisor (or its affiliates) or its franchisees that is different from the information contained in the FDD? Yes _____ No _____

10. Has anyone speaking on our behalf made any statement or promise to you about the amount of money you may earn in operating the Business that is different from the information contained in the FDD? Yes _____ No _____

11. Has anyone speaking on our behalf made any statement or promise concerning the total amount of revenue your Business will or may generate that is different from the information contained in the FDD? Yes _____ No _____

12. Has anyone speaking on our behalf made any statement or promise regarding the costs you may incur in operating your Business that is different from the information contained in the FDD? Yes _____ No _____

13. Has anyone speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating Business? Yes _____ No _____

14. Has anyone speaking on our behalf made any statement or promise, or made an agreement with you, concerning how much service and assistance the Franchisor will provide to you (for example, concerning advertising, marketing, training, and support) that is different from the information contained in the FDD? Yes _____ No _____

15. Have you entered into any binding agreement with us concerning the purchase of this franchise before today? Yes _____ No _____

16. Have you paid any money to us concerning the purchase of this franchise before today? Yes _____ No _____

17. If you have answered "Yes" to any of questions 9-16, please provide a full explanation of each "yes" answer in the following blank lines. (Attach additional pages, as needed, and refer to them below.) If you have answered "no" to each of questions 9-16, then please leave the following lines blank.

_____
_____
_____
_____
_____
_____
_____

18. Do you understand that the territorial rights you have been granted are subject to limitations and exceptions? Yes _____ No _____

19. Do you understand that we may eliminate your territory or terminate the Franchise Agreement if you fail to meet annual minimum performance requirements? Yes _____ No _____

20. Do you understand that the Franchise Agreement contains the entire agreement between you and us concerning the franchise rights for the Business, meaning that any prior oral or written statements not set out in the Franchise Agreement will not be binding? Yes _____ No _____

21. Do you acknowledge and represent to Franchisor that (a) you or the entity that you form to be a franchisee will be the employer of all of your employees and will have sole discretion and authority to hire, fire, discipline, compensate and schedule working hours for, all of your employees; and (b) us and our affiliates will have no control, or right to control, any of the employment actions or decisions in your business? *We recommend that you retain employment law counsel to advise you with your employment issues and questions.* Yes _____ No _____

22. Do you understand that:

    a. this franchise business may be impacted by other risks, including those outside your or our control such as local, national or global economic, political or social disruption, such COVID-19? Yes _____ No _____

    b. that such disruptions, and any preventative, protective, or remedial actions that federal, state, and local governments may take in response to a disruption may result in a period of business disruption, reduced customer demand, and reduced operations for your Brooklyn Robot Foundry business, and may require that we take actions that might not be contemplated under the Franchise Agreement? Yes _____ No _____

    c. the extent to which any such disruption impacts the Brooklyn Robot Foundry system, and your franchise business, will depend on future developments which are highly uncertain and which we cannot predict? Yes _____ No _____

    If no, please comment: _____

    _____

23. I signed the Franchise Agreement and Addenda (if any) on _____, 20_____, and acknowledge that no Agreement or Addendum is effective until signed and dated by the Franchisor.

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

Signed:_____	Signed:_____
Print Name:_____	Print Name: _____
Date:_____	Date:_____

EXHIBIT H

OPERATIONS MANUAL TABLE OF CONTENTS

Chapter 1:	Intro to the Manual (8 pages)
Chapter 2:	Intro to the Company (8 pages)
Chapter 3:	Understanding Franchising (5 pages)
Chapter 4:	Pre-Opening Procedures (26 pages)
Chapter 5:	Support (7 pages)
Chapter 6:	HR-Reference Files (49 pages)
Chapter 7:	Daily Operating Process (41)
Chapter 8:	Finance & Accounting (23 pages)
Chapter 9:	Marketing (22 pages)
Chapter 10:	Additional Resources (3 pages)

EXHIBIT I

STATE EFFECTIVE DATES

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
Illinois	Pending
Maryland	Pending
New York	May 20, 2024
Rhode Island	May 14, 2024
Virginia	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 J

RECEIPT PAGES

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 Brooklyn Robot Foundry Franchising, LLC offers you a franchise, Brooklyn Robot Foundry Franchising, LLC must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Brooklyn Robot Foundry Franchising, LLC or its affiliate in connection with the proposed franchise sale. Iowa and New York require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days (or 14 calendar days in Iowa) before the execution of any binding franchise or other agreement, or payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration, whichever occurs first.

If Brooklyn Robot Foundry Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and those state administrators listed on Exhibit C.

Issuance Date: April 29, 2024

The franchisor is Brooklyn Robot Foundry Franchising, LLC, located at 98 4th Street, Suite 106, Brooklyn, NY 11231. Its telephone number is 347-762-6840.

Brooklyn Robot Foundry Franchising, LLC's franchise sellers involved in offering and selling the franchise are Jennifer Young, Nicholas Shuit, Leigh Smith, and/or Britawny Karlosky, located at 98 4th Street, Suite 106, Brooklyn, NY 11231, telephone number 347-762-6840 or is listed below (with address and telephone number), or will be provided to you separately before you sign a franchise agreement:_____

_____

Brooklyn Robot Foundry Franchising, LLC authorizes the respective state agencies identified on Exhibit C to receive service of process for Brooklyn Robot Foundry Franchising, LLC in the particular state.

I have received a disclosure document with an issuance date of April 29, 2024, that included the following Exhibits:

A. Financial Statements
B. Franchise Agreement (and Exhibits)
C. List of State Administrators, Agents for Service of Process
D. State Addenda
E. General Release Form
F. List of Franchisees
G. Disclosure Acknowledgment Agreement
H. Operations Manual Table of Contents
I. State Effective Dates
J Receipt Pages

Date: _____
(Do not leave blank)

_____
(Print Name of Prospective Franchisee (For Entity))

By: _____
Its: _____

_____
(Print Name of Prospective Franchisee (For Individuals))

Signature _____

Copy for Franchisee

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By: _____
Its: _____

_____
(Print Name of Prospective Franchisee (For Individuals))

Signature _____

Please sign and date both copies of this receipt, keep one copy (the previous page) for your records, and mail one copy (this page) to the address listed on the front page of this disclosure document or send to Jennifer Young at franchise@brooklynrobotfoundry.com.

Copy for Brooklyn Robot Foundry Franchising, LLC