FRANCHISE DISCLOSURE DOCUMENT

Emitepod Inc.
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Emitepod Inc. ("Emitepod") offers franchises for businesses (each, a "Business") that provide accounting, bookkeeping, CFO, tax planning, tax preparation, consulting, human resources, merger and acquisition, exits, capital raising, and other services (the "Services") to businesses and individuals using Emitepod's proprietary methodology under the "Dope CFO®," "Dope CFO Certified Advisor™," and other trademarks (the "Trademarks").

The total investment necessary to begin operation of a Business ranges from $73,150.00 to $103,250.00. This includes $65,750.00 that must be paid to the franchisor.

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

You may wish to receive your Franchise Disclosure Document in another format that is more convenient for you. To discuss the availability of a Franchise Disclosure Document in different formats, contact Andrew Hunzicker, CPA, Emitepod Inc., 10409 Pacific Palisades Avenue, Las Vegas, Nevada 89144-1221.

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

Buying a franchise is a complex investment. The information in this Franchise 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 Franchise Disclosure Document, is available from the Federal Trade Commission. You can contact the FTC at (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: February 12, 2025.

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

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

Your state may also 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 risks 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 Nevada. Out-of-state mediation and litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to mediate, arbitrate, and litigate with the franchisor in Nevada than in your own state.

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

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

To simplify the language in this Franchise Disclosure Document (the "FDD"), "Emitepod," "us," "our," or "we" means Emitepod Inc., the franchisor. "You," "your," or "Franchisee" means the person or business entity that buys the franchise. If the franchisee is a business entity, "you," "your," and "Franchisee" will also mean the owners of the business entity.

The Franchisor and Any Parents, Predecessors, and Affiliates

We are a Nevada corporation incorporated on March 16, 2022. We conduct business under our corporate name and the Trademarks (see Item 13) including the mark "Dope CFO®" and "Dope CFO Certified Advisor™." Our principal business address is 10409 Pacific Palisades Avenue, Las Vegas, Nevada 89144-1221. We began offering franchises on June 2, 2022. We do not offer franchises in any other line of business, but we may do so in the future. Our registered agent for service of process in Nevada is Andrew Hunzicker and our address for service of process in Nevada is 10409 Pacific Palisades Avenue, Las Vegas, Nevada 89144-1221. Our agents for service of process for other states are listed in Exhibit A. We have no parent companies. We have no predecessors. We have two current affiliates.

We do not directly operate and have not ever operated a business of the type you will operate. Andrew Hunzicker, our President, has operated a business of the type you will operate as an individual or in connection with the operations of one of our affiliates described below since May 1, 2015.

Colo & Co, LLC ("C&C") is an Oregon limited liability company organized on October 26, 2020. C&C maintains a principal business address at 268 NW Congress Street, Bend, Oregon 97703. C&C teaches individuals how to offer accounting services to businesses using our proprietary methodology without the use of the Trademarks. C&C has trained approximately 1,400 licensees as of the Issuance Date of the FDD. C&C has not in the past and does not now offer franchises in any line of business.

1st Choice CPA LLC ("1st Choice") is a Wisconsin limited liability company organized on April 2, 2022. 1st Choice maintains a principal business address at 2161 South Robinson Avenue, Milwaukee, Wisconsin 53207. 1st Choice provides accounting, bookkeeping, CFO, taxation, startup support, audit, assurance, and exit planning services. 1st Choice operates our company-owned unit. 1st Choice has not in the past and does not now offer franchises in any line of business.

The Franchise

You will establish a Business providing the Services to businesses and individuals using the Trademarks. We will grant you a license to use the Trademarks in the operation of your Business. The Trademarks include, without limitation, the distinctive trade dress used to identify a Business and our service marks as they currently exist or as they may be modified in the future. We have developed a distinct, proprietary system for the operation of a Business (the "System"). You will operate your Business as an independent enterprise using the System. We will provide you with our proprietary operations manual and other written materials or directions (collectively, the "Operations Manual") for the operation of your Business. Distinctive characteristics of the System include, without limitation, the Services, the Trademarks, the Operations Manual, and all of our other proprietary information and processes (see Item 14). You will sign an Emitepod Inc. Franchise Agreement (a "Franchise Agreement") and operate your Business in accordance with the terms of your Franchise Agreement and the Operations Manual. Other franchisees may operate under different forms of agreements and our obligations and rights with respect to our other franchisees may differ materially in certain circumstances.

You will sign your Franchise Agreement in your personal capacity and transfer it to a business entity with a personal guarantee obligation during your initial training process. The current form of Franchise Agreement is attached to the FDD as Exhibit B.

Market for Services of Your Business and Competition

The target market for your Business are owners, investors, and operators of cannabis- and CBD-related farms, chemical processing plants, product manufacturers, testing laboraties, wholesale and retail distributors, cannabis dispensaries, delivery services, and similar business ventures. The market for the Services is new, developing, and highly competitive. Businesses compete with other businesses both within and separate from the cannabis industry that offer products and services similar to the Services including, without limitation, national and local accounting chains, national and local bookkeeping providers, and other similar tax-related businesses that may be independent or franchised operations.

Regulation

You must research and comply with all federal, state, and local laws and regulations that apply to the operation of your Business. You must secure and maintain in force all required licenses, permits, and professional certifications relating to the operation of your Business.

In addition to laws and regulations that are applicable to businesses generally, the operation of your Business and your involvement will also be subject to specific local, state, and federal laws and regulations that relate to the particular nature of your Business such as state cannabis licensing laws, the federal Controlled Substances Act, and state and federal banking and tax laws. The possession and sale of cannabis and some of its derivative products is prohibited by federal law. As of the date of the FDD, 47 states (and Washington, D.C.) have established medical cannabis programs, with 38 of those states (and Washington, D.C.) also allowing the recreational use of cannabis and cannabis-related products. Each of these states has its own cannabis licensing and regulatory regime and controls and limits the number of licenses it issues. In those states, your Business will be subject to specific laws regulating cannabis-related businesses and you must ensure your compliance with all such laws. While we expect that more states will legalize cannabis-related enterprises as the industry develops and believe it likely that the federal prohibition of the possession and sale of cannabis will eventually end, we cannot guarantee that the operation of your Business will not expose you to potential civil or criminal liability including claims that your provision of Services constitutes "aiding and abetting" illegal activity. In addition, your legal risks associated with providing Services to cannabis-related businesses may be substantially higher in states that have not legalized cannabis-related enterprises. You must make your own determination as to whether your provision of Services violates any applicable laws and you should consult legal advisors for this purpose. Ultimately, you will operate your Business at your own risk.

The Federal Trade Commission's Safeguards Rule requires that tax preparers use physical, administrative, and technological means to safeguard confidential client data. The federal Gramm Leach Bliley Act requires that tax preparers advise clients of what type of confidential data they collect, the use made of this data, and the safeguards in place to protect it.

All Services you directly or indirectly provide must be in compliance with all applicable laws and regulations including, without limitation, laws and regulations imposed by the Internal Revenue Service and state regulatory authorities. States have laws and regulations governing the preparation of state tax returns and the licensure of state tax preparers. These laws vary from state to state. You are responsible for compliance with all applicable licensure requirements imposed by state and federal law. In addition, most states have regulations regarding the electronic filing of tax returns. Certain states also have privacy laws and may require tax preparers to purchase a bond.

Every Business must comply with all applicable federal, state, county, and municipal building codes, handicap access codes, codes restricting smoking in public places, codes regulating the public posting of notices regarding health hazards, fire safety codes, general emergency preparedness codes, codes regulating the proper use, storage, and disposal of hazardous waste and materials, and other building, fire, and health codes. You must operate your Business in full compliance with all applicable workplace laws, ordinances, and regulations including governmental regulations relating to occupational hazards, health, the Equal Employment Opportunity Commission, the Occupational Safety and Health Administration, discrimination, employment, sexual harassment, worker's compensation, unemployment insurance, and the withholding and payment of federal, state, and local income taxes, social security taxes, and sales and use taxes.

ITEM 2
BUSINESS EXPERIENCE

President and Chief Executive Officer: Andrew Hunzicker, CPA

Mr. Hunzicker has been our President and Chief Executive Officer since our incorporation. He has been the Manager of C&C since its organization. He was the Manager of CFO Bend, LLC from October, 2017 to February, 2023. He was the Chief Executive Officer of Ancor Training LLC from February, 2018 to December, 2020. He offered CFO and accounting services as an individual from March, 2010 to January, 2018. All of these positions are or were located in Bend, Oregon.

Chief Revenue Officer: Raymond Guns, CPA

Mr. Guns has been our Chief Revenue Officer since April, 2022. He has been the sole Member of 1st Choice since its organization. He was a Lead Internal Auditor for Johnson Controls from April, 2018 to January, 2022. He was a Senior Financial Auditor for CliftonLarsonAllen from October, 2015 to March, 2018. All of these positions are or were located in Milwaukee, Wisconsin.

Chief Experience Officer: Kristi Vaneé Kim

Ms. Kim has been our Chief Experience Office since December, 2023, in Modesto, California. They were our CFO Success Manager from July, 2022, to November, 2023, in Modesto, California. They have been the Treasurer and a Director of Freedom Grow since June, 2023, in Modesto, California. They have been the Chief Operating Officer of Talmalpais Holding Company since April, 2023, in Modesto, California. They have been a student at Northeastern University since September, 2021, in Boston, Massachusetts. They have been a Superhost for Laurel Gulch since April, 2020, in Madero County, California. They were a Cannabis Accountant for The Rendered Safe Project from December, 2021, to August, 2023, in Modesto, California. They were a self-employed Contract Accountant from June, 2016, to September, 2022, in Modesto, California. They were a Regulatory Accountant for Sierra Tel from February, 2020, to August, 2021, in Oakhurst, California.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item 3.

ITEM 4
BANKRUPTCY

No bankruptcies are required to be disclosed in this Item 4.

ITEM 5
INITIAL FEES

Initial Franchise Fee

You will pay us $65,000.00 (the "Initial Franchise Fee") for the right to operate your Business when you sign your Franchise Agreement. All franchisees pay the Initial Franchise Fee less any amounts such franchisees previously paid to C&C to receive the core Dope CFO educational program. The Initial Franchise Fee is uniform, deemed fully earned upon receipt, and nonrefundable.

Initial Marketing Fee

You will pay us $750.00 (the "Initial Marketing Fee") for our initial marketing assistance when you sign your Franchise Agreement. Our initial marketing assistance may include, without limitation, consultation regarding your Internet presence and social media, the provision of letterhead and stationery, and strategic advice about your opening and ongoing development. The Initial Marketing Fee is uniform, deemed fully earned upon receipt, and nonrefundable.

ITEM 6
OTHER FEES

(1) Type of Fee[1]	(2) Amount	(3) Date Due	(4) Remarks
Royalty Fees	The greater of (i) 8% of Gross Revenues[2], or (ii) $500.00 (the "Minimum Royalty Fee").	Seven days after the beginning of each month.	Royalty fee payments are based on your Gross Revenues from the preceding calendar month. Your obligation to pay the Minimum Royalty Fee will begin nine months after the date you execute your Franchise Agreement.
Marketing Fund[3] Fees	The greater of (i) up to 1% of Gross Revenues, or (ii) a minimum monthly payment.	Seven days after the beginning of each month.	We do not currently require Marketing Fund fee payments, but we may do so in the future. Marketing Fund fee payments will be the greater of a percentage of your Gross Revenues from the preceding calendar month or a minimum monthly payment that will not exceed $500.00.
Marketing Fees	1% of Gross Revenues.	As arranged.	You must spend at least 1% of your Gross Revenues each month on marketing efforts.

(1) Type of Fee[1]	(2) Amount	(3) Date Due	(4) Remarks
Advertising Cooperative Fees[4]	Currently none.	As arranged.	No advertising cooperative fee payments are currently required, but they may be required in the future.
Conference Fees	Our then-current fee plus associated expenses.	As incurred.	If we conduct a conference for the benefit of the System, we may charge you a fee. The conference fee will not exceed $1,000.00. You will attend any conference we conduct and pay any fee we charge plus all associated expenses including, without limitation, accommodation costs, salary costs, transportation costs, and food costs.
Marketing Deficiency Fees	The amount of any deficiency plus 15%.	As incurred.	This fee is payable to us if you do not meet your minimum marketing expenditures. Any amounts we collect in connection with your deficiency will be contributed to the Marketing Fund if a Marketing Fund exists.
Additional Training Fees	Our then-current fee plus expenses.	As incurred.	If you or any of your personnel request or are required to attend remedial or supplemental training, you will pay our then-current fee for the training which is currently $500.00 per attendee per day.
Computer Hardware and Software Fees	Associated expenses.	As incurred.	You will purchase all computer hardware and software we require from us or our designated suppliers. You will pay such amounts to us or third parties as are reasonably required to maintain your computer systems including, without limitation, any licensing fees and our administrative costs. We neither currently directly assess any computer hardware or software fees nor plan to do so in the future, but we reserve the right to do so.
System Change Fees	Associated expenses.	As incurred.	You will pay all expenses incurred in connection with complying with our modifications to the System including, without limitation, changes to our approved suppliers,

(1) Type of Fee[1]	(2) Amount	(3) Date Due	(4) Remarks
			trade dress, services, products, equipment, furniture, and fixtures.
Management Fees	Our fee plus associated expenses.	As incurred.	If you are in default of your Franchise Agreement and we elect to manage your Business on your behalf, you will pay us a fee for our services that we reasonably determine until your default is cured. You will pay all associated expenses for our management personnel including, without limitation, accommodation costs, salary costs, transportation costs, and food costs.
Regulatory Compliance Fees	Determined by applicable agencies.	As incurred.	You will pay any expenses associated with regulatory compliance by your Business.
Transfer Fees	$12,500.00 plus associated expenses.	The earlier of our approval of your transfer application or the date your transferee attends our training program.	You must satisfy all required conditions to obtain our approval of your transfer. You will pay our associated expenses incurred in connection with your transfer including, without limitation, expenses incurred to conduct a training program for your transferee and our legal costs.
Extension Fees	10% of the then-current Initial Franchise Fee plus associated expenses.	When you sign the then-current form of Franchise Agreement.	You must satisfy all required conditions to extend the term of your Franchise Agreement including, without limitation, executing our then-current form of Franchise Agreement. In addition to the extension fee, you will pay our associated expenses incurred in connection with your extension including, without limitation, our legal costs.
Audit Fees	Cost of audit plus any deficiency.	Upon demand.	Audit fees are payable if we audit the operations of your Business and determine that you have understated amounts due to us by more than 2% or if your records are not compliant with our requirements. In addition to your payment of any audit fee, we may exercise any other available remedies.

(1) Type of Fee[1]	(2) Amount	(3) Date Due	(4) Remarks
Interest Fees	The greater of 18% per annum or the highest rate permitted by law.	Upon demand.	Interest fees are payable on any overdue amounts due to us and accrue from the date any payment is due until you remit the payment to us.
Insurance	Reimbursement of our costs plus a 20% administrative charge.	Upon demand.	If you fail to obtain insurance, we may obtain insurance for you, and you must reimburse us for the cost of the insurance obtained plus 20% of the premium for our associated administrative expenses.
Indemnification Fees	Costs of any liabilities, claims, damages, and legal fees we incur.	Within ten days of your receipt of our invoice.	Payable for any matters arising from your operation of your Business for which you are obligated to indemnify us pursuant to your Franchise Agreement.
Legal Fees	Associated legal fees.	Upon demand.	Legal fees are payable for any costs we incur in connection with our enforcement of your Franchise Agreement including, without limitation, our collection of overdue amounts owed to us or our defense of claims arising from your operation of your Business.

Notes:

1. Fees. Except where otherwise noted, all fees are payable to us or our designees, nonrefundable, and uniformly imposed on all franchisees. We may reasonably increase any fees or charges for products, materials, and services we provide from time to time except the percentage of your Gross Revenues used to calculate your royalty fee payments. The royalty fee percentage is not subject to any increases. Annual increases in the Minimum Royalty Fee will be limited to the applicable percentage increase of the Consumer Price Index. You will remit all amounts in the manner we determine including, without limitation, payment by bank draft, certified check, credit card, electronic funds transfer, or we otherwise direct in writing. You will execute all necessary documents and consents for payment including, without limitation, our current form of Auto-Debit Authorization Agreement for payments to be made by electronic funds transfer, a copy of which is attached to the Franchise Agreement as Schedule C, to enable us to automatically withdraw money from your financial accounts.

2. Gross Revenues. The term "Gross Revenues" means all gross sums collected or billed by you for all goods and services sold in connection with your Business and any other revenue related to or derived from your provision of the Services or your sale of any other products or services in connection with the conduct and operation of your Business whether for cash, check, credit, barter, equity compensation, or any other means of exchange including, without limitation, the proceeds of any business interruption insurance and equity compensation paid to you as part of a particular payment arrangement with a customer. Gross Revenues do not include any sales, use, excise, license, or similar taxes separately billed, charged, and collected by you for the appropriate governmental authorities.

3. Marketing Fund. Although we have not yet established a dedicated marketing fund for the benefit of the System (the "Marketing Fund"), we may establish a Marketing Fund in the future in our discretion. You may be required to pay a minimum monthly amount to the Marketing Fund regardless of your Gross Revenues. Marketing Fund fee payments will not be credited towards the satisfaction of your minimum marketing requirements.

4. Advertising Cooperative Fees. We may establish and require your participation in an advertising cooperative (a "Cooperative"). If a Cooperative is established that includes your Business, you will be required to participate and make ongoing payments to the Cooperative as established by the Cooperative's members. We will not directly or indirectly participate in any Cooperative. We anticipate that each franchised Business will have one vote for each participating Business and that Cooperative decisions will be made based on the approval of a simple majority vote with a quorum of not less than 25% of the Cooperative's members. Contributions to a Cooperative will be credited towards the satisfaction of your minimum marketing requirements.

5. Regulatory Compliance Fees. You may be required to pay fees to third party state licensing authorities if you are a Certified Public Accountant or other type of professional that requires specific licenses issued by a state licensing authority.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

(1) Type of Expenditure[1]	(2) Amount	(3) Method of Payment	(4) When Due	(5) To Whom Payment is Made
Initial Franchise Fee	$65,000.00.[2]	Certified check, credit card, or electronic funds transfer.	Upon signing your Franchise Agreement.	Us.
Computer Software Fee	$0.00 to $500.00.	As agreed.	Upon signing your Franchise Agreement.	Third parties.
Initial Marketing Fee	$750.00.	Certified check, credit card, or electronic funds transfer.	Upon signing your Franchise Agreement.	Us.
Marketing Expenses	$0.00 to $5,000.00.	As agreed.	As incurred.	Third parties.
Insurance	$2,200.00 to $4,000.00.	As agreed.	As incurred.	Insurance providers.
Office Equipment and Supplies	$0.00 to $500.00.	As agreed.	As incurred.	Third parties.
Computer Hardware	$0.00 to $1,000.00.	As agreed.	As incurred.	Third parties.
Credit Card Processing Equipment	$0.00 to $500.00.	As agreed.	As incurred.	Third parties.

(1) Type of Expenditure[1]	(2) Amount	(3) Method of Payment	(4) When Due	(5) To Whom Payment is Made
Signage	$0.00 to $500.00.	As agreed.	As incurred.	Third parties.
Training Expenses	$0.00 to $1,000.00.	As agreed.	As incurred.	Third parties.
Furniture, Fixtures, and Equipment	$500.00 to $5,000.00.	As agreed.	As incurred.	Third parties.
Grand Opening Expenses[3]	$0.00 to $1,000.00.	As agreed.	As incurred.	Third parties.
Initial Marketing Expenses	$500.00 to $1,500.00.	As agreed.	As incurred.	Third parties.
Licenses and Permits	$200.00 to $2,500.00.	As agreed.	As incurred.	Governmental authorities.
Professional Fees	$1,000.00 to $4,000.00.	As agreed.	As incurred.	Professionals.
Pre-Opening Staffing Recruiting Costs[4]	$0.00 to $500.00.	As agreed.	As incurred.	Third parties.
Additional Funds for First Three Months of Operation[5]	$3,000.00 to $10,000.00.	As agreed.	As incurred.	Third parties.
Total Estimated Initial Investment[6,7]	$73,150.00 to $103,250.00			

Notes:

1. General. You will pay all associated processing charges for any initial fees paid to us or our affiliates by credit card or electronic funds transfer. All fees imposed by us or our affiliates are nonrefundable unless otherwise noted. Fees and expenses paid to vendors or other third parties may be refundable depending on your arrangements.

2. Initial Franchise Fee. All franchisees pay the Initial Franchise Fee less any amounts previously paid to C&C to receive the core Dope CFO educational program.

3. Grand Opening Expenses. We may require you to conduct a grand opening promotional program (a "Grand Opening") for your Business in our discretion. If we require you to conduct a Grand Opening, you will provide us with a summary of your proposed Grand Opening expenditures at least 30 days before the date your Business opens to the general public.

4. Pre-Opening Staffing Costs. You may need to hire minimal staff to assist with the establishment of your Business or other matters prior to opening your Business to the general public.

5. Additional Funds for First Three Months of Operation. This is an estimate of the additional funds necessary for the first three months after you open your Business to the general public. This estimate does not include royalty fees, employee salaries, debt service, or your compensation. We have relied on our experience, the experience of our affiliates, the experience of our franchisees, and the experience of accounting professionals who have received the core Dope CFO educational program from C&C to prepare this estimate. This is only an estimate and we cannot guarantee that you will not incur additional expenses during your initial operating period. The actual amount of your required additional

funds will depend on factors including, without limitation, your management skills, your experience and business acumen, economic conditions, and your competition.

6. Total Estimated Initial Investment. You should review these amounts carefully with a business advisor before you sign a Franchise Agreement. These amounts are estimates and we cannot guarantee that you will not incur additional costs. Your financial condition, arrangements you negotiate, and the business decisions you make will also affect these costs. There is no assurance that the experience of any franchisee will correspond with the information presented above.

7. Total Estimated Initial Investment. Neither we nor any agent or affiliate currently directly or indirectly offer any financing to you, nor do we guarantee your lease or any of your other obligations. See Item 10.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Approved Suppliers and Specifications

You will establish and operate your Business in compliance with your Franchise Agreement and the Operations Manual. You will purchase all goods, products, services, supplies, inventory, equipment, and materials required for your Business from suppliers we approve or other suppliers that meet our standards. Some approved suppliers may be affiliated with us. We may designate ourselves or our affiliates as exclusive suppliers of source-restricted goods and services. If we do not designate a supplier for a particular item or service, you will purchase the item or services from suppliers that meet our standards. We impose these requirements to assure quality and uniformity.

Approved suppliers, goods, products, services, supplies, inventory, equipment, and materials will be designated in the Operations Manual. We may modify the list of approved suppliers, goods, products, services, supplies, inventory, equipment, and materials in our discretion. You must notify us if you wish to purchase or lease any goods, products, services, supplies, inventory, equipment, and materials not approved by us or purchase them from non-designated suppliers. These goods, products, services, supplies, inventory, equipment, and materials and non-designated suppliers must meet our standards. We may require you to submit sufficient information and samples to determine whether these goods, products, services, supplies, inventory, equipment, materials, or non-designated suppliers meet our standards. We do not currently charge a fee for this review, but we may do so in the future. Our standards may impose minimum requirements for delivery, performance, design, and appearance. We will advise you within 14 days after your request whether you may purchase different goods, products, services, supplies, inventory, equipment, and materials or use different suppliers based on our standards. If we do not notify you within the 14-day period, your request will be deemed denied. Our standards will be made available to you upon your request. We may revoke any approval by providing you with written notice. Except as described below, neither we nor any of our officers own an interest in or are presently affiliated with any approved or designated suppliers, but we or our officers may do so in the future. We may change our standards or suppliers who have our authorization at any time.

Required Purchases:

Promotional Materials

You will purchase certain promotional materials (the "Promotional Materials") directly from us or our approved suppliers. We may change our approved suppliers for any components of the

Promotional Materials at any time. We may be the sole approved supplier for any components of the Promotional Materials. You will maintain the amounts of the Promotional Materials and other promotional materials we direct in the Operations Manual.

Approved Products and Services

You will purchase certain products directly from us or our approved suppliers. We may change our approved suppliers at any time. We may be the sole approved supplier. You will maintain the amounts of the products we direct in the Operations Manual or otherwise in writing. We do not currently derive revenue or receive rebates or other material consideration based on required purchases or leases, but we may do so in the future.

You may only offer the Services and any other services we approve in writing.

CRM System

We do not currently designate a customer relationship management system (a "CRM System") for use in your Business, but we may do so in the future. We may change our designated CRM System at any time.

Computer Hardware, Software, and Technology

You will use a computer system composed of computer hardware, software, and technology we approve (the "Computer System"). If you do not already have a Computer System that we deem adequate, you will purchase or lease a Computer System with the specifications described in Item 11. We may change our approved or designated suppliers for any components of the Computer System at any time. You may purchase or lease certain components of the Computer System from any supplier you choose as long as the components meet our specifications. You will purchase and maintain the components of your Computer System we direct in the Operations Manual. We estimate the cost of annual Computer System maintenance to range from $600.00 to $1,500.00.

Insurance

You will purchase and continuously maintain the following minimum insurance coverage from an insurer acceptable to us and provide us with certified copies of each insurance policy within seven days of execution of your Franchise Agreement:

(i) Errors and omissions insurance with coverage of not less than $1,000,000.00 for any single occurrence and any greater amount we specify from time to time;

(ii) Cybersecurity insurance with coverage in any reasonable amount we specify from time to time;

(iii) Business interruption insurance on a profit basis or actual loss sustained basis for a period of at least nine months or any other reasonable period we specify from time to time;

(iv) If required by us, commercial general liability and property damage insurance including personal injury liability, contractual liability, public liability and employer's liability, advertising liability, and non-owned auto liability with coverage of not less than $1,000,000.00 for any one occurrence and any greater amount we specify from time to time;

(v) If required by us, comprehensive vehicle insurance coverage on all vehicles used in the operation of your Business;

(vi) Workers' compensation or similar insurance as required by applicable law; and

(vii) Any other insurance we reasonably require from time to time.

Insurance coverage will be taken out with insurers acceptable to us. You will furnish us with certified copies of each of the insurance policies described above within seven days of execution of your Franchise Agreement. Each policy will provide that it cannot be cancelled without 15 days' written notice to us. You must promptly refer all claims or potential claims against you or us to your insurer and us.

We may require you to change your insurance amounts from time to time upon our written notice. All policies of insurance will be renewed on a timely basis and copies of all policies and certificates together with evidence of payment of premiums must be delivered to us at least 30 days before the policies expire. We may add to or otherwise modify the types of coverage or the amounts or minimum amounts of such coverage to reflect industry practices and our experience in the Operations Manual.

All insurance coverage must be maintained under one or more policies of insurance issued by insurance carriers with a performance rating acceptable to us. All insurance policies required will (i) name us as an additional insured, (ii) contain a waiver by the insurance carrier of all subrogation rights against us, our affiliates, officers, directors, and employees, and (iii) provide us with 30 days' written notice before termination, cancellation, expiration, or modification. We may increase the minimum protection requirements as of the renewal date of any policy or may require different or additional kinds of insurance at any time to reflect industry practices and our experience.

If you fail to obtain the required insurance policies, we may obtain insurance policies on your behalf. If we obtain insurance policies on your behalf, you will reimburse us for the costs of the insurance policies plus 20% of the insurance policies' premiums for our administrative expenses.

We have not negotiated any special purchasing programs under which you can purchase items that meet our specifications from suppliers, but may do so in the future. We may receive a commission on the sale of items sold under any purchase programs to franchisees. You may or may not receive any material benefits based on your use of designated or approved suppliers. Except as described below, we have not yet negotiated any purchase agreements. We do not currently have any purchasing or distribution cooperatives, but may establish one or more purchasing or distribution cooperatives in the future.

1st Choice is an approved supplier of accounting, bookkeeping, CFO, taxation, startup support, audit, assurance, and exit planning services for franchisees and customers. We do not currently receive compensation from 1st Choice if you choose to use 1st Choice or recommend 1st Choice to customers who ultimately use this supplier, but may do so in the future. You are not required to use this supplier. Andrew Hunzicker and Raymond J. Guns both have an ownership interest in 1st Choice. We consider 1st Choice to be a company-owned unit.

We estimate that the costs of your purchases from designated or approved suppliers according to our standards will range from 3% to 5% of the total cost of establishing your Business and approximately 2% to 3% of the total cost of operating your Business after that time.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Franchise Agreement	Franchise Disclosure Document Item
(a) Site selection and acquisition/lease	Not applicable.	Item 11.
(b) Pre-opening purchases/leases	8 and 9.	Items 5 and 7.
(c) Site development and other pre-opening requirements	8 and 9.	Item 11.
(d) Initial and ongoing training	6	Item 11.
(e) Opening	8 and 9.	Item 11.
(f) Fees	7.	Items 5, 6, and 7.
(g) Compliance with standards and policies/Operations Manual	5 and 9.	Item 11.
(h) Trademarks and proprietary information	3, 4, and 9.	Items 13 and 14.
(i) Restrictions on products/services offered	8.	Items 8 and 16.
(j) Warranty and customer service requirements	8.	Item 16.
(k) Territorial development and sales quotas	Not applicable.	Item 12.
(l) Ongoing product/service purchases	Not applicable.	Item 12.
(m) Maintenance, appearance, and remodeling requirements	Not applicable.	Item 11.
(n) Insurance	8.	Items 6 and 8.
(o) Advertising	8.	Item 11.
(p) Indemnification	3 and 11.	Item 6.
(q) Owner's participation/ management/staffing	8.	Item 15.
(r) Records/reports	7.	Item 6.
(s) Inspections/audits	8.	Item 6.
(t) Transfer	12.	Item 17.
(u) Renewal	10.	Item 17.
(v) Post-termination obligations	14 and 17.	Item 17.
(w) Non-competition covenants	14 and 17.	Item 17.
(x) Dispute resolution	17.	Item 17.

ITEM 10

FINANCING

Neither we nor any agent or affiliate currently directly or indirectly offer any financing to you, nor do we guarantee your lease or any of your other obligations.

ITEM 11

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

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

Assistance Before You Open Your Business

The typical length of time between execution of a Franchise Agreement and the opening of the Business is six months. Factors that may affect the length of time between the date you sign your Franchise Agreement and the opening of your Business may include, without limitation, your previous business experience, your completion of initial training, and your initial marketing strategy. Before you open your Business, we, our affiliates, or our designees will:

1. Grant you the right to operate your Business (Section 2);

2. Provide you with initial training as described below. You will be responsible for your associated training expenses as described in Item 7 (Franchise Agreement Section 6);

3. Provide you with access to the Operations Manual (Section 5);

4. Provide you with a list of the equipment, supplies, approved suppliers, and materials necessary to open your Business (Section 8);

5. Provide you with assistance and consultation regarding your initial marketing efforts in our discretion. Our initial marketing assistance may include, without limitation, consultation regarding your Internet presence and social media, provision of letterhead and stationery, and strategic advice about your opening and ongoing development (Section 8); and

6. Provide you with consultation regarding the establishment of your Business and your initial staffing needs in our discretion. You will ultimately be responsible for all matters relating to the hiring, performance, qualification, and dismissal of your employees (Section 8).

Assistance After You Open Your Business

During your operation of your Business, we, our affiliates, or our designees will:

1. Promote the System at selected industry events and franchise expositions in our discretion (Section 9);

2. Provide you with advice pertaining to the operation of your Business through, without limitation, scheduled consultations or reviews in our discretion (Section 9);

3. Develop the System through, without limitation, advertising or marketing initiatives in our discretion (Section 9);

4. Conduct a conference for the benefit of the System in our discretion. You may be required to pay a fee to attend (Section 9);

5. Provide you with marketing plans and materials including, without limitation, components of the Promotional Materials and other promotional and marketing materials in our discretion. We may charge you a reasonable fee for our provision of these materials (Section 9);

6. Provide you with such additional or remedial training as you request or we may determine at our corporate headquarters, other locations, or virtually in our discretion. You may be required to pay a fee to participate in any such additional or remedial training. You will be responsible for your associated training expenses as described in Item 7 (Section 6);

7. Make a representative reasonably available to you via telephone or e-mail during the normal business hours we determine to discuss your Business and offer marketing, strategic, or general advice. You are responsible for any applicable charges that may apply for any such additional assistance or resources (Section 9); and

8. Develop new services and offerings from time to time that may be used by you in your Business including, without limitation, modifications to the Services (Section 9).

Advertising and Marketing

You must expend at least 1% of your Gross Revenues on marketing efforts. See Item 6.

We may make components of the Promotional Materials, advertising, marketing, signage, or other promotional materials available for your Business that are used by us or our franchisees. As part of your advertising and marketing efforts you will purchase and use the marketing materials from us or our approved suppliers. You will use and display all Service identification materials and any other marketing materials we direct. You may be required to purchase certain proprietary marketing materials from us from time to time. You will purchase your marketing materials from us or a source we designate or approve. We generally engage third parties to create marketing materials, but we may directly create marketing materials in the future.

You may develop marketing materials for your own use at your own expense provided that the marketing materials are prepared in accordance with our standards and that you obtain our approval of your marketing materials in writing at least ten days before use. We will notify you of our approval or disapproval of the marketing materials within five business days after submission for our review. If we fail to respond to you within the five-day period, we are deemed to have withheld our approval. You must obtain our prior written approval for all promotions, special events, sales promotion materials, marketing activities, and other advertising you use including, without limitation, on-site activities, Internet and social media content, direct mailings, newspaper publications, radio and television advertising, and any advertising by third parties. You will not use the name of a public figure or celebrity in your marketing activities and materials without our express written approval.

We are not required to expend any amounts on advertising or marketing programs for your particular benefit.

Promotional Programs

We may conduct promotional events and marketing programs that we, our affiliates, or our designees organize from time to time in our discretion. You will not be required to participate in the programs, but may do so in our discretion upon your request. We will communicate the details of the programs to you in writing. You will promptly display all point-of-sale promotion-related information and marketing materials at the places we designate including, without limitation, on any vehicles operated in connection with your Business.

Advertising Cooperatives

We may establish and require your participation in a Cooperative. In addition to any Marketing Fund contributions you make, you will make ongoing payments to the Cooperative in the amounts established by the Cooperative. We will not directly or indirectly participate in any Cooperative. The governing documents of the Cooperative will be made available to you for review upon request. We anticipate that each franchisee will have one vote for each participating Business and that Cooperative decisions will be made based on approval of a simple majority vote with a quorum of not less than 25% of the Cooperative members. Any contributions you make to a Cooperative will be credited towards your required annual 1% of Gross Revenues spending on marketing efforts. Upon your receipt of our notice that a Cooperative has been formed or exists that includes your Business, you will participate as a member of the Cooperative; provided, however, that any required contribution exceeding 1% of Gross Revenues for any specified period must be approved by the affirmative vote of two-thirds of the Cooperative members at a duly constituted meeting.

Marketing Fund

We do not currently have a Marketing Fund, but may establish one in the future. We will administer the Marketing Fund. The Marketing Fund may be used for, without limitation, production and placement of media advertising, media relations salaries, administrative costs, and creating and testing direct response literature, Internet and social media content, direct mailings, brochures, collateral materials, advertising programs, surveys, agency costs, commissions, similar expenses, or other public relations expenditures. Advertising may be placed in any local, regional, or national media we determine. The Marketing Fund will not be used to solicit franchisees. We will send you an annual unaudited financial statement for the Marketing Fund indicating how the Marketing Fund has been spent during the past fiscal year upon request. The Marketing Fund account will not be audited. We will assume no direct or indirect liability or obligation to collect amounts due to the Marketing Fund or to maintain, direct, or administer the Marketing Fund.

We may be reimbursed from the Marketing Fund for reasonable administrative costs, salaries, and overhead expenses related to the administration and operation of the Marketing Fund and its programs. We use in-house personnel to create written press releases, audio and direct mail advertising, or social media content and may continue this practice in the future. We may reimburse ourselves for certain related expenses including, without limitation, salaries and admistrative costs.

An amount greater or less than the aggregate contribution of all franchisees to the Marketing Fund may be spent in any given fiscal year. The Marketing Fund may borrow from us or other lenders to cover deficits or invest any surplus for future use on terms we determine. We may reimburse these loans from the Marketing Fund. Any amounts that remain in the Marketing Fund at the end of each fiscal year will accrue and we may apply them toward the next fiscal year's expenses. We may borrow excess funds from the Marketing Fund periodically in our reasonable discretion to support other efforts to develop the System.

We do not guarantee that advertising expenditures from the Marketing Fund will benefit you or any other franchisee directly or on a *pro rata* basis. We undertake no obligation to ensure that Marketing Fund expenditures in or affecting any geographic area are proportionate or equivalent to the contributions of franchisees operating in that geographic area or that any franchisee will benefit directly or in proportion to its contribution to the Marketing Fund from the development of advertising and marketing materials or the placement of advertising.

Franchisee Advertising Council

We do not currently have an advertising council composed of franchisees or any other parties to formally offer advice regarding advertising efforts and programs, but may establish one in the future.

Computer System

We may designate the Computer System in our discretion. The Computer System will include a laptop computer capable of accessing the Internet. Your Computer System will be used for general business purposes such as preparing financial reports, tracking sales information, and storing customer information. We will have independent unlimited access to the data your Computer System collects. There are no contractual limits on our ability to access or use the data your Computer System collects. If you do not already have a Computer System that meets our requirements, we estimate the cost to purchase your Computer System will range from $500.00 to $1,000.00. You must use the credit card processing devices that we specify. If the designated vendor for your credit card processing devices requires you to purchase the associated equipment, the estimated cost will be approximately $500.00. You may incur maintenance and upgrade expenses for your Computer System. We estimate such expenses will not exceed $1,000.00 on an annual basis.

Except as described above, neither we nor any other party has any obligation to provide ongoing maintenance, repairs, upgrades, or updates to your Computer System. We are not aware of any optional or required maintenance, updating, upgrading, or support contracts relating to your Computer System. You must maintain your Computer System in good working order at your expense. You may be required to upgrade or update your Computer System to conform to our then-current specifications during the term of your Franchise Agreement. There are no contractual limitations on the frequency or cost of these updates or upgrades. We may change the software or technology you must use or add new software or technology at any time. We may charge you for any software or technology that we license or sublicense to you.

Business Site Location, Construction, and Renovation

You will establish your Business in your home.

Training

We will provide you or your approved designee with our initial training program (the "Franchisee Orientation Training Program") at no additional charge. The Franchisee Orientation Training Program will take place over a period of two to three weeks virtually. If you want to train more than one person or if it becomes necessary to retrain a certain individual, we may charge you our then-current fees for such training. You must obtain our prior approval to train any additional persons. Your trainees must complete the Franchisee Orientation Training Program to our satisfaction before your Business opens to the general public, but in no event later than the earlier of (i) 30 days before the opening, or (ii) 120 days after the date you sign your Franchise Agreement. If you fail to complete the Franchisee Orientation

Training Program to our satisfaction within 120 days after the date you sign your Franchise Agreement, we may terminate your Franchise Agreement without refunding any amounts you have paid us. Your Business will be operated and supervised only by persons that have successfully completed all required training.

The Franchisee Orientation Training Program provides the basic training required to operate your Business and reviews all the initial material aspects of operating your Business including, without limitation, business training, technology training, and customer relationship management training.

After you have completed the Franchisee Orientation Training Program and your Business is open for business, you will complete an additional advanced training program to obtain your "Dope CFO Certified Advisor™" certification (the "Advanced Training Program") that will take place over a period of ten weeks with such weeks not necessarily being consecutive. You must complete the Advanced Training Program within nine months of the date you sign your Franchise Agreement. The Advanced Training Program will include modules focusing on advanced cannabis industry accounting and marketing techniques. Once you have successfully completed the Advanced Training Program, you must pass a test we administer to our satisfaction. You may retake the test as many times as necessary to pass. Upon passing the test, you will be a Dope CFO Certified Advisor.™

Instructional materials may include, without limitation, the Operations Manual, slides, videos, on-line training programs, handouts, audio presentations, and video presentations. The subjects covered in each portion of the initial training program and the approximate amount of time devoted to each subject is described below. The initial training program may be modified in our discretion. The exact number and distribution of hours of classroom training may vary.

FRANCHISEE ORIENTATION TRAINING SCHEDULE

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Getting Started and Launching Your New Business	40	0	Virtual
TOTAL	**40**	**0**	

ADVANCED TRAINING PROGRAM SCHEDULE

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Advanced Training Program	200	0	Virtual
TOTAL	**200**	**0**	

All of our training is primarily overseen by Andrew Hunzicker, our President, and Kristi Kem, our Chief Experience Officer. Mr. Hunzicker's and Ms. Kem's experience in both the accounting and cannabis industries are described in Item 2. We may engage additional trainers (either directly employed or independent contractors) to participate in training as we deem appropriate and any such additional trainers will have at least one year's experience in the particular training subjects they are responsible for. Training materials will include the Operations Manual and other relevant materials.

Any new personnel you hire or retain must comply with any training requirements we require within a reasonable time and execute any confidentiality or other agreements we direct. We are not required to train any additional personnel and will only do so in our discretion. You will not permit the management of your Business's operations on a regular basis by any person who has not successfully completed all required training to our satisfaction. Without limiting the generality of the foregoing, you

may choose to send additional managers or employees for the Franchisee Orientation Training Program or any subsequent mandatory or optional training provided that we determine space is available and you pay us our then-current applicable fee.

You will also attend any other additional training we reasonably require at any time in our discretion. We conduct the Franchisee Orientation Program, Advanced Training Program, and any additional training we deem necessary.

If you are given notice of default relating to your failure to meet any operational standards, we may require that you and your personnel comply with the additional training requirements we prescribe as a condition of curing the default at your expense including the payment of our then-current applicable fees.

Conference

We may produce a conference for the benefit of the System that you may be required to attend in our discretion. You will pay any associated fees and expenses for attendance.

Operations Manual

We will provide you with online access to the Operations Manual. You will operate your Business in compliance with the Operations Manual and any supplemental bulletins and notices, revisions, modifications, or amendments made to the Operations Manual. The Operations Manual and all other manuals or written materials relating to your Business will be returned to us upon the termination or expiration of your Franchise Agreement. We may change the Operations Manual in our discretion, but the modifications will not substantially or materially alter your status and rights pursuant to the Franchise Agreement. The Operations Manual is confidential and remains our property. The Operations Manual is entirely online and contains approximately 100 multiple topic-specific webpages of varying lengths. The Operations Manual's Table of Contents is attached as Exhibit C to this FDD.

We may notify you of changes to the Operations Manual by any method including, without limitation, e-mail or posting the modified Operations Manual to our website. You will keep the Operations Manual current at all times. You will abide by any modifications, changes, additions, deletions, and alterations to the Operations Manual. You will be responsible for all costs and expenses that you may incur to comply. You may need to purchase updated equipment, products, or supplies at your own cost. If there is any dispute as to the contents of the Operations Manual, the terms of the master copy of the Operations Manual that we maintain at our principal office will control.

ITEM 12

TERRITORY

Your Territory

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

No Options, Rights of First Refusal, or Right to Relocate

You have no option, right of first refusal, or similar contractual right to acquire additional Businesses and no rights to purchase additional Businesses. We will not consider you eligible to purchase

additional Businesses unless you remain in full compliance with your Franchise Agreement and the Operations Manual at all times and demonstrate to us that you meet our then-current qualifications for new franchisees.

Reservation of Rights

Notwithstanding anything in your Franchise Agreement to the contrary, we and our affiliates expressly reserve the right without compensation to you to:

(i) Establish, operate, or license to any franchisee, person, or entity a franchised business identical or similar to your Business at any location;

(ii) Develop, use, or license the use of proprietary marks other than the Trademarks in connection with the operation of a program or system that offers products or services that are the same as or similar to those offered by your Business that may compete with your Business at any location. We do not currently plan to do so;

(iii) Develop, market, own, operate, or participate in any business other than a franchised business using the Trademarks or any other trademarks anywhere in the world;

(iv) Offer, distribute, or sell by ourselves or through our affiliates or other entities including, without limitation, other franchised businesses, products and services including, without limitation, the Services, through channels of trade including, without limitation, the Internet, telemarketing, infomercials, co-branding relationships, and any similar outlets or distribution methods we determine (collectively, "Other Channels");

(v) Acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided by your Business, and franchise, license, or create similar arrangements with respect to these businesses once acquired wherever these businesses (or the franchisees or licensees of these businesses) are located;

(vi) Be acquired in whole or in part by a business providing products and services similar to those provided by your Business or by another business, even if such business operates, franchises, or licenses a business involved in the offer or sale of products or services which are the same as or similar to those offered by your Business; and

(vii) Do such things and transact such business that your Franchise Agreement does not expressly grant you the right to do so.

We neither currently operate or franchise, nor intend to operate or franchise, a business using proprietary trademarks other than the Trademarks anywhere in the world, but may do so as described above.

Marketing and Service Provision Rights

You may market and provide the Services to prospective customers located anywhere in the United States.

ITEM 13

TRADEMARKS

Your Franchise Agreement grants you the nonexclusive right to use the Trademarks in your Business. We own the Trademarks and have registered the following principal Trademark with the United States Patent and Trademark Office (the "USPTO") on the Principal Register:

Mark	Registration Number	Registration Date
Dope CFO	7221227	November 21, 2023

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

You will provide us with written notice of any claims that you may become aware of regarding the Trademarks including, without limitation, your use of the Trademarks and any claim associated with a third party's use of a trademark that is identical or confusingly similar to the Trademarks. We have the sole discretion to take any actions or refrain from taking any action that we believe appropriate in response to any trademark infringement, challenge, or claim. As between us, we possess the sole right to exclusively control any litigation, legal proceedings, administrative proceedings, or settlements involving any actual or alleged infringement, challenge, or claim relating to the Trademarks. You will execute all documents, instruments, or agreements and undertake the actions that we determine to be necessary or advisable for the protection or maintenance of our interests in the Trademarks in any legal proceeding or administrative proceeding we determine. We will reimburse you for your reasonable out-of-pocket administrative expenses that you pay to comply with our written instructions.

We will protect your right to use the Trademarks and other related rights, protect you against claims of infringement and unfair competition related to the Trademarks, and indemnify you against direct damages for trademark infringement in any proceeding arising from your use of the Trademarks provided that you use the Trademarks in accordance with the terms of your Franchise Agreement, as designated by us in the Operations Manuals, or otherwise as we direct and you timely notify us of any claim, give us sole control of the defense and settlement of such claim, and are in compliance with your Franchise Agreement. If we defend any claim, we have no obligation to indemnify or reimburse you for fees or disbursements of any attorney that you retain.

If any third party establishes to our satisfaction and in our discretion that its rights to the Trademarks are superior to any of our rights and we believe in our discretion that it is advisable to discontinue the use of or modify any part of the Trademarks, we will modify or replace the Trademarks and you will use the substitutions, replacements, or variations of or to the Trademarks and use those trademarks, service marks, logos, and trade names we designate. Our sole liability and obligation in such event will be to reimburse you for your direct out-of-pocket costs of compliance which you must document to our reasonable satisfaction.

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ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents

We do not have any patents or pending patent applications that are material to your Business.

Copyrights

We offer proprietary training courses and curriculum under the brand names "Dope CFO®," "Dope CFO Certified Advisor™," "DIY Cannabis Accounting Program," "Cannabis/CBD Accounting & Tax 5.0," and "CBD CFO," together with dedicated social media pages, accounts, and groups, websites, domain names, all intellectual property and proprietary rights belonging to us relating to cannabis and CBD/hemp programs, courses, versions, editions, concepts, ideas, documentation, materials, instructions, videos, associated ideas, patents, trademarks, moral rights, look and feel, trade dress, trade secrets, and all other intellectual and propriety property imbedded therein or arising therefrom including, without limitation, such programs and courses offered under the marks "Ancor Advisors," "CEO CFO," "CFO Bookkeeper," and "Colo & Co LLC" and all associated goodwill (collectively, the "Canna IP"). The Canna IP includes, without limitation, all source code, object code, software, copyrights, tradenames, trademarks, and all proprietary rights in such intellectual property together with any claims, actions, proceedings, damages, liabilities, and expenses of every kind that we may have or be able to recover from any entity resulting from or arising out of such entity's infringement of any copyright, misappropriation of any trade secret, or violation of any of our intellectual or proprietary rights with respect to the Canna IP. The Canna IP, the Operations Manual, all other manuals, systems, binders, logos, designs, marketing materials, layouts of advertising materials, books, writings, recordings, videos, software, web content, electronic files, printed materials, and licensed methods, and all revisions, modifications, changes, and derivatives of these materials that we provide to you for use in your Business (collectively, the "Copyrighted Materials") are protected by copyright and other laws. Although we have not filed an application for copyright registration for any part of the Copyrighted Materials, we claim common law and federal copyrights and trade secret rights in the Copyrighted Materials. We grant you the right to use the Copyrighted Materials in the operations of your Business, but such Copyrighted Materials remain our sole property. There are no currently effective material determinations of the United States Copyright Office or any court of competent jurisdiction regarding the Copyrighted Materials. There are no agreements that limit the use of the Copyrighted Materials. You will use copyright, confidentiality, or other proprietary notices on all the Copyrighted Materials.

Proprietary Information

We own the Operations Manual, electronic information and communications, marketing, advertising and related information and materials, data bases (whether in print, electronic, or other form), our methodolgy, and other written or oral information developed and used in connection with the System are our confidential information and trade secrets (collectively, the "Confidential Information and Trade Secrets"). We may use or transfer the Confidential Information and Trade Secrets in any way we elect at any time. We may contact customers you service, suppliers, vendors, and other providers for quality control, market research, or any other purpose we deem appropriate in our discretion.

You will not use, publish, disclose, divulge, or otherwise communicate the Confidential Information and Trade Secrets to any person or other entity in any manner other than as we permit. You will not use, copy, or imitate, or allow any other person or other entity to use, copy, or imitate any of the Confidential Information and Trade Secrets or any materials confusingly similar to the Confidential

Information and Trade Secrets in any manner other than as we permit. You and each of your officers, owners, directors, employees, other beneficial owners, your immediate family members, and your employees who become aware of the Confidential Information and Trade Secrets will execute a non-disclosure and non-competition agreement.

If you, your owners, directors, other beneficial owners, employees, agents, or other personnel develop any new intellectual property, inventions, copyrights, trade secrets, concepts, processes, products, or improvements relating to the operation or promotion of your Business (collectively, the "Improvements"), you will promptly notify us and give us all necessary information relating to the Improvements at no charge. The Improvements will be our property. You, your owners, directors, other beneficial owners, employees, agents, or other personnel will sign an assignment of all Improvements to us. We may allow other franchisees to use the Improvements in our discretion.

We do not know of any copyright or patent infringement that could materially affect your use of the Copyrighted Materials or Confidential Information and Trade Secrets.

Challenges

You will notify us immediately when you learn about an infringement of or challenge to your use of the Copyrighted Materials or Confidential Information and Trade Secrets. We are not required to take affirmative action when notified of such infringement and we are not contractually obligated by your Franchise Agreement to protect you against claims of infringement or unfair competition involving the Copyrighted Materials or Confidential Information and Trade Secrets, but it is our policy to do so when your rights require protection in the opinion of our counsel. We will pay costs, including attorneys' fees and court costs, associated with any litigation that we bring or defend to protect your use of the Copyrighted Materials or Confidential Information and Trade Secrets. We do not indemnify you for expenses or damages you incur. You will fully cooperate with us in any litigation we bring or defend for your benefit. We will control any administrative proceeding or litigation involving the Copyrighted Materials or Confidential Information and Trade Secrets.

If we determine in our discretion that it is necessary to modify or discontinue use of any proprietary Copyrighted Materials or Confidential Information and Trade Secrets, you will, within a reasonable time after receipt of our written notice of modification, discontinuation, addition, or substitution, take such action, at your sole expense, as may be necessary to comply with such modification, discontinuation, addition, or substitution.

Any unauthorized use of any of the Copyrighted Materials or Confidential Information and Trade Secrets by you constitutes an infringement of our or our affiliates' rights.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must actively manage the operation of your Business. If you are a legal entity, you will designate one owner, member, officer, or key employee who will have management responsibility (your "Managing Party") for the operation of your Business who will be subject to our approval. Your Managing Party must complete such training as we require and be approved by us in writing prior to assuming any management responsibilities. You or your Managing Party will use best efforts to develop your Business and be personally responsible for the management and supervision of your Business on a

day-to-day basis. Engaging a Managing Party will not relieve you of any obligations you have pursuant to your Franchise Agreement.

If you are a business entity, you will provide us with the names and addresses of your officers, directors, shareholders, members, and persons who are otherwise financially involved with you. Upon the execution of your Franchise Agreement, you will require those of your officers, directors, shareholders, members, spouses, and other persons who are otherwise involved with you to execute and deliver to us any guarantees and associate documentation we require.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Standards, Specifications, and Restrictions

To ensure the highest degree of quality and service is maintained, you will operate your Business in strict conformity with the methods, standards, and specifications in the Operations Manual or as we otherwise direct in writing. The Operations Manual describes the Services that you will offer and sell in your Business and our designated manufacturers, suppliers, and distributors (see Item 8). We may change the types of authorized services and products and designated manufacturers, suppliers, and distributors and there are no limits to our right to do so.

You will not sell unauthorized services or products in connection with your Business or by using our Trademarks or methodology in any manner we do not permit. You will not deviate from our standards without our written consent. You will discontinue selling and offering for sale any services and products that we disapprove in writing at any time.

Service Offering

You (or your guarantors if you are a legal entity) will:

(i) Sell or offer for sale all Services that we have approved in writing for sale. We may make modifications to the Services and you will immediately comply with all such modifications. If you wish to offer an unauthorized service or product, you will not do so without our written authorization. Authorization is subject to our discretion. If authorization is granted, it may be withdrawn upon 30 days' notice. When authorization is given to you to offer services or products other than those that are part of the Services, the other services or products will not be used or associated with any Trademarks without our specific written authorization;

(ii) Immediately discontinue selling or offering for sale any elements of the Services that we may disapprove of at any time;

(iii) Not be restricted from selling the Services to customers as long as you do so in accordance with the terms and conditions of your Franchise Agreement and the Operations Manual;

(iv) Meet and observe our quality controls and standards with respect to the Services in the Operations Manual or otherwise by us in writing;

(v) Honor all credit card services that we authorize in the Operations Manual; and

(vi) Use and retain our standard forms.

Marketing and Service Provision Rights

You may market and provide the Services to prospective customers located anywhere in the United States.

ITEM 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Franchise Agreement and related agreements. You should read these provisions in the agreements attached to this FDD.

Provision	Section in Franchise Agreement	Summary
(a) Length of Franchise Term	10.	Five years.
(b) Renewal or Extension of the Term	10.	Three additional five-year terms.
(c) Requirements for Franchisee to Renew or Extend	10.	(i) You give us written notice during the 60-day period immediately preceding 275 days before the expiration of your Franchise Agreement, (ii) you have substantially observed and performed all of the terms, covenants, conditions and agreements of and are in full compliance with your Franchise Agreement and all other agreements between us and our affiliates, (iii) you have satisfied all monetary obligations owed to us and our affiliates in a timely manner, (iv) you enter into our then-current form of Franchise Agreement (which form of Franchise Agreement may differ substantially from your Franchise Agreement, (v) you pay us an extension fee, (vi) you complete any required additional or remedial training to our reasonable satisfaction, (vii) you execute a release of us and our affiliates of all claims to the extent permitted by law, and (viii) you provide us with a complete set of financial statements and reports for your Business for the last two fiscal years immediately preceding the date of extension.

Provision	Section in Franchise Agreement	Summary
(d) Termination by Franchisee	Not applicable.	Your Franchise Agreement does not provide for termination by you, but you may terminate your Franchise Agreement under any grounds permitted by applicable law.
(e) Termination by Franchisor Without Cause	Not applicable.	Not applicable.
(f) Termination by Franchisor with Cause	11.	Each of your obligations under your Franchise Agreement is a material and essential obligation, the breach of which may result in a termination.
(g) "Cause" Defined – Curable Defaults	11.	Your failure to (i) promptly remove any involuntary lien upon any of your business assets or property, (ii) transfer or attempt to transfer any of your rights or obligations under your Franchise Agreement in accordance with the terms and conditions of your Franchise Agreement or obtain our prior written consent prior to any purported transfer, (iii) secure and maintain required insurance after three days' written notice, (iv) supply us with reports regarding Gross Revenues receipts and business activities or other financial or other information required by your Franchise Agreement, (v) accurately report Gross Revenues such that they have been understated in any report you deliver to us by more than 5%, (vi) use the techniques, training, and methods promulgated by the Operations Manual, (vii) apply your full efforts to the performance of your duties under your Franchise Agreement, (viii) keep true and accurate business records and books in accordance with our procedures or to make available those items deemed necessary for our inspection, (ix) maintain the standards of good conduct and appearance we designate, (x) complete the Franchisee Orientation Program by the earlier of (y) 30 days before opening or (z) 180 days after the effective date of your Franchise Agreement or any other training program to our satisfaction or our notice to you of your failure to pass such training, (xi) complete the Advanced Training

Provision	Section in Franchise Agreement	Summary
		Program within nine months after the effective date of your Franchise Agreement, (xii) comply with the restrictions against competition or solicitation set out in your Franchise Agreement, (xiii) obtain and maintain all required licenses or governmental approvals and cure such default within five days following written notice from us or a governmental authority, (xiv) comply with any laws or regulations applicable to the operation of your Business and to comply with the requirements within five days of written notice from us or a governmental authority, or (xv) comply with any requirement imposed by your Franchise Agreement or to carry out the terms of your Franchise Agreement in good faith.
(h) "Cause" Defined – Non-Curable Defaults	11.	(i) You fail to make timely payment us of any sums payable to us pursuant to your Franchise Agreement or any other agreement between you and us after five days' written notice, (ii) you fail to cure a default under your Franchise Agreement that materially impairs the System goodwill within ten business days after written notice, (iii) you or your Business are declared or judicially determined to be insolvent, you commit an act of bankruptcy, all or a substantial part of your or your Business's assets are assigned to or for the benefit of any creditor, you admit your inability to pay your debts as they become due, or a liquidator, trustee in bankruptcy, custodian, receiver, receiver, manager, sheriff, constable, or any other officer with similar powers is temporarily or permanently appointed by a court of competent jurisdiction with authority over your Business's operations, (iv) your Business is seized, taken over, or foreclosed upon by a governmental official in the exercise of its duties, or seized, taken over, or foreclosed upon by a creditor, lien holder, or lessor, a final judgment against you remains unsatisfied for 30 days, or a levy of execution is made

Provision	Section in Franchise Agreement	Summary
		upon your Business or upon any property used in your Business that is not discharged within five days of the levy, (v) a bankruptcy order is made against you by a court of competent jurisdiction, (vi) you abandon your Business by failing to operate your Business for three consecutive business days during a time you are required to operate your Business under the terms of your Franchise Agreement or any shorter period after which it is not unreasonable under the facts to conclude that you do not intend to continue to operate your Business unless the failure is due to a fire, flood, earthquake, pandemic, or other similar cause beyond your control, (vii) you make any material misrepresentation relating to the acquisition or operation of your Business, (viii) you engage in conduct which reflects materially and unfavorably upon the Trademarks, your Business, the goodwill associated with the System, or the operation and reputation of the System, (ix) after curing any curable default, you engages in the same conduct or noncompliance whether or not such conduct or noncompliance is corrected after notice is given to you, (x) you commit on three occasions a breach or default of one or more requirements of your Franchise Agreement within any consecutive twelve-month period whether or not such defaults are of the same or different nature and whether or not such defaults have been corrected after notice is given to you, (xi) you or any your principals, directors, owners, or managers are convicted of a criminal offense that we reasonably believe is likely to have an adverse effect on the System, the Trademarks, or the System's reputation, (xii) you or any of your principals, directors, owners, or managers commit fraud in connection with the operation of your Business, (xiii) you offer or sell as a part of your Business's operations any unapproved program, service, or product or fail to offer or sell any of the Services

Provision	Section in Franchise Agreement	Summary
		we require, (xiv) you give any security interest in any of your property or the assets of your Business or sell any such property or assets without first receiving our prior written consent so that the foregoing materially impairs your Business's operations or any security interest we may have in your Franchise Agreement, (xv) you fail to timely pay any vendors or suppliers more than two times during the term or any extension term of your Franchise Agreement, (xvi) you fail to open your Business within 240 days of the effective date of your Franchise Agreement except where such failure is due solely to an unavoidable delay, (xvii) you interfere or attempt to interfere with our ability or right to franchise or license others to use and employ the Trademarks or the System, (xx) you interfere or attempt to interfere with our contractual relations with other franchisees, customers, employees, advertising agencies, or any third parties, (xxi) you fail to maintain the confidentiality of any information we designate as confidential, or (xxii) you or your employees knowingly maintain false books or records or submit any false reports to us.
(i) Franchisee's Obligations on Termination/Non-Renewal	11.	(i) Cease operating your Business, (ii) cease using all of the Trademarks, the System, the Operations Manual, your telephone number, and any other property connected with your Business, (iii) transfer any ownership rights that your or your employees, agents, or contractors may have developed in relation to the System and your Business, (iv) return the Operations Manual and any other confidential or proprietary material to us, (v) pay us any amounts due or owing to us or our affiliates, (vi) assign all right, title, and interest to all of your business telephone numbers and execute any further documents or instruments or instructions necessary to further effect such assignment, (vii) acknowledge that you have no interest in your Business and

Provision	Section in Franchise Agreement	Summary
		that all of your rights and privileges under your Franchise Agreement are terminated, (viii) deidentify your Business by removing any Trademarks or other materials as we direct at your expense, (ix) cancel any business names, trade names, or any other such registrations that contain any of the Trademarks and provide us with evidence of cancellation, (x) dismantle any social media site, blog, or similar Internet webpage you control that contains any of the Trademarks, and (xi) lose all of your rights to use of the Trademarks and all other rights and licenses granted by your Franchise Agreement and the right and license to conduct business under the Trademarks will revert to us without further act or deed of any party.
(j) Assignment of Contract by Franchisor	12.	There are no restrictions on our right to assign.
(k) "Transfer" by Franchisee – Defined	12.	Any (i) sale, transfer, assignment, pledge, mortgage, encumbrance, or other conveyance of all or any part of your interest in your Franchise Agreement or the assets of your Business (including by operation of law), (ii) sale, transfer, assignment, pledge, mortgage, encumbrance, or other conveyance of any interest in you, or (iii) change in the composition of your owners whether by operation of law or otherwise, or any amalgamation that results or could result in the change of control of you.
(l) Franchisor's Approval of Transfer by Franchisee	12.	We must approve all transfers.
(m) Conditions for Franchisor's Approval of Transfer	12.	(i) You comply with our then-current transfer policies, (ii) you are not in default under your Franchise Agreement or any other agreement between us or our affiliates and you, (iii) we are reasonably satisfied that (x) the transferee is of good moral character and reputation, has adequate financial strength, and possesses appropriate business qualifications and all of the other qualifications required for franchisees joining the System at that time and you provide us with such reasonable

Provision	Section in Franchise Agreement	Summary
		information as we request in order to make such determination, (y) the transfer will provide the proposed transferee with an economically viable business opportunity, and (z) the transferee otherwise meets our then-current criteria for a franchisee of the System, (iv) the transferee enters into our then-current form of Franchise Agreement as franchisee, (v) if the transferee is a business entity, the transferee's owners jointly and severally guarantee the obligations of the transferee by entering into a guarantee in a form satisfactory to us. Any owners with a proprietary interest in the transferee must not own or engage in any Competitive Business, (vi) you pay us a transfer fee, (vii) the transferee does not have debt of more than 40% of the purchase price and is not otherwise undercapitalized in our reasonable opinion, (viii) if you or your owners finance any portion of the sale price, then all of the transferee's obligations under promissory notes, agreements, or security interests reserved in your Business are subordinate to the transferee's obligations to pay all amounts owing to us, our affiliates, or third party vendors, (ix) the transferee's key persons successfully complete a training program we determine, (x) your and each of the your owners enter into a general release in a form permitted by law, (xi) the transferee agrees to bring its operations and your Business into full compliance with the standards then applicable for new or renewing franchisees, (x) in the case of an asset sale, the transferee purchases all of your assets used in your Business in accordance with all applicable bulk sales legislation and assumes all of your business liabilities, (xi) the transferee expressly assumes all of your obligations to us and our affiliates, (x) you submit all required reports, financial statements and other documents due to us under your Franchise Agreement up to the effective date of the transfer, (xii) at the time of the

Provision	Section in Franchise Agreement	Summary
		proposed transfer or within three months thereafter, there is not another suitable Business that the proposed transferee may purchase from us, (xiii) there are at least twelve months remaining in the term of your Franchise Agreement, (xiv) you remain liable for all of your obligations to us and our affiliates in connection with the operation of your Business prior to, through, and after the effective date of the transfer and you execute any instruments reasonably we require to evidence such liability, (xv) if we are prepared to consent to a transfer and the transfer is not completed for any reason, you will reimburse us for our reasonably incurred legal and administrative expenses, (xvi) our consent to any given transfer is not considered a waiver of the requirement for our consent to a subsequent transfer, (xvii) you return the Operations Manual and any confidential or proprietary material to us within 24 hours of a transfer, (xvix) you provide us with a copy of the agreement of purchase and sale between you and the transferee and all documents referred to therein as relied upon by the parties, and (xx) there are no other reasonable grounds for us to withhold our consent.
(n) Franchisor's Right of First Refusal to Acquire Franchisee's Business	12.	We can match any offer.
(o) Franchisor's Option to Purchase Franchisee's Business	Not applicable.	Not applicable.
(p) Death or Disability of Franchisee	13.	Your Franchise Agreement must be transferred to a third party we approve within 180 days.
(q) Non-Competition Covenants During the Term of the Franchise	14.	You will not (i) be a member of or otherwise be associated with any consortium or other organization directly or indirectly engaged in the purchase or arranging for the purchase of a competitive business, (ii) directly or indirectly maintain any ownership or leasehold interest in or business affiliation with any franchised system other than a franchise operated under a direct

Provision	Section in Franchise Agreement	Summary
		agreement with us, (iii) authorize or allow independent contractors or any third party with whom you transact business to use or have access to the Confidential Information and Trade Secrets, (iv) carry on, be engaged in, be concerned with, be interested in, or advise, lend money to, guarantee the debts or obligations of, or permit any part of your name to be used or employed in a competitive business individually, in partnership, jointly, or in conjunction with any related party or person, firm, association, syndicate, or corporation, as principal, agent, shareholder, advisor, consultant, or in any manner whatsoever, or (v) directly or indirectly engage in any activities that would be detrimental to or interfere with our operation, reputation, or goodwill or that of your Business or the System including, without limitation, by making, posting, or transmitting disparaging comments about us, our affiliates, the Trademarks, your Business, other franchisees, or the System in an advertisement, letter, e-mail, Internet chat room, teleconference, website, social or professional networking site, or any other similar medium.
(r) Non-Competition Covenants After the Franchise is Terminated or Expires	14.	(i) You, your guarantors, and each of your respective related parties, officers, directors, shareholders, partners, employees, consultants, distributors, agents, or the members of your or their immediate families or households who have access to or knowledge of the System or the Operations Manual will not have any direct or indirect interest as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative, adviser or agent in a competitive business, and (ii) you will not on your behalf or on behalf of or in connection with any person or entity directly or indirectly interfere or attempt to interfere with the System or persuade or induce or attempt to persuade or induce any of our or our affiliates' franchisees, prospective franchisees,

Provision	Section in Franchise Agreement	Summary
		customers, prospective customers, employees, or suppliers to discontinue or alter such person's relationship with us or otherwise denigrate our reputation or undermine our goodwill or the Trademarks in any manner for two years.
(s) Modification of the Agreement	17.	No modifications to the Franchise Agreement generally, but the Operations Manual may change.
(t) Integration/Merger Clause	17.	Any representations made outside of the FDD and your Franchise Agreement may not be enforceable. Only the terms of your Franchise Agreement are binding subject to applicable state law.
(u) Dispute Resolution by Arbitration or Mediation	17.	Except for actions brought for injunctive or extraordinary relief, the following actions are subject to arbitration: actions involving (i) the Trademarks or other intellectual property, (ii) violations of the non-compete and confidentiality requirements, or (iii) actions solely limited to monetary obligations under your Franchise Agreement or other agreements relating to your Business. Arbitration will be in Las Vegas, Nevada, or the city nearest to our headquarters (subject to applicable state law). Notwithstanding the foregoing, nothing in your Franchise Agreement or any related agreement is intended to disclaim the express representations made in this FDD, its exhibits, and its amendments.
(v) Choice of Forum	18.	Nevada subject to applicable state law.
(w) Choice of Law	18.	Nevada subject to applicable state law.

ITEM 18

PUBLIC FIGURES

We do not use any public figures 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 FDD. Financial performance

information that differs from that included in Item 19 may be given only if: (i) a franchisor provides the actual records of an existing outlet you are considering buying, or (ii) 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 Andrew Hunzicker, CPA, 10409 Pacific Palisades Avenue, Las Vegas, Nevada 89144-1221, (800) 420-2361, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System-Wide Outlet Summary
For Years 2022 to 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	0	0	0
	2023	0	6	+6
	2024	6	13	+7
Company-Owned	2022	0	1	+1
	2023	1	1	0
	2024	1	1	0
Total Outlets	2022	0	0	+1
	2023	1	7	+6
	2024	7	14	+7

These figures are current through December 31, 2024.

Table No. 2
Transfers of Outlets From Franchisees to New Owners (Other Than the Franchisor)
For Years 2022 to 2024

State	Year	Number of Transfers
Total	2022	0
	2023	0
	2024	0

These figures are current through December 31, 2024.

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Table No. 3
Status of Franchised Outlets
For Years 2022 to 2024

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Arkansas	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Colorado	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	1	0
	2024	0	0	0	0	0	0	0
Connecticut	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Florida	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Illinois	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Louisiana	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Massachusetts	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Minnesota	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
New York	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Ohio	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Texas	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
Virginia	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
West Virginia	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Termina -tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Total	2022	0	0	0	0	0	0	0
	2023	0	7	0	0	0	1	6
	2024	6	7	0	0	0	0	13

These figures are current through December 31, 2024.

Table No. 4
Status of Company-Owned Outlets
For Years 2022 to 2024

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Wisconsin	2022	0	1	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Total	2022	0	1	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1

These figures are current through December 31, 2024.

Table No. 5
Projected Openings as of December 31, 2024.

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	1	0	0
California	0	1	0
Florida	0	1	0
Indiana	0	1	0
Kentucky	0	1	0
Michigan	1	0	0
Total	2	4	0

C&C has provided the core Dope CFO educational program to approximately 1,400 accounting professionals who use our proprietary methodology without using our Trademarks.

A list of the names of all franchisees and the addresses and telephone numbers of their Businesses as of the date of this FDD are listed in Exhibit D to this FDD. A list of the names, city, and state and current business telephone numbers or last-known home telephone numbers of all franchisees who have had a Business terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business as of the date of this FDD or who have not communicated with us within ten weeks of the date of this FDD are listed in Exhibit E to this FDD.

One franchisee has signed a confidentiality clause during the last three years.

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

We do not know of any trademark-specific franchisee organization associated with the System.

ITEM 21

FINANCIAL STATEMENTS

Attached to this FDD as Exhibit F are our audited financial statements as of December 31, 2022, December 31, 2023, and December 31, 2024. Our fiscal year end is December 31. We have not been in business for three full fiscal years or more and cannot include audited financial statements for three full fiscal years as required by the FTC's Rule on Franchising.

ITEM 22

CONTRACTS

Attached to this FDD are the following contracts:

Exhibit B	Emitepod Inc. Franchise Agreement
Exhibit G	State Law Addenda and Riders

ITEM 23

RECEIPT

On the last two pages of this FDD (Exhibit H), you will find two copies of the Receipt page. You must sign, date, and deliver the copy of the Receipt page labeled "to be returned to Emitepod Inc." to us for our records.

EXHIBIT A

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	California Department of Financial Protection and Innovation One Sansome Street Suite 600 San Francisco, California 94104-4428 (415) 972-856 2101 Arena Boulevard Sacramento, California 95834 (916) 445-2705 1455 Frazee Road Suite 315 San Diego, California 92108 (619) 610-2093 320 West Fourth Street Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 45 Fremont Street Suite 1700 San Francisco, California 94105 (415) 263-8500 300 South Spring Street Suite 15513 Los Angeles, California 90013 (213) 897-2085 Toll-free Telephone Number: (866) 275-2677 E-mail Address: ask.dbo@dfpi.ca.gov	Commissioner of Financial Protection and Innovation 320 West Fourth Street Suite 750 Los Angeles, California 90013-2344 (213) 576-7500
FLORIDA	Department of Agriculture and Consumer Services Division of Consumer Services Mayo Building Second Floor Tallahassee, Florida 32399-0800 (904) 922-2770	Department of Agriculture and Consumer Services Division of Consumer Services Mayo Building Second Floor Tallahassee, Florida 32399-0800 (904) 922-2770
HAWAII	State of Hawaii Business Registration Division Securities Compliance Branch Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	Hawaii Commissioner of Securities 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
ILLINOIS	Franchise Division Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington Street, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, Indiana 46204
KENTUCKY	Kentucky Attorney General's Office Consumer Protection Division 1024 Capitol Center Drive Frankfort, Kentucky 40602 (502) 573-2200	Kentucky Attorney General's Office Consumer Protection Division 1024 Capitol Center Drive Frankfort, Kentucky 40602 (502) 573-2200
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202 (410) 576-7044	Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202 (410) 576-7044
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 670 G. Mennen Williams Building Lansing, Michigan 48913 (517) 373-7117	Michigan Department of Commerce Corporations and Securities Bureau 670 G. Mennen Williams Building Lansing, Michigan 48913 (517) 373-7117
MINNESOTA	Minnesota Department of Commerce 85 Seventh Place East Suite 280 St. Paul, Minnesota 55101 (651) 296-4026	Minnesota Commissioner of Commerce 85 Seventh Place East Suite 280 St. Paul, Minnesota 55101 (651) 296-4026
NEVADA	Not applicable	Andrew Hunzicker 10409 Pacific Palisades Avenue Las Vegas, Nevada 89144-1221 (405) 990-4370
NEW YORK	New York State Department of Law Investor Protection Bureau 28 Liberty Street 21st Floor New York, New York 10005 (212) 416-8222	Attention: New York Secretary of State 99 Washington Avenue Albany, New York 12231 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue State Capitol Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712	North Dakota Securities Commissioner 600 East Boulevard Avenue State Capitol Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
RHODE ISLAND	Rhode Island Division of Securities 233 Richmond Street Suite 232 Providence, Rhode Island 02903-4232 (401) 277-3048	Director of the Rhode Island Department of Business Regulation Rhode Island Attorney General 233 Richmond Street Providence, Rhode Island 02903-4232

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
SOUTH DAKOTA	South Dakota Department of Labor and Regulation Division of Insurance 124 South Euclid Suite 104 Pierre, South Dakota 57501 (605) 773-4823	Director of South Dakota Division of Insurance 124 South Euclid Suite 104 Pierre, South Dakota 57501 (605) 773-4823
TEXAS	Texas Secretary of State Statutory Documents Section P.O. Box 12887 Austin, Texas 78711-2887 (512) 475-1769	Texas Secretary of State Statutory Documents Section P.O. Box 12887 Austin, Texas 78711-2887 (512) 475-1769
UTAH	Utah Department of Commerce Consumer Protection Division 160 East 300 South P.O. Box 45804 Salt Lake City, Utah 84145-0804 (801) 530-6601	Utah Department of Commerce Consumer Protection Division 160 East 300 South P.O. Box 45804 Salt Lake City, Utah 84145-0804 (801) 530-6601
VIRGINIA	Virginia State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street Ninth Floor Richmond, Virginia 23219 (804) 371-9051	Clerk of the State Corporation Commission Virginia State Corporation Commission 1300 East Main Street Richmond, Virginia 23219
WASHINGTON	Director of Department of Financial Institutions Washington Securities Division 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8762	Department of Financial Institutions 150 Israel Road SW Tumwater, Washington 98501
WISCONSIN	Wisconsin Department of Financial Institutions Division of Securities 345 West Washington Avenue Fourth Floor Madison, Wisconsin 53703 (608) 266-8557	Wisconsin Commissioner of Securities 345 West Washington Avenue Fourth Floor Madison, Wisconsin 53703 (608) 266-8557

EXHIBIT B

EMITEPOD INC.
FRANCHISE AGREEMENT

EMITEPOD INC.

FRANCHISE AGREEMENT

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EMITEPOD INC.
FRANCHISE AGREEMENT

This EMITEPOD INC. FRANCHISE AGREEMENT (the "**Agreement**") is entered into effective as of _____ (the "**Effective Date**"), by and between EMITEPOD INC., a Nevada corporation located at 10409 Pacific Palisades Avenue, Las Vegas, Nevada 89144-1221 ("**Emitepod**"), and _____, an individual located at _____ ("**Franchisee**"). Emitepod and Franchisee will sometimes be referred to individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

WHEREAS, all capitalized terms contained in the Agreement have the meanings ascribed to the terms in Section 1;

WHEREAS, as the result of the expenditure of time, skill, effort, and money, Emitepod and Affiliates (defined below) have developed a System (defined below) relating to the establishment and operation of a Business (defined below) offering the Services (defined below) and created the Goodwill (defined below) associated with the System;

WHEREAS, Emitepod and Affiliates have developed a program for licensing the use of the System and the Trademarks (defined below) to selected entities that will comply with Emitepod's standards, specifications, and requirements in conjunction with the operation of a Business;

WHEREAS, Franchisee recognizes the necessity of operating Franchisee's Business in conformity with the System and the provisions of the Agreement;

WHEREAS, Franchisee desires to obtain the right to use the System and the Trademarks in conjunction with the operation of Franchisee's Business and to benefit from Emitepod's experience and know-how with respect to the operation of Businesses and the sale of Services;

WHEREAS, Emitepod is willing to grant Franchisee the right to operate a Business utilizing Emitepod's standards, procedures, methods, techniques, specifications, know-how, and Trademarks on the terms and conditions and subject to the limitations and exclusions set out in the Agreement and other agreements between Franchisee and Emitepod; and

WHEREAS, Franchisee acknowledges that Franchisee has fully reviewed the Agreement and obtained advice and counsel from Franchisee's professional advisors prior to executing the Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in the Agreement and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agree as follows:

SECTION 1
DEFINITIONS AND CONSTRUCTION OF AGREEMENT

1.1 Definitions. Where used in the Agreement or in any Schedules or Amendments to the Agreement, the following terms have the following meanings:

"**Acknowledgment**" means the Acknowledgment in the form attached as Schedule A.

"**Additional Services**" means additional services supplementing the Services as approved by Emitepod from time to time.

"**Advanced Training Program**" means a training program to obtain Franchisee's "Dope CFO Certified Advisor™" certification that will take place over a maximum period of ten weeks that may not be consecutive. The Advanced Training program includes, without limitation, modules relating to advanced cannabis industry accounting and marketing techniques.

"**Affiliate**" means, individually or collectively, any entities or individuals controlling, controlled by, or under common ownership with Emitepod including, without limitation, Colo & Co, LLC and 1st Choice CPA LLC.

"**Agreement**" means this Emitepod Inc. Franchise Agreement.

"**Applicable Laws**" means all applicable local, municipal, state, or federal laws, regulations, by-laws, codes, orders, rulings, ordinances, and permits governing or having applicable to the establishment and operation of Franchisee's Business including, without limitation, all laws existing as of the Effective Date as they may be amended from time to time and similar laws enacted in the future.

"***Bona Fide* Offer**" means an offer in writing from a third party to purchase Franchisee's Business pursuant to which:

(i) A Transferee or an assignee accepts a transfer or assignment of substantially all of the assets then used in connection with Franchisee's Business and receives an assignment of Franchisee's rights under the Agreement, any leases of equipment used in connection with Franchisee's Business, or any ownership interests in Franchisee's Business;

(ii) The security for payment of the Purchase Price is a purchase money security interest in the tangible assets being sold or a pledge of ownership interests by Transferee or assignee in Franchisee's favor; provided, however, that Franchisee does not directly, indirectly, voluntarily, involuntarily, by operation of law, or otherwise sell, assign, transfer, donate, pledge, mortgage, or otherwise encumber any assets or ownership interests, offer or attempt to do so, or permit the same to occur without first obtaining Emitepod's prior written consent;

(iii) The underlying terms and conditions are *bona fide* and not so unique or unusual as to render it impossible for Emitepod to perform and observe them on a commercially reasonable basis; and

(iv) Transferee or the assignee agrees in writing to pay all applicable taxes with respect to the *Bona Fide* Offer.

"**Business**" means a business offering the Services operated using the System.

"**Competitive Business**" means any business that (i) is engaged in the offer or sale of Services or similar products or services, or (ii) directly or indirectly competes with Franchisee's Business.

"**Conditional Listings Assignment**" means the Emitepod Inc. Conditional Assignment of Telephone and Directory Listings Etc. in the form attached as Schedule B.

"**Conference**" means Emitepod's annual or regional conference if Emitepod conducts a conference.

"**Confidential Information**" means any confidential information, knowledge, know-how, or trade secrets incorporated into the System or concerning the methods of operation of Franchisee's Business including, without limitation, (i) all elements of the System and the Services, (ii) the Operations Manual, (iii) specifications for and suppliers of certain goods, services, equipment, materials, supplies, product costs, and accounting methods, (iv) the operating results and financial performance of Businesses including Franchisee's Business, (v) Franchisee's customer lists, customer accounts, and customer information whether developed or maintained by Franchisee or Emitepod, (vi) any management tools or advertising techniques that Franchisee may be apprised of by virtue of Franchisee's operation of Franchisee's Business, (vii) all procedures, systems, techniques, and activities employed by Emitepod or Franchisee in connection with the offer and sale of Services, (viii) additions to, deletions from, modifications to, and variations of the components of the System and any other systems or methods of operations that Emitepod employs now or in the future, (ix) all other information, knowledge, and know-how concerning the past, present, and contemplated services and procedures relating to Franchisee's Business including, without limitation, intellectual property and any customer, supplier, financial, or marketing information pertaining to the System, and (x) all other information, knowledge, and know-how that Emitepod or Affiliates reasonably designates as confidential.

"**Daily Training Fee**" means Emitepod's then-current additional or supplemental training fee.

"**Death or Permanent Disability**" means death or any physical, emotional, or mental injury, illness, or incapacity that would prevent a person from performing the obligations set out in the Agreement or in the Personal Guarantee for at least 90 consecutive days and from which condition recovery within 90 days from the date of determination of Death or Permanent Disability is unlikely. Death or Permanent Disability will be determined by a licensed practicing physician Emitepod selects. If the person refuses to submit to an examination, then the person will automatically be deemed permanently disabled as of the date of refusal for the purposes of Section 13.

"**Deficiency**" means any amount Franchisee fails to make in connection with Franchisee's required marketing expenditure in any given year.

"**Disclosure Document**" means Emitepod's franchise disclosure document.

"**Effective Date**" means the date the Agreement becomes effective as described in the Preamble.

"**Emitepod**" means Emitepod Inc., a Nevada corporation.

"**Extension Fee**" means a nonrefundable fee equal to 10% of the then-current Initial Franchise Fee.

"**Franchise Assets**" means all of Franchisee's accounts, customers, contract rights, customer information, vendor lists, works-in-progress, and other business assets and all improvements, furniture, inventory, fixtures, and equipment of Franchisee's Business.

"**Franchise Agreement Assignment**" means the Emitepod Inc. Franchise Agreement Assignment and Assumption Agreement attached as Schedule C.

"**Franchisee**" means _____.

"**Franchisee Orientation Training Program**" means Emitepod's initial training program that will take place virtually over a period of two to three weeks.

"**Goodwill**" means all goodwill or going concern value created by the Trademarks and the System.

"**Gross Revenues**" means all gross sums collected or billed by Franchisee for all goods and services sold in connection with Franchisee's Business and any other revenue related to or derived from Franchisee's provision of the Services or Franchisee's sale of any other products or services in connection with the conduct and operation of Franchisee's Business whether for cash, check, credit, barter, equity compensation, or any other means of exchange including, without limitation, the proceeds of any business interruption insurance and equity compensation paid to Franchisee as part of a particular payment arrangement. Gross Revenues do not include any sales, use, excise, license, or similar taxes separately billed, charged, and collected by Franchisee for the appropriate governmental authorities.

"**Guarantee**" means the Emitepod Inc. Personal Guarantee in the form attached as Exhibit A to Schedule C.

"**Guarantor**" means Franchisee's guarantor if Franchisee is a business entity.

"**Initial Franchise Fee**" means a $65,000.00 initial franchise fee paid by Franchisee to Emitepod less any amounts previously paid to Franchisor or an Affiliate for the core "Dope CFO" educational program.

"**Initial Marketing Fee**" means a $750.00 fee paid by Franchisee to Emitepod for Emitepod's initial marketing assistance.

"**Interim Operation**" means the use of one or more of Emitepod's employees, contractors, or agents to operate Franchisee's Business on Franchisee's behalf.

"**Interim Period**" means any period following expiration of the Term during which Franchisee continues to operate Franchisee's Business until one Party provides the other Party with written notice of intent to terminate the Interim Period, in which case the Interim Period will terminate 30 days after the non-terminating Party's receipt of the notice.

"**Marketing Campaigns**" means marketing, advertising, and promotional materials, public and consumer relations initiatives, general publicity, and any other similar programs determined by Emitepod.

"**Marketing Contributions**" means the marketing and advertising fees Franchisee pays to the Marketing Fund if a Marketing Fund is established.

"**Marketing Fund**" means a fund maintained and administered by Emitepod where all Marketing Contributions are deposited for the benefit of the System.

"**Minimum**" means a minimum $500.00 Royalty payment made by Franchisee each month beginning on the ninth full month after the Effective Date.

"**Note**" means any promissory note or similar instrument issued to and in favor of Emitepod or Affiliates.

"**Notice of Intent**" means a notification of Emitepod's intention to exercise its rights to purchase the Franchise Assets pursuant to Section 11.6 or Section 13.2.

"**Operations Manual**" means Emitepod's operations manual and any other written materials or directions provided to Franchisee containing mandatory specifications, standards, or procedures applicable to the System in any format that Emitepod may develop, revise, withdraw, or replace.

"**Option Period**" means the 60-day period following an event described in Section 11.6(a) during which Emitepod may provide Franchisee with a Notice of Intent.

"**Other Channels**" means the sale of Services anywhere in the world by or through other channels of trade including, without limitation, the Internet, telemarketing, infomercials, co-branding relationships, and any similar outlets or distribution methods determined by Emitepod and sales of the Services to customers where the customers specifically request that the Services be provided by one of Emitepod's representatives.

"**Party**" means either of Emitepod or Franchisee individually.

"**Parties**" means Emitepod and Franchisee collectively.

"**POS System**" means the point of sale system, credit and debit card processing system, associated software, and related services Emitepod designates for the operation of Franchisee's Business.

"**Prime Rate**" means the then-current prime rate of interest charged by Emitepod's bank to its most creditworthy commercial customers.

"**Privacy Laws**" means any relevant privacy laws and regulations relating to the operation of Franchisee's Business.

"**Purchase Price**" means the purchase price for the Franchise Assets in connection with the Termination or Transfer of the Agreement or as otherwise described in the Agreement.

"**Rebate**" means a referral payment, benefit, allowance, credit, fee, commission, discount, bonus, or other benefit or consideration received by Emitepod from product suppliers or service suppliers if Franchisee obtains services from the suppliers.

"**Related Party**" means Franchisee, Guarantors, and Franchisee's affiliates individually, in partnership, jointly, or in conjunction with any person or business entity as principal, agent, shareholder, interest owner, or other similar role.

"**Released Persons**" means Emitepod, Affiliates, related subsidiaries, and each of their respective officers, directors, shareholders, agents, employees, and any person for whom Emitepod or Affiliates are legally responsible.

"**Releasors**" means Franchisee, Franchisee's affiliates, and each of their respective officers, directors, owners, agents, employees, and any person for whom Franchisee or Franchisee's affiliates are legally responsible.

"**Royalty**" means the continuing monthly royalty fee payable by Franchisee pursuant to Section 7.3(a).

"**Security Interest**" means a share certificate, security interest, chattel mortgage, debenture, or mortgage of any nature whatsoever.

"**Services**" means, without limitation, accounting, bookkeeping, CFO, tax planning, tax preparation, consulting, human resources, merger and acquisition, exits, capital raising, and other financial services as Emitepod designates and authorizes in writing.

"**Summary**" means the informational summary on the cover page of the Agreement.

"**System**" means Emitepod's unique and distinctive system relating to the establishment and operation of Businesses including, without limitation, the preparation, merchandising, distribution, or sale of the Services in accordance with a standard, unique, and uniform system involving distinctive uniforms, special methods of achieving quality and quantity controls, confidential training, proprietary instruction materials, the Operations Manual, and the Trademarks.

"**Tax Indemnified Parties**" means parties indemnified by Franchisee with respect to claims arising from Franchisee's alleged nonpayment of any applicable taxes including, without limitation, Emitepod, Affiliates, and their respective shareholders, owners, managers, directors, officers, agents, and employees.

"**Term**" means the initial term of the Agreement specified in Section 10.1 and any extension term.

"**Termination**" means the Transfer, termination, or expiration of the Agreement for any reason.

"**Trademarks**" means "Emitepod," "Dope CFO®," "Dope CFO Certified Advisor™," and any other trade names, trademarks, insignias, and logos as presently exist or may be determined in the future that Emitepod authorizes for use in conjunction with the System including, without limitation, any domain names that identify the trademarks.

"**Transfer**" means any (i) sale, Transfer, assignment, pledge, mortgage, encumbrance, or other conveyance of any part of Franchisee's interest in the Agreement or the assets of Franchisee's Business (including by operation of law), (ii) sale, Transfer, assignment, pledge, mortgage, encumbrance, or other conveyance of any interest in Franchisee, or (iii) change in the composition of Franchisee's owners whether by operation of law or otherwise, or any amalgamation that could result in the change of control of Franchisee.

"**Transferee**" means the party receiving assets or interests as part of a Transfer.

1.2 Construction of Agreement. The provisions of the Agreement will be construed as a whole according to their common meaning and not strictly for or against either Emitepod or Franchisee. Except as otherwise expressly provided or unless the context otherwise requires, the following provisions govern the interpretation of the Agreement:

(a) Words importing the singular number or masculine gender include the plural number or the feminine or neuter genders and vice-versa;

(b) All references to sections refer to sections, paragraphs, or clauses of the Agreement unless otherwise specified;

(c) All references to Schedules refer to Schedules to the Agreement unless otherwise specified;

(d) Words and terms denoting inclusiveness including, without limitation, "include," "includes," and "including" are not limited by and do not imply limitation of their context or the words or phrases that precede or succeed them;

(e) The captions, section numbers, article numbers, and the table of contents appearing in the Agreement are inserted only as a matter of convenience and do not affect the interpretation or substance of the Agreement;

(f) All references to time in the Agreement refer to the time in the jurisdiction in which Emitepod's operational headquarters are then located;

(g) All dollar amounts in the Agreement are in United States dollars unless otherwise stated and are exclusive of any applicable taxes; and

(h) All references to local, municipal, state, or federal statutes and regulations in the Agreement include amendments, successors, or replacements unless otherwise stated.

SECTION 2
LICENSE OF RIGHTS

2.1 Licensed Rights. Subject to the terms and conditions of the Agreement, Emitepod grants Franchisee during the currency of the Agreement:

(a) The right to establish and operate Franchisee's Business; and

(b) A non-exclusive license to use the System and the Trademarks in relation to the operation of Franchisee's Business.

2.2 Reserved Rights. Notwithstanding anything in the Agreement to the contrary, Emitepod and Affiliates expressly reserve the right without compensation to Franchisee to:

(a) Establish, operate, or license a business identical or similar to Franchisee's Business at any location;

(b) Develop, market, own, use, or license the use or operation of a program or system that offers products or services that are the same as or similar to those offered by Franchisee's Business at any location;

(c) Develop, market, own, operate, or participate in any business other than a Business using the Trademarks or any other trademarks at any location;

(d) Distribute or sell by Emitepod or through Affiliates or license other entities including, without limitation, other franchised businesses to distribute or sell products or offer services including, without limitation, the Services through Other Channels at any location;

(e) Operate or grant others the right to operate a Business under any terms and conditions Emitepod deems appropriate at any location;

(f) Acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided by Franchisee's Business and franchising, licensing, or creating similar arrangements with respect to these businesses once acquired at any location;

(g) Be acquired in whole or in part without regard to the form of transaction by a person or business entity providing products and services similar to those provided by Franchisee's Business; and

(h) Perform any acts and transact any business for which the Agreement does not grant the exclusive rights to Franchisee to perform the acts or transact the business.

2.3 Representations and Warranties. Franchisee represents and warrants that:

(a) Franchisee is duly qualified and authorized to conduct business in each jurisdiction in which Franchisee will conduct business activities; and

(b) Execution of the Agreement and all transactions contemplated by the Agreement are duly authorized and within Franchisee's power.

SECTION 3
INDEMNITY AND PERSONAL GUARANTEE

3.1 Indemnity. Franchisee will defend, indemnify, and hold Emitepod, Affiliates, and their respective directors, officers, employees, shareholders, members, and agents harmless from any fines, taxes, suits, liabilities, proceedings, losses, claims, charges, costs, expenses, demands, actions, and damages of any nature or kind whatsoever including, without limitation, compensatory, special, statutory, or punitive damages and their respective legal fees, and amounts paid in settlement or compromise, accountants' and expert witness fees, costs of investigation and proof of facts, court costs and orders, other litigation expenses, and travel and living expenses directly or indirectly incurred arising from:

(a) Franchisee's breach of or noncompliance with the Agreement or any other agreement entered into by Franchisee or any of Franchisee's acts or omissions including, without limitation, Franchisee's alleged noncompliance with Applicable Laws including, without limitation, any allegation that Emitepod and Franchisee are joint employers;

(b) Franchisee's failure to pay or remit any taxes to the relevant governmental authorities when due and payable including, without limitation, any income taxes arising out of Franchisee's operation of Franchisee's Business;

(c) The operation of Franchisee's Business occasioned wholly or in part by any act, negligence, or omission by Franchisee or Franchisee's agents, contractors, employees, servants, invitees, or any person for whom Franchisee is legally responsible; or

(d) Franchisee's use of the System or Trademarks in any manner not in accordance with the Agreement.

Emitepod may take any steps as Emitepod deems necessary to protect Emitepod from claims and Franchisee will reimburse Emitepod for all expenses incurred in connection with claims including, without limitation, legal fees and disbursements within ten days from the date of an invoice from Emitepod to Franchisee for the expenses. This indemnity will continue in full force and effect following and notwithstanding Termination.

3.2 Personal Guarantee of Owners. Franchisee will execute the Agreement in Franchisee's individual capacity and assign the Agreement to a business entity during the Franchisee Orientation Training Program using the Franchise Agreement Assignment. After Franchisee is a business entity, Franchisee will advise Emitepod and keep Emitepod current as to the names and addresses of Franchisee's officers, directors, shareholders, members, and persons otherwise financially involved with Franchisee at all times. Without

limiting the generality of the foregoing, Franchisee will execute and deliver to Emitepod the following documents in the Franchise Agreement Assignment:

(a) The Guarantee; and

(b) The Statement of Ownership and Management.

SECTION 4
TRADEMARKS AND OTHER INTELLECTUAL PROPERTY RIGHTS

4.1 Licenses Subject to the Agreement. Franchisee's right to use the Trademarks is derived solely from the Agreement and limited to the conduct of business by Franchisee pursuant to and in compliance with the Agreement and all applicable standards, specifications, and operating procedures prescribed by Emitepod in the Agreement, the Operations Manual, or otherwise. Any unauthorized use of the Trademarks constitutes an infringement of Emitepod's rights in and to the Trademarks. Franchisee will not challenge ownership of the Trademarks or Emitepod's right to license the right to use the Trademarks to Franchisee or other parties. Franchisee will not engage in any direct or indirect conduct that may infringe upon, harm, or contest Emitepod's rights in any of the Trademarks or the Goodwill associated with the Trademarks including, without limitation, any use of the Trademarks in a derogatory, negative, offensive, or otherwise inappropriate manner during and after the Term.

4.2 Goodwill Inures to Emitepod's Benefit. Any Goodwill occasioned by Franchisee's use of the Trademarks or any changes Franchisee makes to the System (which may only occur with Emitepod's express permission) will inure to Emitepod's and Affiliates' exclusive benefit. Franchisee irrevocably waives any moral or other rights to the Goodwill. The Agreement does not confer any interest in the System, the Trademarks, or the Goodwill to Franchisee.

4.3 Identification of Franchisee's Business. Franchisee will use the Trademarks as the sole identification of Franchisee's Business. Franchisee will identify itself as Emitepod's franchisee and as the independent owner of Franchisee's Business using any forms of notice that Emitepod requires.

4.4 Display of Trademarks. Franchisee will prominently display the Trademarks in connection with Franchisee's Business and in the manner prescribed by Emitepod. Franchisee will use the Trademarks in all signage, point-of-sale advertising, business cards, stationery, promotional materials, Internet postings, and other advertising only in the form, manner, and extent required or permitted as set out in the Agreement, in the Operations Manual, or by Emitepod. Emitepod may introduce products or services under the Trademarks, other trademarks, or labels designated by Emitepod and Franchisee will sell the products or services in accordance with Emitepod's standards and specifications.

4.5 Unauthorized Use. Franchisee will not use any of the Trademarks as part of Franchisee's corporate name, but may register a "d/b/a" or a fictitious name certificate in connection with the operation of Franchisee's Business after obtaining Emitepod's written permission. Franchisee will include any notices as Emitepod may require for the purposes of preserving Emitepod's interest in the Trademarks including trademark and copyright notices. Franchisee will not use any of the Trademarks as part of any Internet website or with any prefix, suffix, or other modifying words, terms, designs, or symbols or in any modified form except as otherwise authorized in the Agreement or agreed to by Emitepod. Franchisee will not delegate or sublicense Franchisee's right to use the Trademarks or authorize independent contractors or any third party with whom Franchisee transacts business to use the Trademarks.

4.6 Trademark Infringement or Challenges. Franchisee will immediately notify Emitepod of any apparent infringement of or challenge to Franchisee's use of the Trademarks or any claim by any person of

any rights in any of the Trademarks. Franchisee will not communicate with any entity other than Emitepod in connection with any infringement, challenge, or claim. Emitepod may take any action that Emitepod deems appropriate and will exclusively control any litigation or other proceeding arising out of any infringement, challenge, or claim relating to any of the Trademarks. Emitepod has the right to take over the defense of any action or proceeding at any time even if Emitepod initially declines to assume the defense. Franchisee will execute any instruments and documents, render assistance, and perform any acts that Emitepod deems advisable to protect Emitepod's interest in the Trademarks. If Emitepod deems it advisable at any time to modify or discontinue the use of any of the Trademarks or to use one or more additional or substitute Trademarks, Franchisee will comply with Emitepod's directions within a reasonable period of time after receipt. Emitepod's sole obligation in any such event is to reimburse Franchisee's reasonable out-of-pocket costs for changing Franchisee's stationery.

4.7 Termination. Franchisee will cease all use of the Trademarks and any variation or colorable imitation immediately upon Termination. Franchisee acknowledges that this covenant is reasonable and necessary to protect the integrity of the Trademarks and is enforceable by interim, interlocutory, or final mandatory, injunctive, or other extraordinary relief, restraining order, decree, declaration, or otherwise by any court of competent jurisdiction.

4.8 Protection of Trademarks. Emitepod is not required to protect Franchisee against claims of infringement or unfair competition arising from Franchisee's use of the Trademarks or defend Franchisee in any legal action arising from Franchisee's use of the Trademarks. Emitepod will take any action that Emitepod deems appropriate under the circumstances provided that Franchisee has promptly notified Emitepod in writing of the facts of the claims or challenges and has used the Trademarks strictly in accordance with the provisions of the Agreement, the Operations Manual, and any other rules, regulations, directives, and procedures prescribed by Emitepod.

4.9 Proprietary Rights. Emitepod or Affiliates presently have proprietary rights in numerous items including, without limitation, the Operations Manual, the System, the Trademarks, advertising designs, and the similar items relating to the operation of Businesses that are suitable for copyright protection. Emitepod, Affiliates, and Emitepod's designees reserve all rights that Emitepod or Affiliates have to the items. Emitepod may obtain copyright registration for the Operations Manual and any other materials as they presently exist or may exist in the future.

4.10 Acknowledgement. Franchisee acknowledges that (i) Emitepod or Affiliates own all intellectual property rights in the Operations Manual, (ii) these rights are protected by copyright laws and international treaty provisions, and (iii) Emitepod or Affiliates retain all rights in the Operations Manual not expressly granted under the Agreement.

4.11 Trade Practices. Emitepod has the sole rights to certain trade practices pertaining to Emitepod's business practices and procedures and no goodwill associated with any of the trade practices inures to Franchisee. The components of these trade practices constitute Emitepod's trade secrets and are revealed to Franchisee in confidence. Franchisee will not attempt to use the trade practices in connection with any other entity or business in which Franchisee has a direct or indirect interest at any time. Franchisee will not disclose, duplicate, reveal, sell, or sublicense any part of the trade practices or in any way transfer any rights in the trade practices except as authorized by Emitepod.

4.12 Improvements. Ownership of all improvements, concepts, materials, ideas, techniques, or information with respect to the System developed by Franchisee or Franchisee's employees, agents, contractors, or affiliates, whether developed separately or with Emitepod, is deemed to be granted to Emitepod immediately upon the improvement being made or developed. Franchisee will disclose improvements to Emitepod as soon as they are made or developed.

4.13 Confidential Information.

(a) Franchisee will treat all information Franchisee receives that comprises part of the System as Confidential Information. Franchisee will not use any such information in an unauthorized manner or disclose the same to any unauthorized person without first obtaining Emitepod's written consent. Franchisee acknowledges that (i) the Trademarks and the System have valuable goodwill attached to them, (ii) the protection and maintenance of the Trademarks and the System is essential to Emitepod, and (iii) any unauthorized use or disclosure of the Trademarks or the System will result in irreparable harm to Emitepod.

(b) The Confidential Information is a valuable asset of Emitepod or Affiliates and includes, without limitation, Emitepod's or Affiliates' trade secrets. The Confidential Information is disclosed to Franchisee on the express condition that Franchisee, Franchisee's personnel, and their affiliates who have access to the Confidential Information irrevocably agree that during and after the Term Franchisee and they will (i) not use the Confidential Information in any other business or capacity, (ii) maintain the absolute confidentiality of the Confidential Information, (iii) not make unauthorized copies of any portion of the Confidential Information, and (iv) adopt and implement any Emitepod's procedures that Emitepod periodically requires to prevent unauthorized use or disclosure of the Confidential Information including, without limitation, requiring Franchisee's personnel and affiliates who have access to the Confidential Information to execute a non-disclosure and non-competition agreement as Emitepod may require and provide Emitepod with signed copies of each agreement.

(c) The restrictions on the disclosure and use of the Confidential Information do not apply to (i) information, methods, procedures, techniques, and knowledge that are or become generally known in the industry of Franchisee's Business other than through disclosure made by Franchisee or those for whom Franchisee is legally responsible (whether deliberate or inadvertent), and (ii) the disclosure of the Confidential Information in judicial or administrative proceedings to the extent that Franchisee is legally compelled to disclose the information if Franchisee has (i) notified Emitepod before disclosure, (ii) used Franchisee's best efforts to keep the information confidential, (iii) disclosed only to the extent legally required, and (iv) has afforded Emitepod the opportunity to obtain an appropriate protective order or other assurance satisfactory to Emitepod of confidential treatment for the information required to be disclosed.

SECTION 5
OPERATIONS MANUAL

5.1 Operations Manual. Emitepod will loan a copy of the Operations Manual to Franchisee during the Term in electronic form or any other format Emitepod determines. Franchisee will maintain the necessary equipment to access and use in a secure manner the then-current Operations Manual at Franchisee's expense. Franchisee will comply with and operate Franchisee's Business strictly in accordance with the specifications, standards, and procedures prescribed by Emitepod in the Operations Manual or as Emitepod otherwise communicates to Franchisee in writing. Franchisee acknowledges receipt of a copy of the Operations Manual and Franchisee:

(a) Will keep Franchisee's copy of the Operations Manual current;

(b) Acknowledges that the Operations Manual contains proprietary information that belongs to Emitepod. Franchisee will keep the Operations Manual and its contents confidential at all times during the Term and afterwards;

(c) Acknowledges that the Operations Manual is Emitepod's exclusive property at all times;

(d) Will promptly return all copies of the Operations Manual to Emitepod upon Emitepod's request or Termination;

(e) Will not copy or duplicate the Operations Manual without Emitepod's prior written consent;

(f) Acknowledges that the master copy of the Operations Manual maintained by Emitepod will control if any dispute relating to the content of the Operations Manual arises;

(g) Accepts transmission of a copy of the Operations Manual and any additions or modifications by e-mail, Internet, intranet, or other electronic means;

(h) Acknowledges that Emitepod may establish and maintain either a series of "private" pages on Emitepod's Internet website or an intranet through either of which Emitepod, Emitepod's franchisees, and their respective employees may communicate with each other and through which Emitepod may disseminate the Operations Manual or other confidential information;

(i) Will require all of Franchisee's employees or independent contractors to strictly abide by any mandatory requirements described in the Operations Manual. To the extent any of the system standards in the Operations Manual address employment matters, the standards are not mandatory but merely recommendations, suggestions, or guidelines. System standards do not include any mandatory requirements regarding Franchisee's employees' wages, working conditions, hours, staffing levels, or other terms of employment, but may specify uniforms and appearance to meet brand standards; and

(j) Acknowledges that Emitepod may add to, modify, withdraw from, or otherwise revise the Operations Manual and systems for all franchisees uniformly on a non-discriminatory basis whenever Emitepod considers the additions, modifications, withdrawals, or revisions desirable to improve or maintain the standards of the System, effectuate efficient operations, protect or maintain the Goodwill, or meet the demands of competition provided that no revisions will unreasonably alter Franchisee's fundamental rights under the Agreement and are made in good faith in accordance with reasonable commercial standards.

SECTION 6
TRAINING

6.1 Franchisee Orientation Training Program. Emitepod will provide Franchisee or Franchisee's approved designee with the Franchisee Orientation Training Program for no fee. The Franchisee Orientation Training Program will occur virtually. If Franchisee desires Emitepod to train more than one person or if it becomes necessary to retrain a certain individual, Emitepod will charge Franchisee the Daily Training Fee. Franchisee or Franchisee's approved designee must attend and complete the Franchisee Orientation Training Program to Emitepod's satisfaction before Franchisee's Business opens to the public, but in no event later than the earlier of (i) 30 days before the opening, or (ii) 120 days after the Effective Date. Franchisee's Business must be operated and supervised only by persons that have successfully completed all training as specified by Emitepod to Emitepod's reasonable satisfaction. Franchisee will assign the Agreement to a business entity during the Franchisee Orientation Training Program using the Franchise Agreement Assignment.

6.2 Advanced Training. Franchisee will attend and complete the Advanced Training Program after Franchisee has completed the Franchisee Orientation Training Program and Franchisee's Business is open to the general public. Franchisee will attend the Advanced Training Program within nine months of the Effective Date. After Franchisee has successfully completed the Advanced Training Program, Franchisee must pass a skills test Emitepod administers to Emitepod's reasonable satisfaction. Franchisee may retake

the test as many times as necessary to pass. Franchisee will be deemed a "Dope CFO Certified Advisor™" after passing the test.

6.3 New Personnel Training. Any new personnel Franchisee engages must be approved by Emitepod and comply with Emitepod's training requirements within a reasonable time specified by Emitepod. Franchisee will not permit the management of the Franchisee's Business's operations by a person who has not successfully completed all applicable training Emitepod requires to Emitepod's reasonable satisfaction. Without limiting the generality of the foregoing, Franchisee may send additional managers or employees to the Franchisee Orientation Training Program or any subsequent mandatory or optional training provided that (i) Emitepod determines that space is available and (ii) Franchisee pays the Daily Training Fee per person per day.

6.4 Additional Training Upon Default. If Franchisee is given notice of default relating to Franchisee's failure to meet any operational standards, Emitepod may require as a condition of curing the default that Franchisee and Franchisee's personnel and affiliates comply with any additional training requirements Emitepod prescribes at Franchisee's expense including, without limitation, payment of the Daily Training Fee.

6.5 Failure to Complete the Franchisee Orientation Training Program or Commence Operations. If (i) Franchisee or Franchisee's approved designee fails to complete the Franchisee Orientation Training Program to Emitepod's satisfaction by the earlier of 30 days prior to the opening of Franchisee's Business or 120 days after the Effective Date or (ii) Franchisee's Business fails to commence operations within 240 days after execution of the Agreement, Emitepod may terminate the Agreement upon written notice to Franchisee.

6.6 Conferences. Emitepod may host a Conference from time to time and Franchisee will attend any Conference at a location determined by Emitepod. Emitepod may charge a fee for a Conference in Emitepod's discretion. Franchisee will be responsible for all associated travel costs, accommodation costs, transportation costs, wages, living expenses, and other miscellaneous expenses.

6.7 Additional, Supplementary, and Special Training. Emitepod or Franchisee may determine that any of Franchisee's personnel or affiliates are required to undergo additional, supplementary, or special training at any time during the Term. If such a determination is made, Emitepod may charge Franchisee the Daily Training Fee per person per day.

6.8 Franchisee's Expenses. Franchisee will pay for related expenses incurred by Franchisee or Franchisee's personnel or affiliates in connection with all training programs including, without limitation, wages or other miscellaneous expenses.

6.9 Language. All assistance and training provided by Emitepod will be conducted in English.

SECTION 7
INITIAL FRANCHISE FEE, OTHER PAYMENTS, AND REPORTING

7.1 Initial Franchise Fee. As consideration for Emitepod's grant of a license for the operation of Franchisee's Business to Franchisee, Franchisee will pay Emitepod the Initial Franchise Fee by electronic funds transfer, bank draft, or certified check upon execution of the Agreement. The Initial Franchise Fee is fully earned upon receipt and nonrefundable in whole or in part.

7.2 Initial Marketing Fee. As consideration for the initial marketing assistance Emitepod provides to Franchisee, Franchisee will pay Emitepod the Initial Marketing Fee by electronic funds transfer, bank draft,

or certified check upon execution of the Agreement. The Initial Marketing Fee is fully earned upon receipt and nonrefundable in whole or in part.

7.3 Royalties, Marketing Contributions, and Local Advertising. As further consideration of the grant of a license to operate Franchisee's Business, Franchisee will pay:

(a) For the first eight months of operation, monthly continuing Royalties in an amount equal to 8% of Gross Revenues from the preceding calendar month. Beginning in the ninth full month of operation, Franchisee will pay the greater of (i) 8% of Gross Revenues from the preceding calendar month during the Term, or (ii) the Minimum. Royalties are due and payable by the seventh calendar day after the end of the previous month and based on Gross Revenues of the preceding calendar month. Royalties are nonrefundable. If Franchisee's records and procedures are insufficient to substantiate Franchisee's Gross Revenues to Emitepod, Emitepod may (i) estimate Franchisee's Gross Revenues for the applicable calendar month and Franchisee will immediately pay Emitepod the amount Emitepod determines to be owing by Franchisee for any Royalties due to Emitepod from Franchisee's understatement of Gross Revenues or (ii) charge Franchisee the Minimum at Emitepod's discretion.

(b) If a Marketing Fund exists, Marketing Contributions equal to the greater of (i) up to 1% of Gross Revenues from the preceding calendar month, or (ii) a monthly minimum payment that will not exceed $500.00. Marketing Contributions are payable by the seventh calendar day after the end of the previous month and based on Gross Revenues of the preceding month. Marketing Contributions are nonrefundable. If Franchisee's records and procedures are insufficient to substantiate Franchisee's Gross Revenues to Emitepod, Emitepod may estimate Franchisee's Gross Revenues for the applicable calendar month and Franchisee will immediately pay Emitepod the amount Emitepod determines to be owing by Franchisee for any Marketing Contributions. In addition to any Marketing Contributions Franchisee is required to make, Franchisee will:

(i) Use Franchisee's best efforts to promote and advertise Franchisee's Business and conduct any local marketing, advertising, and promotional programs Emitepod requires. Without limiting the generality of the foregoing, on an annual basis Franchisee will spend on approved local marketing, advertising, and promotions no less than an amount equal to the aggregate of 1% of Gross Revenues each year. Franchisee will provide Emitepod with adequate documentation demonstrating that Franchisee has made these expenditures and an accounting of the monies that Franchisee has spent for approved local marketing upon Emitepod's request. If Franchisee has a Deficiency for any given year, Emitepod may invoice Franchisee for this amount plus a 15% administrative fee which total amount is payable by Franchisee to Emitepod within five days of Franchisee's receipt of Emitepod's invoice. Emitepod may contribute the amount of the Deficiency to the Marketing Fund if a Marketing Fund exists in Emitepod's discretion; and

(ii) Contribute the amount determined collectively by the members of any local advertising cooperative approved by Emitepod. Without limitation, upon receipt of notice from Emitepod that a cooperative has been formed that Franchisee is required to join, Franchisee will become a member of the cooperative; provided, however, that any required contribution exceeding 1% of Gross Revenues for any specified period must be approved by the affirmative vote of two-thirds of the cooperative members attending in person or voting by proxy at a duly constituted meeting. Franchisee's contributions to any cooperative will be credited towards Franchisee's required annual expenditures pursuant to Section 7.3(b)(i).

Franchisee will not divert any business or take any other actions or fail to take any actions that would have the effect of reducing Gross Revenues and use Franchisee's best efforts to maximize Gross

Revenues. All the foregoing payments payable to Emitepod or Affiliates will be paid to Emitepod or Affiliates without any prior demand, set off, compensation, or deduction whatsoever.

7.4 Communication Equipment and Internet Access. Franchisee will pay for all associated costs for the installation, maintenance, and ongoing use of communication equipment and Internet access.

7.5 Transfer Fee. Franchisee will pay Emitepod a nonrefundable transfer fee in accordance with Section 13.3(f).

7.6 Extension Fee. Franchisee will pay Emitepod a nonrefundable Extension Fee in accordance with Section 10.2(e).

7.7 Electronic Withdrawals. Franchisee will:

(a) Pay all amounts Franchisee owes Emitepod pursuant to the Agreement in the manner Emitepod determines that may include, without limitation, payment by bank draft, certified check, credit card, automatic electronic bank account withdrawal (otherwise known as electronic funds transfer or EFT), or as Emitepod otherwise directs in writing; and

(b) Participate in any other preauthorized payment plans, computerized point of sale systems, credit verification systems, electronic funds transfer systems, automatic banking systems, or other similar plans or systems as Emitepod may from time to time require to facilitate Franchisee's payment of all amounts owing to Emitepod pursuant to the Agreement by automatic bank transfer or similar process or procedure. In order to participate in any plans or systems, Franchisee will perform any act necessary to implement and maintain the plans or systems at Franchisee's expense.

7.8 Financial Statements and Reports. Franchisee will keep all books and records and submit all statements and reports to Emitepod specified in the Agreement or as Emitepod otherwise requires. The statements and reports will be prepared in the form Emitepod designates. Without limiting the generality of the foregoing, Franchisee will submit to Emitepod by electronic or other means as Emitepod designates:

(a) A report of the Gross Revenues for each calendar month within five days of the end of the calendar month;

(b) A report of profit and loss for each calendar month within 15 days of the end of the calendar month;

(c) A financial statement for each fiscal year that includes, without limitation, a detailed balance sheet, a statement of profit and loss, and a statement of cash flows to Emitepod showing the results of Franchisee's Business's operations during the fiscal year within 90 days of the end of the fiscal year. Franchisee will certify to Emitepod that all the financial information is true and accurate;

(d) Any other information Emitepod reasonably requires including, without limitation, completed labor schedules, payroll records, and purchase invoices upon Emitepod's written request;

(e) Any information Emitepod requests in order to prepare a financial performance representation for a Disclosure Document; and

(f) A report detailing Franchisee's investment costs to develop and open Franchisee's Business within 120 days following the opening of Franchisee's Business with costs allocated to the categories Emitepod directs and any other information as Emitepod requests.

Notwithstanding the foregoing, Emitepod has the right to change the reporting periods or the times within which Franchisee must submit the required financial information statements and records as specified above.

7.9 Failure to Report Gross Revenues. If Franchisee fails to report Franchisee's previous month's Gross Revenues as required, Emitepod may estimate the Gross Revenues and deduct an appropriate amount from Franchisee's bank account for the relevant month together with applicable taxes. The estimated Gross Revenues for any particular month will be equal to the previous month's Gross Revenues as reported or estimated plus 10% of the amount. If the actual Gross Revenues for any month differ from the estimated Gross Revenues, the correct fees based on actual Gross Revenues will be adjusted as soon as the actual Gross Revenues are known. If the amount paid is less than the owed amount, Emitepod may withdraw the difference together with interest from the due date from Franchisee's bank account. If the amount paid exceeds the owed amount, the difference without any interest will be credited to the amount owing by Franchisee for fees for the following month. If Franchisee fails to report actual Gross Revenues for the first month during which Franchisee conducts business, the estimated Gross Revenues for the month will be an amount Emitepod reasonably determines.

Emitepod may levy a reasonable administrative fee upon Franchisee if Franchisee does not provide Emitepod with any required financial or other reports set out in this Section 7 including, without limitation, the financial statements and reports referred to in Section 7.8, and all information regarding Royalties, Marketing Contributions, and local marketing and advertising, with the fee to be paid via electronic withdrawal as set out in Section 7.7.

Notwithstanding the payment of Royalties and Marketing Contributions through the use of estimated Gross Revenues, Franchisee's failure to report actual Gross Revenues in accordance with the Agreement or to provide the financial statements or reports referred to in Section 7.8 will constitute a default of the Agreement entitling Emitepod to take action under Section 12 or otherwise as Emitepod deems appropriate. The remedies contained in this Section 7.9 are in addition to any other remedies Emitepod or Affiliates may have at law or in equity.

7.10 Fiscal Year End. Franchisee will cause the fiscal year end of Franchisee's Business to fall on December 31 of each calendar year. If requested by Emitepod at any time during the Term, Franchisee will take any necessary actions to change Franchisee's fiscal year end to the fiscal year end Emitepod specifies.

7.11 Maintenance of Financial Records and Recordkeeping Systems. Franchisee will maintain and keep all books and records for Franchisee's Business for at least six years following the end of the fiscal year to which the books and records relate. Franchisee will use accounting, recordkeeping, and reporting systems with any computer or communications equipment and software Emitepod specifies at Franchisee's expense. If permitted by the systems, Emitepod may directly access Franchisee's reporting data and all other related information.

7.12 Examination of Records. Emitepod or Emitepod's authorized representatives may examine, audit, and make copies of all financial books, records, statements, accounts, documents, and other material maintained by Franchisee in connection with Franchisee's Business at Emitepod's cost and expense. Emitepod may enter any premises where the records are kept without notice to Franchisee. Notwithstanding the foregoing, if any examination or audit discloses that:

(a) Gross Revenues have been understated in any report delivered by Franchisee to Emitepod by more than 2% or if an examination or audit determine that Franchisee's accounts and records are not in compliance with the terms of the Agreement, then Franchisee will bear all of the costs of the examination

or audit. Upon notification of the Royalties and Marketing Contributions owing as determined on the basis of the examination or audit, Franchisee will pay to Emitepod an amount equal to any deficiency in the Royalties and Marketing Contributions actually paid to Emitepod with any interest due and payable to Emitepod pursuant to Section 7.13; or

(b) Any other accounts have been misstated by more than 2% in any report delivered by Franchisee to Emitepod, then Franchisee may be required to conduct a review or audit of the financial statements for Franchisee's Business by a firm of independent chartered professional accountants (or their equivalent) at Emitepod's discretion and Franchisee's expense.

7.13 Delinquent Payments and Fees. Franchisee will pay all fees payable to Emitepod or Affiliates in a timely manner. Any payment or fee not received on time will bear interest at a rate equal to the greater of 18% per annum or the highest rate permitted by applicable law from the due date until the date received.

7.14 Cost of Accounting and Bookkeeping Services. The cost of accounting and bookkeeping services required for Franchisee's Business is Franchisee's responsibility and may vary substantially depending upon various factors including, without limitation, Franchisee's need for the services.

7.15 Use of Franchisee's Financial Statements and Records. Notwithstanding anything to the contrary in the Agreement, Franchisee irrevocably authorizes Emitepod to use any information, statement, report, or other material provided by Franchisee to Emitepod pursuant to the Agreement or otherwise obtained by Emitepod regarding Franchisee's Business for any purposes Emitepod reasonably determines including, without limitation, the disclosure of financial information to governmental authorities to satisfy the statutory disclosure requirements of any jurisdiction and to other franchisees and prospective franchisees of the System.

7.16 Taxes. Prior to opening Franchisee's Business to the public, Franchisee will obtain all required federal, state, municipal, and other required government certifications, permits, and licenses, and furnish to Emitepod copies of all required permits and licenses with evidence of registration for applicable taxes. Any amounts expressed as being payable by Franchisee pursuant to the Agreement are exclusive of any applicable taxes. Franchisee will promptly remit to Emitepod when due all taxes levied or assessed by reason of Franchisee's operation and performance under the Agreement or that may be payable in connection with the Initial Franchise Fee, Royalties, Marketing Contributions, or any other payment required by the Agreement. The term "taxes" in this Section 7.16 means any present or future taxes, levies, imposts, duties, or other charges of whatever nature including any sales tax, income tax, any other tax required by law, and all other taxes and expenses of operating Franchisee's Business and any interest or penalties imposed by any government or political subdivision of the government on or relating to the operation of Franchisee's Business, the payment of monies, or the exercise of rights granted pursuant to the Agreement.

The Parties will use their mutual best efforts to secure any exemption from or reduced rate of withholding or other tax (whether available under a tax treaty, statute, or regulation) with respect to any payments to Emitepod or Affiliates, and to provide the other Party or governmental authority any information on tax forms or other filings required to secure an exemption or reduced rate of withholding tax. If any withholding or other Tax is applicable and lawfully imposed by any governmental authority, Franchisee will timely (i) pay the applicable withholding or other taxes on the fees on Emitepod's behalf in a timely manner, (ii) file the required tax reporting forms and returns, (iii) provide Emitepod with tax receipts for the tax payments and true copies of the forms filed, and (iv) remit the net amount of the fees to Emitepod or Affiliates as appropriate.

Franchisee is responsible for and will indemnify, defend, and hold the Tax Indemnified Parties harmless from and against any penalties, interest, costs, and expenses (including reasonable legal fees) incurred by or assessed against the Tax Indemnified Parties resulting from any failure or breach of Franchisee's obligations under this Section 7.16. Franchisee will fully and promptly cooperate with Emitepod to provide any information or records any Tax Indemnified Party requests in connection with any application or filing by any Tax Indemnified Party to any governmental authority or any information request, inquiry, or tax audit from a governmental authority with respect to the Agreement or the relationship between Franchisee and the Tax Indemnified Parties.

7.17 Withholding Payment and Set Off. Franchisee will not withhold payment of any amount due to Emitepod or Affiliates whatsoever on the grounds of alleged non-performance on Emitepod's part of any of Emitepod's obligations or for any other reason. No endorsement or statement on any check or payment of any sum less than the full sum due to Emitepod will be construed as an acknowledgment of payment in full or an accord and satisfaction and Emitepod may accept and negotiate the check or payment without prejudice to Emitepod's right to recover the balance due or pursue any other remedy provided in the Agreement or by law. Emitepod may apply any payments made by Franchisee against any of Franchisee's past due indebtedness as Emitepod deems appropriate. Emitepod may set off against any of Franchisee's outstanding debts any payment due to Franchisee. Emitepod may pay Franchisee's trade creditors out of any sum otherwise due to Franchisee in Emitepod's discretion.

7.18 Legal Fees. If Emitepod is required to enforce any provision of the Agreement against Franchisee at any time or if any amounts due from Franchisee to Emitepod or Affiliates are at any time collected by or through legal action, Franchisee will pay Emitepod all associated costs and expenses of enforcement and collection including, without limitation, court costs, legal fees, and disbursements. If Emitepod or Affiliates are made a party to any litigation commenced by or against Franchisee, Franchisee will indemnify and hold Emitepod and Affiliates harmless against any losses, damages, or claims whatsoever and pay all associated costs and expenses including, without limitation, court costs, legal fees and disbursements, accountant and expert witness fees, costs of investigation, and travel and living expenses incurred or paid by Emitepod in connection with the litigation.

7.19 Privacy Laws. Franchisee will comply with all Privacy Laws by:

(a) Obtaining all required consents from Franchisee's customers to allow Franchisee to transmit and share personal information obtained from the customers with Emitepod;

(b) Cooperating with Emitepod to ensure Emitepod's access to this information as Emitepod may request;

(c) Complying with all of Emitepod's requirements regarding Privacy Laws as required by the Operations Manual;

(d) Refraining from putting Emitepod or Affiliates in breach of any of the Privacy Laws;

(e) Taking any action and executing any documentation necessary to keep Emitepod and Affiliates in compliance with any of the Privacy Laws; and

(f) Permitting Emitepod and Affiliates to use any data concerning Franchisee and Franchisee's affiliates in compliance with the Privacy Laws.

SECTION 8
FRANCHISEE'S OBLIGATIONS

8.1 Grand Opening. If required by Emitepod, Franchisee will conduct a grand opening advertising, marketing, and promotional program for Franchisee's Business during the period commencing 14 days before and ending 90 days after Franchisee's Business opens. Franchisee will provide Emitepod with a summary of Franchisee's anticipated grand opening expenditures at least 30 days before Franchisee's Business opens. Franchisee will obtain appropriate third party services and purchase the necessary materials to assist Franchisee in planning and conducting grand opening advertising, publicity, and public relations as Emitepod designates.

8.2 Services and Pricing. Recognizing Franchise's Business must conform to Emitepod's standards and specifications, Franchisee will:

(a) Purchase all supplies and services required for the operation of Franchisee's Business only from Emitepod or from suppliers approved or designated by Emitepod. These suppliers may include any Affiliate that demonstrates the ability to meet Emitepod's then-current standards and specifications. Franchisee may only sell the Services according to the standards and specifications set out in the Operations Manual or as provided in Section 8.3;

(b) Offer all Services that have been approved for sale by Emitepod in writing. Emitepod may make modifications to the Services from time to time and Franchisee will immediately comply with all modifications. If Franchisee desires to offer an unauthorized service, Franchisee will first obtain Emitepod's written authorization. The authorization may be arbitrarily withheld by Emitepod or withdrawn at any time upon 30 days' notice. Where authorization is given by Emitepod to offer services other than the Services, the other services will not be used or associated with any Trademarks unless Franchisee first obtains Emitepod's written authorization;

(c) Immediately discontinue offering any Services that Emitepod may disapprove at any time; and

(d) Offer for sale Services at the specified retail price or in accordance with the minimum or maximum prices established by Emitepod subject to applicable law. When no maximum or minimum price has been specified or established by Emitepod with respect to a particular Service, Franchisee may sell the Service at any reasonable price. Franchisee will offer and participate in any program advertised by Emitepod to the public as available from other Businesses including, without limitation, programs that specify a Service at a particular price. Specified maximum or minimum prices for Services may vary from region to region to the extent deemed necessary by Emitepod in order to reflect differences in costs and other factors applicable to the regions. Notwithstanding the foregoing, any promotional discounts that Franchisee desires to offer must be approved by Emitepod before being put into effect.

8.3 Standards of Operation. Franchisee will at Franchisee's sole cost and expense:

(a) Follow Emitepod's practices described in the Operations Manual or designated by Emitepod;

(b) Meet Emitepod's quality controls and specifications for the Services and maintain Emitepod's standards at all times as required by Emitepod's operating procedures in the Operations Manual or otherwise in writing;

(c) Issue, participate in, and offer all discounts and other promotions in accordance with marketing programs Emitepod establishes and honor the discounts and promotions issued by other franchisees under any such programs;

(d) Use and retain Emitepod's standard forms;

(e) Purchase and use signage, posters, and displays that comply with Emitepod's standards and specifications; and

(f) Not pledge, mortgage, hypothecate, give, create as security for an obligation, or in any manner encumber the Agreement, Franchisee's assets, or Franchisee's Business except with Emitepod's express prior written consent.

In addition to the standards explicitly referenced above, Franchisee will not deviate from any of Emitepod's other standards determined by Emitepod in Emitepod's discretion.

8.4 Full Time Effort and Supervision. Franchisee or at least one Guarantor will devote full time, attention, and best efforts to the management and operation of Franchise's Business at all times except to the extent that Emitepod specifically agrees otherwise in writing. Franchisee may hire a manager to assist in managing the day-to-day operations of Franchisee's Business with Emitepod's prior written permission. Any manager Franchisee hires must be approved by Emitepod and complete Emitepod's training as described in Section 6. The use of a manager in no way relieves Franchisee of Franchisee's obligations to comply with the Agreement and ensure that Franchisee's Business is properly operated in accordance with the Agreement.

8.5 Hours of Operation. Franchisee will keep Franchisee's Business open for business during the days and hours Emitepod designates in the Operations Manual or otherwise subject to Applicable Laws. Any variation from these days or hours must be approved in advance by Emitepod in writing.

8.6 Media Communications. Franchisee will not make any television, radio, or other media appearance or make any statement to any media in connection with the System, the Trademarks, or Franchisee's Business, hold itself out to be Emitepod's representative or agent, or indicate that Franchisee is expressing any views on the behalf of Emitepod or the System without first obtaining Emitepod's written consent.

8.7 Advertising and Marketing.

(a) Emitepod may make available to Franchisee advertising, marketing, signage, and promotional materials for Franchisee's Business. As part of Franchisee's advertising and marketing efforts, Franchisee will purchase and maintain newspaper advertisements, flyers, brochures, coupons, direct mail pieces, radio advertising, television advertising, Internet web pages, and other advertising that promote Franchisee's Business as Emitepod directs in Emitepod's discretion.

(b) Franchisee will use all (i) product identification materials, (ii) point-of-purchase promotional materials, (iii) promotional memorabilia and merchandise, and (iv) other advertising and marketing materials Emitepod requires. If not provided to Franchisee by Emitepod, Franchisee will purchase these materials from Emitepod or a source designated or approved by Emitepod.

(c) Franchisee may develop advertising and marketing materials for Franchisee's own use at Franchisee's expense provided that the materials are prepared in accordance with Emitepod's standards and Franchisee obtains Emitepod's approval of the materials in writing at least ten days prior to use. Emitepod will notify Franchisee of Emitepod's approval or disapproval of the materials within five working days

after submission by Franchisee for Emitepod's review. If Emitepod fails to respond to Franchisee within the five-working day period, approval will be deemed to have been withheld.

(d) Franchisee will obtain Emitepod's prior written approval of all promotions, special events, sales promotion materials, marketing, or advertising used by Franchisee.

(e) Franchisee may be required to purchase certain proprietary marketing, advertising, and promotional materials from Emitepod from time to time.

(f) Franchisee will actively participate in and cooperate with all of Emitepod's national, regional, and local advertising, marketing, and sales promotion campaigns. Without limiting the generality of the foregoing, Franchisee will:

(i) Use advertising and marketing material provided to Franchisee by Emitepod in the manner specified by Emitepod;

(ii) Conduct any promotions and special events and offer any local and national promotional items Emitepod requires; and

(iii) Not use the name of a public figure or celebrity in Franchisee's promotional efforts or advertising or marketing without first obtaining Emitepod's written approval.

(g) Recognizing the value of uniform advertising, marketing, and promotion to the Goodwill and public image of the System, Emitepod may, but is not required to, establish one or more Marketing Funds. Franchisee acknowledges that:

(i) As of the Effective Date, Emitepod has not yet established a Marketing Fund;

(ii) If established by Emitepod, the Marketing Fund will be used for Marketing Campaigns;

(iii) Emitepod will deposit all Marketing Contributions paid by Franchisee together with amounts contributed by Emitepod's other franchisees into the Marketing Fund;

(iv) Emitepod may increase Franchisee's Marketing Fund contribution requirement if a simple majority of the combination of Emitepod's franchisees, Emitepod's corporate-owned Businesses, and Emitepod's affiliated-owned Businesses vote to increase the contribution requirement;

(v) Marketing Contributions will be used for the purpose of advertising, marketing, and promoting Emitepod's franchised and corporate-owned Businesses associated with the Trademarks and producing the advertisement, marketing, or promotion. Emitepod cannot and does not ensure that any particular franchisee will benefit directly or in proportion to the franchisee's Marketing Fund contributions;

(vi) Emitepod may consult with Emitepod's franchisees from time to time concerning the Marketing Campaigns established by Emitepod. Emitepod may invite Franchisee and other franchisees to participate in an advisory board for that purpose. The cost of establishing and maintaining an advisory board may be charged to the Marketing Fund;

(vii) Notwithstanding any consultation with franchisees, Emitepod may make all decisions concerning the nature and content of Marketing Campaigns as Emitepod reasonably deems appropriate;

(viii) Emitepod will determine how Marketing Fund monies are used. Emitepod may use the Marketing Fund for, without limitation, (1) the preparation of broadcast or print advertising, (2) the creation, development, and production of advertising, marketing, and promotional materials including, without limitation, ad slicks, radio, film, and television commercials, videotapes, direct mail pieces, Internet marketing and promotion, and print advertising, (3) any marketing research and development, (4) developing, enhancing, and maintaining Emitepod's website, intranet, or extranet, (5) vehicle advertising, point-of-sale advertising, retaining public relations firms, and uniform design, (6) advertising and marketing expenses, services provided by advertising agencies, public relations firms, or other marketing, research, or consulting firms or agencies, customer incentive programs, customer satisfaction surveys, sponsorships, marketing meetings, sales incentives, development of the Internet, Internet access provider costs, subscriptions to industry newsletters or magazines, and administrative costs, (7) expenses Emitepod incurs in connection with the general promotion of the Trademarks and the System, (8) providing Rebates and the like to promote and enhance the Trademarks and customer loyalty, (9) the cost of managing and administering the Marketing Fund including the cost of employing advertising agencies to assist Emitepod, legal and accounting fees and expenses, and the actual costs of salaries and fringe benefits paid to Emitepod's employees engaged in managing and administering the Marketing Fund, and (10) the cost of preparing an unaudited annual statement of funds received by the Marketing Fund and expenditures made from the Marketing Fund;

(ix) Emitepod is not obligated to expend Emitepod's own funds or resources for any Marketing Campaign; and

(x) Emitepod may at any time reorganize the Marketing Fund as a separate entity as Emitepod deems appropriate and transfer the Marketing Fund's assets to the entity. If Emitepod establishes an entity to administer the Marketing Fund, Emitepod may require Franchisee to become a member of the entity, sign a participation agreement, and take any other actions Emitepod reasonably requires.

(h) Emitepod will provide Franchisee with an unaudited annual statement of funds received by the Marketing Fund and expenditures made from the Marketing Fund for the previous fiscal year upon Franchisee's written request. The cost of preparing the statement will be paid by the Marketing Fund.

(i) Emitepod has the right, but not the obligation, to use collection agents and institute legal proceedings at the Marketing Fund's expense to collect Marketing Contributions due and payable by Franchisee or other franchisees. Emitepod may forgive, waive, settle, and compromise any claims by or against the Marketing Fund.

(j) Except as expressly provided in this Section 8.7, Emitepod assumes no direct or indirect liability to Franchisee with respect to the maintenance, direction, or administration of Marketing Contributions and the Marketing Fund.

(k) Although Emitepod intends any Marketing Fund to be of perpetual duration, Emitepod has the right to terminate the Marketing Fund. Emitepod will not terminate the Marketing Fund until all monies in the Marketing Fund have been expended for advertising, marketing, and promotional purposes or returned to Franchisee (provided that Franchisee is current in Franchisee's payments to Emitepod and is otherwise not in breach of the Agreement and Franchisee is a current franchisee) and to each other existing franchisee and corporate-owned Business at that time on a *pro rata* basis.

8.8 Employees. Franchisee will use Franchisee's best efforts to procure qualified and competent personnel in accordance with Applicable Laws, the standards established by Emitepod through the Operations Manual, the Agreement, and as Emitepod otherwise directs Franchisee in writing. Franchisee

will properly train all personnel. Franchisee will have sole authority and control over the day-to-day operations of Franchisee's Business and Franchisee's employees. Franchisee will be solely responsible for recruiting and hiring the persons Franchisee employ to operate Franchisee's Business. Franchisee will be solely responsible for employees' training, wages, taxes, benefits, safety, work schedules, work conditions, assignments, discipline, and termination. Franchisee must comply with all workplace related laws. At no time will Franchisee or Franchisee's employees be deemed to be Emitepod's employees or Emitepod's affiliates. Emitepod has no right or obligation to control or direct Franchisee's employees.

(a) Franchisee will ensure that Franchisee and Franchisee's employees comply with the Agreement, the Operations Manual, and Applicable Laws.

(b) Franchisee's employees are not permitted to receive or request payment, monies, or payment in kind directly from customers in their personal capacities.

(c) Franchisee is responsible for:

(i) Obtaining all relevant insurance coverage including, without limitation, liability, employment, and automotive insurance for all employees in the amounts and coverages specified by Emitepod in the Operations Manual or otherwise in writing or as required by law; and

(ii) Franchisee's employees' strict adherence to the terms and conditions of the Agreement, the standards specified in the Operations Manual, and all other policies and procedures that Emitepod may specify from time to time.

(d) Franchisee will be solely responsible for compliance with Applicable Laws governing the employer-employee relationship and all rights and remedies available to employees at law or in equity and any demands, grievances, claims, losses, damages, or injuries directly or indirectly arising from or related to an employee's employment with Franchisee or interaction with a customer or supplier of Franchisee's Business or other third parties. Franchisee will indemnify and hold Emitepod harmless against all of the foregoing and not assert any claim against or seek contribution from Emitepod for any such matters on a direct or vicarious liability basis.

8.9 Customer Service Policies and Complaints. Franchisee and Franchisee's employees will:

(a) Provide prompt, courteous, and efficient services to customers;

(b) Ensure that Franchisee's Business is operated in a clean, safe, and quality manner;

(c) Ensure that all dealings with customers, vendors, suppliers, and the public do not adversely reflect upon the Trademarks, the System, or Emitepod; and

(d) Conform to Emitepod's customer service policies as set out in the Operations Manual or as Emitepod may otherwise determine.

Franchisee will promptly attend to any complaints from dissatisfied customers and use Franchisee's best efforts to immediately resolve satisfactorily any disputes involving Franchisee's customers. Should Franchisee be unable to equitably resolve the complaint or issue within 24 hours after the complaint or the issue arises, Franchisee will immediately provide Emitepod with written notice of the complaint or issue to obtain Emitepod's assistance. Emitepod reserves the right to assume carriage of the matter upon providing Franchisee with notice and Franchisee will reimburse Emitepod for all reasonable costs Emitepod incurs to resolve the matter.

8.10 Compliance with Applicable Laws. Franchisee will comply with Applicable Laws. Without limitation:

(a) Franchisee will ensure that at all times during the Term that:

(i) Franchisee or Franchisee's approved designee is a certified professional if certification is required by Applicable Laws. Franchisee will provide Emitepod with proof of required certification satisfactory to Emitepod upon Emitepod's request;

(ii) All Services are provided only by or under the supervision of a qualified individual;

(iii) All necessary authorizations will be obtained from Franchisee's customers, employees, and other individuals Franchisee engages with in connection with the operation of Franchisee's Business in order to collect, use, or disclose personal information as defined by Applicable Laws for Franchisee's own purposes and will transfer or disclose the personal information to Emitepod or Affiliates for the purposes contemplated by the Agreement; and

(iv) By providing personal services, Franchisee is in compliance with all policies issued by governmental authorities of competent jurisdiction.

(b) There may be Applicable Laws that affect the operation of Franchisee's Business that conflict with Franchisee's obligation to comply with the System standards or negatively impact the financial performance of Franchisee's Business. Franchisee will advise Emitepod immediately of such Applicable Laws and maintain the System standards to the fullest extent possible.

(c) It is Franchisee's responsibility to identify, understand, and comply with all Applicable Laws. Emitepod may communicate information to Franchisee about any Applicable Laws of which Emitepod is aware, but nothing in the Agreement requires Emitepod to research, identify, or otherwise make available to Franchisee information concerning Applicable Laws or protect Franchisee from the negative impact of any Applicable Laws. By entering into the Agreement, Franchisee is not relying in any way upon any express or implied representation or warranty by Emitepod or anyone associated with Emitepod that the System complies with Applicable Laws.

8.11 Insurance. Franchisee will purchase and continuously maintain the following minimum insurance coverage during the Term:

(a) Errors and omissions insurance with coverage of not less than $1,000,000.00 for any single occurrence and any greater amount as Emitepod may specify from time to time;

(b) Cybersecurity insurance with coverage in any reasonable amount as Emitepod may specify from time to time;

(c) Business interruption insurance on a profit basis or actual loss sustained basis for a period of at least nine months or any other reasonable period as Emitepod may specify from time to time;

(d) If required by Emitepod, commercial general liability and property damage insurance including personal injury liability, contractual liability, public liability and employer's liability, advertising liability, and non-owned auto liability with coverage of not less than $1,000,000.00 for any one occurrence and any greater amount as Emitepod may specify from time to time;

(e) If required by Emitepod, comprehensive vehicle insurance coverage on all vehicles used in the operation of Franchisee's Business;

(f) Workers' compensation or similar insurance as required by Applicable Laws; and

(g) Any other insurance Emitepod may reasonably require from time to time.

Insurance coverage will be obtained from insurers acceptable to Emitepod. Franchisee will furnish Emitepod with certified copies of each of the insurance policies described above within seven days of execution of the Agreement. Each insurance policy must provide that it cannot be cancelled without 15 days' prior written notice to Emitepod. Franchisee will promptly refer all potential claims against Franchisee or Emitepod to Franchisee's insurer and notify Emitepod of any potential claims.

Emitepod may require Franchisee to change Franchisee's insurance amounts from time to time upon Emitepod's written demand. All insurance policies must be renewed on a timely basis and copies of all insurance policies and certificates together with evidence of payment of premiums must be delivered to Emitepod at least 30 days prior to the expiration of the insurance policies. Emitepod may add to, change, or otherwise modify the types of coverage or the amounts or minimum amounts of insurance coverage in the Operations Manual or otherwise to reflect industry practices and Emitepod's experience.

Each insurance policy maintained by Franchisee must (i) name Franchisee as the insured, (ii) name Emitepod, Affiliates, and their successors, assigns, and directors as additional insureds, (iii) require the insurer to defend each person or entity if there is a claim, (iv) provide that any liability coverage afforded applies separately to each person or entity against which a claim is brought as though a separate policy had been issued to that person or entity, (v) contain no provision that limits or reduces coverage if there is a claim by one or more additional insured party or by reason of any insurance which may be maintained by Emitepod except for standard deductibles, and (vi) provide coverage for Franchisee's indemnification obligations under the Agreement. Coverage for the additional insured parties will apply on a primary basis irrespective of any other insurance whether collectable or not. All insurance policies must be issued by a reputable insurer with an underwriting rating of A- or better and include a waiver of subrogation in Emitepod's favor.

If Franchisee fails to obtain the required insurance policies, Emitepod may obtain insurance policies on Franchisee's behalf. If Emitepod obtains insurance policies on Franchisee's behalf, Franchisee will reimburse Emitepod for the costs of the insurance policies plus 20% of the insurance policies' premiums for Emitepod's administrative expenses.

Notwithstanding anything to the contrary contained in this Section 8.11, Emitepod neither assumes any obligation for any premium or other insurance costs nor guarantees any losses sustained. It is Franchisee's sole responsibility to determine what insurance coverage is required for Franchisee's purposes with respect to Franchisee's Business or otherwise and obtain the insurance. Emitepod makes no representation that Emitepod's minimum insurance requirements constitute advice or a representation that the coverages are necessary or adequate to protect Franchisee from all losses incurred in connection with Franchisee's Business. Nothing prevents or restricts Franchisee from acquiring or maintaining insurance with higher policy limits or lower deductibles than Emitepod requires. Failure by Franchisee to maintain coverage will not relieve Franchisee of any contractual responsibility or indemnification or obligation or liability under the Agreement.

8.12 Modification of System, Business Concept, Trademarks, and the Operations Manual. Emitepod may replace, change, or modify the System, the Business concept, the Trademarks, or the Operations

Manual from time to time for any reason. These reasons may include, without limitation, the need to (i) respond to changes in consumer demands or expectations and buying or market trends, customer, economic conditions, technological advances and laws, or for other reasons, (ii) seize efficiencies made possible by growth of the System, (iii) implement efficiencies made possible by technological advances or resulting from Emitepod's research and development activities, (iv) implement co-branding alliances with other companies, and (v) meet competition and marketing conditions. Without limiting the foregoing, Emitepod may add, modify, replace, terminate, or suspend without Franchisee's approval or consent:

(a) Emitepod's authorized suppliers and vendors;

(b) Any services including, without limitation, the Services used or offered by Franchisee's Business;

(c) Trade dress standards associated with the System;

(d) Standards for customer service; and

(e) The electronic data processing, communications equipment and facilities, computer hardware and software and other equipment, fixtures, and merchandising used or offered by Franchisee.

Franchisee will accept, use, and implement any changes and make any related expenditures or modifications as may be required pursuant to this Section 8.12. Emitepod may grant a variance or exemption from the Operations Manual based on any conditions which Emitepod deems to be of importance to the operation of a particular Business including the characteristics of a particular location or circumstance, business potential, or relevant laws. Emitepod will have no obligation to grant the same or similar variance or exemption to another franchisee.

8.13 Promotional Programs. Franchisee will fully participate in any advertising, sales, and promotional events and marketing programs organized or conducted by Emitepod, Affiliates, or Emitepod's authorized suppliers that Emitepod or they may develop and offer from time to time including, without limitation, by participating in, accepting, and honoring all:

(a) Customer reward programs;

(b) Warranty programs;

(c) Any credit cards, courtesy cards, and other credit devices, programs, and plans as issued or approved by Emitepod from time to time. Any reasonable and customary service charges or discounts from reimbursements charged on any cards or authorizations will be at Franchisee's sole expense; and

(d) Authorized promotional materials issued by other franchisees.

Emitepod will communicate to Franchisee in writing the details of each program or promotion. Franchisee will promptly display all point of sale advertising, marketing, and promotion-related information at any places Emitepod designates. Franchisee will purchase and distribute all coupons, clothing, and other collateral merchandise designated by Emitepod for use in connection with each program or promotion.

8.14 Signage. Franchisee will only use signage approved by Emitepod. Franchisee will keep Franchisee's signage clean, legible, and free of tears, paint problems, punctures, cuts, and graffiti.

8.15 Websites and Social Media. Franchisee may only use Franchisee's own website or webpages with Emitepod's prior approval. Franchisee will not use any form of social media including, without limitation, Meta, X, Instagram, LinkedIn, Instagram, or YouTube except in compliance with Emitepod's standards, specifications, and policies established by Emitepod in the Operations Manual or otherwise. Franchisee has no right, title, or interest to any webpage on any of Franchisee's social networking sites including, without limitation, all associated "fans," "followers," "friends," and "contacts" that mention, use, or refer in any way to Emitepod's intellectual property even if the webpage is established by Franchisee or otherwise held in Franchisee's name or the name of any of Franchisee's owners. Upon Termination, Franchisee will immediately take whatever steps are necessary to cancel or dismantle any social networking account or webpage or transfer the account or webpage and all related information to Emitepod. Except as authorized by the Agreement or otherwise in writing by Emitepod, Emitepod retains the sole right to advertise on the Internet and create a website using any of the Trademarks or any variation of the Trademarks. Franchisee will dismantle any frames and links between Franchisee's web pages and any other websites within five days of Emitepod's request. Franchisee will comply with any policies related to the Internet, social media, and the use of the Trademarks in the public domain as Emitepod establishes in the Operations Manual or otherwise. Emitepod may establish certain online social media pages for Franchisee's Business at Franchisee's expense and provide Franchisee with access to these social media pages to post content that complies at all times with any policies related to the Internet, social media, or the use of the Trademarks in the public domain established by Emitepod in the Operations Manual or otherwise. Emitepod will retain all rights to these social media pages and Emitepod may terminate any social media pages at any time or terminate Franchisee's access to post content to social media pages.

8.16 Inspection and Evaluation. Emitepod, Affiliates, or Emitepod's or Affiliates' authorized representatives will have the right during Franchisee's normal business hours to inspect, evaluate, and determine whether provisions of the Agreement are being observed by Franchisee and Franchisee's employees without notice. As part of any inspection, evaluation, or determination, Emitepod may:

(a) Inspect, copy, evaluate, test, sample, and observe the Services and Franchisee's operations;

(b) Interview Franchisee's employees;

(c) Conduct a "secret shopper" program;

(d) Designate and distribute customer response cards in the form that Emitepod prescribes; and

(e) Conduct an Evaluation.

Franchisee and Franchisee's employees will cooperate with Emitepod in relation to any Evaluation. Franchisee will promptly correct any condition noted as an issue during an Evaluation. Any of Emitepod's findings from an Evaluation may be utilized by Emitepod as grounds for establishing that Franchisee is in default of the Agreement. Franchisee will follow all of Emitepod's suggestions to improve the Services offered by Franchisee based on the results of any Evaluation.

8.17 Additional Covenants. Franchisee will:

(a) Promptly deposit all monies of Franchisee's Business in a bank account maintained specifically for that purpose;

(b) Pay all taxes, charges, and expenses arising in connection with Franchisee's Business including, without limitation, rent, repair and maintenance charges, insurance premiums, wages and

employer levies, business taxes, withholding taxes, utility charges, and accounts for goods and services purchased in connection with the operation of Franchisee's Business. Franchisee will produce receipts showing payment of all expenses that become due and payable during the one-year period immediately preceding Emitepod's request upon Emitepod's request;

(c) Promptly and completely observe and perform all terms, covenants, conditions, and agreements required of Franchisee by any agreement between Franchisee and Emitepod; and

(d) Participate and assist Emitepod in any "Discovery Days," franchise shows, and other seminars featuring the System as Emitepod reasonably requests.

SECTION 9
EMITEPOD'S OBLIGATIONS

Except as set forth below, Emitepod is not required to provide any assistance to Franchisee.

9.1 Prior to Opening Franchisee's Business. Before Franchisee opens Franchisee's Business, Emitepod will:

(a) Loan Franchisee a copy of the Operations Manual;

(b) Provide Franchisee with the Franchisee Orientation Training Program described in Section 6;

(c) Provide Franchisee with assistance and consultation regarding Franchisee's initial marketing efforts and the organization of Franchisee's Grand Opening; and

(d) Provide Franchisee with consultation regarding Franchisee's initial staffing needs and potential employee evaluations. Franchisee will ultimately be responsible for all matters relating to the hiring, performance, qualification, and dismissal of Franchisee's employees.

9.2 During Operation of Franchisee's Business. During the operation of Franchisee's Business, Emitepod may:

(a) Promote the System at selected franchise events;

(b) Provide Franchisee with advice and direction pertaining to the operation of Franchisee's Business in the form of regular meetings and review;

(c) Develop the System through, without limitation, advertising and marketing initiatives;

(d) Conduct a Conference for the benefit of the System at Emitepod's discretion. Franchisee may be required to pay a fee to attend any Conference Emitepod produces;

(e) Provide Franchisee with public relations release formats, local marketing plans, and materials including, without limitation, newspaper advertisements, radio commercials, sales aids, and other promotional and marketing materials at Emitepod's discretion. Emitepod may charge Franchisee a reasonable fee for the provision of these materials;

(f) Provide Franchisee with additional or remedial training virtually at Emitepod's discretion as Franchisee requests or Emitepod determines is necessary from time to time. Franchisee may be required to pay a fee to participate in any additional or remedial training;

(g) Make a representative reasonably available to Franchisee via telephone or e-mail during Emitepod's normal business hours to discuss Franchisee's Business and offer marketing, strategic, or general advice regarding Franchisee's Business. Franchisee is responsible for any applicable charges that may apply for any additional assistance or resources; and

(h) Develop new services and offerings that may be used by Franchisee in Franchisee's Business including, without limitation, modifications to the Services.

SECTION 10
TERM AND EXTENSION

10.1 Term. The Term of the Agreement is five years from the Effective Date plus any applicable extension terms unless terminated sooner in accordance with the terms and conditions of the Agreement.

10.2 Extension. Subject to Franchisee's compliance with all covenants, obligations, and provisions of the Agreement including, without limitation, this Section 10.2, Franchisee may extend the Term for three additional five-year periods. Franchisee may only exercise this extension right if each of the following conditions are satisfied:

(a) Franchisee gives Emitepod written notice exercising this extension right during the 60-day period immediately preceding 275 days prior to the expiration of the then-current Term or additional five-year period;

(b) Franchisee substantially observed and performed all of the terms, covenants, conditions and agreements on Franchisee's part under the Agreement during the then-current Term and is in full compliance with the Agreement and all other agreements between Franchisee, Emitepod, or Affiliates at the expiration of the then-current Term;

(c) Franchisee has satisfied all monetary obligations owed to Emitepod and Affiliates under the Agreement and all other agreements during the then-current Term in a timely manner between Franchisee, Emitepod, or Affiliates;

(d) Franchisee enters into Emitepod's then-current form of Franchise Agreement (which form of Franchise Agreement may differ substantially from the Agreement and supersede the Agreement) before the expiration of the then-current Term. Franchisee will not be obligated to pay an additional Initial Franchise Fee under the then-current form of Franchise Agreement, but Franchisee will pay Emitepod all other amounts provided for in the then-current form of Franchise Agreement including, without limitation, higher Royalties, Marketing Contributions, or other fees;

(e) Franchisee pays an Extension Fee plus legal fees and disbursements incurred by Emitepod in connection with the extension;

(f) Franchisee completes any additional or remedial training Emitepod requires to Emitepod's reasonable satisfaction;

(g) Each of Franchisee and Guarantors execute a release of Emitepod, Affiliates, and their respective officers, directors, agents, and employees of all claims to the extent permitted by law; and

(h) Franchisee provides Emitepod with a complete set of financial statements and reports for Franchisee's Business for the last two fiscal years immediately preceding the date of extension.

Except as described in this Section 10.2, Franchisee will have no further options or rights to extend the Term.

10.3 Holding Over. If Franchisee does not sign Emitepod's then-current form of Franchise Agreement in accordance with Section 10.2(d) above and continues to operate Franchisee's Business following expiration of the Term, Emitepod may treat the Agreement as:

(a) Expired as of the date of expiration of the Term. In such event, Franchisee is deemed to be operating Franchisee's Business without a license to do so in violation of Emitepod's rights and in breach of the Agreement; or

(b) Continuing for an Interim Period. In such event, all of Franchisee's and Emitepod's rights and obligations under the Agreement remain in full force and effect during the Interim Period as if the Agreement had not expired and all obligations and restrictions imposed on Franchisee upon Termination of the Agreement are deemed to take effect upon termination of the Interim Period.

SECTION 11
DEFAULT AND TERMINATION

11.1 Emitepod's Termination Rights With Notice. Emitepod may terminate the Agreement if Franchisee fail to cure any of the following defaults within 30 days from the date of Emitepod's issuance of a written notice of default outlining Franchisee's failure to:

(a) Promptly remove any involuntary lien upon any of Franchisee's business assets or property;

(b) Transfer any of Franchisee's rights or obligations under the Agreement in accordance with the terms and conditions of the Agreement without obtaining Emitepod's prior written consent;

(c) Secure and maintain required insurance after three days' written notice requiring the deficiency to be cured;

(d) Supply Emitepod with reports regarding Gross Revenues receipts and business activities or other financial or other information required by the Agreement including, without limitation, advertising and marketing results;

(e) Accurately report Franchisee's Gross Revenues such that they have been understated in any report delivered by Franchisee to Emitepod by more than 5%;

(f) Use the techniques, training, and methods promulgated in the Operations Manual;

(g) Apply Franchisee's full efforts to the performance of Franchisee's duties under the Agreement that are necessary for the proper and effective operation of Franchisee's Business;

(h) Keep true and accurate business records and books in accordance with Emitepod's procedures or to make available those items deemed necessary for Emitepod's inspection;

(i) Maintain the standards of good conduct and appearance designated by Emitepod to assure continuity of quality, appearance, and professionalism;

(j) Complete the Franchisee Orientation Training Program by the earlier of (i) 30 days prior to opening, or (ii) 180 days after the Effective Date;

(k) Complete the Advanced Training Program within nine months of the Effective Date;

(l) Comply with the restrictions against competition or solicitation set out in the Agreement;

(m) Obtain and maintain all required licenses or governmental approvals and to cure the default within five days following written notice from Emitepod or any governmental authority;

(n) Comply with any Applicable Laws within five days of written notice from Emitepod or any governmental authority; or

(o) Comply with any requirement imposed by the Agreement or to carry out the terms of the Agreement in good faith.

11.2 Emitepod's Termination Rights Without Notice. Notwithstanding Section 11.1, Emitepod may immediately terminate the Agreement without notice to Franchisee and Franchisee will have no right or opportunity to cure the default if any of the following events occur:

(a) Franchisee fails to make timely payment to Emitepod of any sums payable to Emitepod pursuant to the Agreement or any other agreement between Franchisee and Emitepod after five days' written notice to Franchisee of the failure to pay;

(b) Franchisee fails to cure a default under the Agreement that materially impairs the Goodwill within ten business days after Franchisee's receipt of notice;

(c) Franchisee or Franchisee's Business are declared or judicially determined to be insolvent, Franchisee commits an act of bankruptcy, all or a substantial part of Franchisee's or Franchisee's Business's assets are assigned to or for the benefit of any creditor, Franchisee admits Franchisee's inability to pay Franchisee's debts as they become due, or a liquidator, trustee in bankruptcy, custodian, receiver, receiver, manager, sheriff, constable, or any other officer with similar powers is temporarily or permanently appointed by a court of competent jurisdiction with authority over Franchisee's Business's operations;

(d) Franchisee's Business is seized, taken over, or foreclosed upon by a governmental official in the exercise of its duties, or seized, taken over, or foreclosed upon by a creditor, lien holder, or lessor, a final judgment against Franchisee remains unsatisfied for 30 days, or a levy of execution is made upon Franchisee's Business or upon any property used in Franchisee's Business that is not discharged within five days of the levy;

(e) A bankruptcy order is made against Franchisee by a court of competent jurisdiction;

(f) Franchisee abandons Franchisee's Business by failing to operate Franchisee's Business for three consecutive business days during a time Franchisee is required to operate Franchisee's Business under the terms of the Agreement or any shorter period after which it is not unreasonable under the facts to conclude that Franchisee does not intend to continue to operate Franchisee's Business unless the failure is due to a fire, flood, earthquake, pandemic, or other similar cause beyond Franchisee's control;

(g) Franchisee makes any material misrepresentation relating to the acquisition or operation of Franchisee's Business;

(h) Franchisee or Franchisee's employees engage in conduct that reflects materially and unfavorably upon the Trademarks, Franchisee's Business, the Goodwill, or the System;

(i) After curing any failure in accordance with Section 11.1, Franchisee engages in the same conduct or noncompliance whether or not the conduct or noncompliance is corrected after notice is given to Franchisee;

(j) Franchisee commits on three occasions a breach or default of one or more requirements of the Agreement within any consecutive twelve-month period whether or not the defaults are of the same or different nature and whether or not the defaults have been corrected after notice is given to Franchisee;

(k) Franchisee or any of Franchisee's principals, directors, owners, or managers commit fraud in connection with the operation of Franchisee's Business;

(l) Franchisee offers or sells any unapproved program, service, or product as a part of Franchisee's Business's operations or Franchisee ceases to offer or sell any of the Services required by Emitepod;

(m) Franchisee gives any security interest in any of Franchisee's property or assets of Franchisee's Business or sells any property or assets without first receiving Emitepod's prior written consent so that the foregoing materially impairs the operations of Franchisee's Business or any security interest that Emitepod may have in the Agreement;

(n) Franchisee fails to timely pay any vendors or suppliers more than two times during the Term;

(o) Franchisee fails to open Franchisee's Business for business within 240 days of the Effective Date except where the failure is due solely to an unavoidable delay referred to in Section 17.8;

(p) Franchisee interferes or attempts to interfere with Emitepod's ability or right to franchise or license others to use and employ the Trademarks or the System;

(q) Franchisee interferes or attempts to interfere with Emitepod's contractual relations with other franchisees, licensees, customers, employees, advertising agencies, or any third parties;

(r) Franchisee fails to maintain the confidentiality of any information Emitepod designates as confidential; or

(s) Franchisee or Franchisee's employees knowingly maintain false books or records or submit any false reports to Emitepod.

If any Applicable Laws limit Emitepod's rights of termination under the Agreement or require longer notice or cure periods than those set out above, then the Agreement is considered modified to conform to the minimum notice, cure periods, or restrictions upon Termination required by the Applicable Laws. Emitepod is not precluded from contesting the validity, enforceability, or application of the Applicable Laws in any action, proceeding, hearing, or dispute.

11.3 Franchisee's Obligations After Termination. Upon Termination for any reason, Franchisee will immediately:

(a) Cease operating Franchisee's Business;

(b) Cease using any part of the Trademarks, the System, the Operations Manual, Franchisee's telephone number, and any other property connected to Franchisee's Business;

(c) Transfer any ownership rights that Franchisee or Franchisee's employees, agents, or contractors may have developed relating to the System or Franchisee's Business;

(d) Return the Operations Manual and any other confidential or proprietary material to Emitepod;

(e) Pay Emitepod any amounts due or owing to Emitepod or Affiliates by Franchisee including, without limitation, unpaid Royalties, Marketing Contributions, or any other fees payable by Franchisee under the Agreement, other agreements, or otherwise;

(f) Assign all right, title, and interest to all of Franchisee's business telephone numbers, directory listings, and other items pursuant to the Conditional Listings Assignment and execute any further documents or instruments or instructions necessary to effect the assignment;

(g) Acknowledge that Franchisee has no interest in Franchisee's Business and that all of Franchisee's rights and privileges under the Agreement are terminated;

(h) Deidentify Franchisee's Business by removing any Trademarks or other materials as Emitepod directs at Franchisee's expense;

(i) Cancel any business names, trade names, or any other registrations that contain any of the Trademarks and provide Emitepod with evidence of cancellation;

(j) Dismantle any social media site, blog, or similar Internet webpage controlled by Franchisee that contain any of the Trademarks; and

(k) Lose all of Franchisee's rights to use of the Trademarks and all other rights and licenses granted by the Agreement and the right and license to conduct business under the Trademarks will revert to Emitepod without further action by either Party.

11.4 Survival. Provisions of the Agreement that by their very nature are intended to survive Termination including, without limitation, any confidentiality, restrictive covenants, indemnities, guarantees, or other similar provisions survive Termination for the periods referred to in the Agreement.

11.5 Cross Default. Breach by Franchisee, any of Franchisee's affiliates, or any Guarantor of (i) any other agreements between Emitepod and Franchisee that are executed pursuant to the Agreement, (ii) any other Franchise Agreement between Emitepod and Franchisee, any of Franchisee's affiliates, or any Guarantor, (iii) any other agreement between Emitepod or Affiliates and Franchisee, any of Franchisee's affiliates, or any Guarantor, or (iv) any agreement entered into by Franchisee and a third party in relation to Franchisee's Business constitutes a breach by Franchisee of the Agreement and Emitepod may terminate the Agreement as a result in Emitepod's discretion.

11.6 Emitepod's Option to Purchase Franchise Assets.

(a) Unless otherwise provided by the Agreement, Emitepod may exercise the rights set out in this Section 11.6 immediately upon:

(i) The Termination of the Agreement for any reason; or

(ii) Any breach, default, or other event that gives Emitepod the right to terminate the Agreement after expiration of any applicable notice and cure period.

(b) Upon the occurrence of any event described in Section 11.6(a), Emitepod or Emitepod's designee will have the option, but not the obligation, to purchase any part of Franchisee's right, title, and interest in Franchisee's Business or the Franchise Assets by providing a Notice of Intent to Franchisee in accordance with the following:

(i) The Purchase Price will be the then-current fair market value less any (1) liens, encumbrances, and security interests on the Franchise Assets, (2) depreciation from the date of acquisition of the Franchise Assets calculated monthly at the rate of 20% per year on the declining balance, (3) consideration allocated to Goodwill, and (4) amounts due from Franchisee to Emitepod under the Agreement including, without limitation, any interest. Emitepod will identify the Franchise Assets to be purchased and their fair market value as determined by Emitepod. Franchisee has 14 days following receipt of Emitepod's Notice of Intent to object to any of the specified prices and any disputes over pricing will be resolved by a third party appraiser selected by Emitepod. The costs of the third party appraiser will be deducted from the Purchase Price.

(ii) Emitepod may set off all amounts due from Franchisee under the Agreement or any other agreement between Emitepod or Affiliates and Franchisee.

(c) Emitepod will provide Franchisee with a Notice of Intent during the Option Period. If Emitepod declines to exercise Emitepod's rights under this Section 11.6 before the expiration of the Option Period, Franchisee may thereafter sell or dispose of Franchisee's improvements, furniture, fixtures, and equipment to a third party on any terms acceptable to Franchisee, but Franchisee will not sell or dispose of Franchisee's accounts, contract rights, customer lists, or vendor lists.

(d) The purchase and sale contemplated in this Section 11.6 must be consummated as soon as practicable. Following the delivery of a Notice of Intent as specified in Section 11.6(c), Emitepod or Emitepod's designee have the right to take possession of the Franchise Assets and to carry on and develop the Franchise Assets for Emitepod's exclusive benefit or for the benefit of Emitepod's designee.

11.7 No Participation When in Default. If Franchisee is in default of any of Franchisee's obligations under the Agreement, Emitepod may prevent Franchisee or any of Franchisee's personnel from attending any Conference or convention, program, seminar, or any other meetings held for the benefit of Emitepod's franchisees and Franchisee may not stand for election for or serve as a member of any committee of franchisees formed by Emitepod without Emitepod's prior approval. If the default occurs during the period when Franchisee is a member of a committee, Emitepod may suspend Franchisee from serving on any committee until the default is cured, appoint another franchisee to serve on the committee during the default period in Franchisee's stead, or terminate Franchisee's position altogether at Emitepod's option.

11.8 Interim Operation of Franchisee's Business by Emitepod. Franchisee will pay Emitepod a reasonable management fee and reimburse Emitepod for Emitepod's reasonable expenses incurred including, without limitation, any related travel costs and accommodation costs for Emitepod's employees,

contractors, and agents upon receipt of Emitepod's written demand for payment if Franchisee is in default of the Agreement and subject to Interim Operation. Franchisee will indemnify Emitepod and Emitepod's employees, contractors, and agents for any claims arising from Interim Operation. During Interim Operation, Emitepod may exclude Franchisee and any of Franchisee's personnel from being involved in the operations of Franchisee's Business.

SECTION 12
TRANSFER

12.1 No Transfer Unless Permitted.

(a) Franchisee will not Transfer any of Franchisee's rights (i) under the Agreement, or (ii) with respect to Franchisee's Business except in accordance with this Section 12.

(b) Notwithstanding anything in the Agreement to the contrary but subject to this Section 12, neither Franchisee nor any of Franchisee's owners or Guarantors may Transfer any rights they may have for a period of 24 months from the Effective Date.

(c) Notwithstanding anything in the Agreement to the contrary but subject to this Section 12, there will not be any change, pledge, or seizure of any ownership interest in Franchisee.

12.2 Transfer Under *Bona Fide* Offer. Franchisee may Transfer Franchisee's rights under the Agreement pursuant to a *Bona Fide* Offer provided that Franchisee first obtains Emitepod's written approval of same and complies with all applicable Transfer requirements. Any actual, attempted, or purported Transfer occurring without Emitepod's prior written consent is a default of the Agreement and will be null and void.

12.3 Conditions for Consent. Emitepod will be deemed to be acting reasonably by withholding consent to any Transfer if Franchisee fails to fulfill any of the following conditions to Emitepod's satisfaction:

(a) Franchisee complies with Emitepod's then-current transfer policies;

(b) Franchisee is not in default under the Agreement or any other agreement between Emitepod or Affiliates and Franchisee on the date of the Transfer;

(c) Emitepod is reasonably satisfied that:

(i) Transferee is of good moral character and reputation, has adequate financial strength, and possesses the then-current appropriate business and other qualifications required for franchisees joining the System and Franchisee provides Emitepod with any reasonable information Emitepod requests to make a determination;

(ii) The Transfer will provide the proposed Transferee with an economically viable business opportunity; provided, however, that any judgment on Emitepod's part will not be deemed a representation or guarantee upon which Franchisee or the proposed Transferee may rely; and

(iii) Transferee otherwise meets Emitepod's then-current criteria for a franchisee of the System;

(d) Transferee enters into Emitepod's then-current form of Franchise Agreement as franchisee which may contain provisions substantially different from those in the Agreement including, without

limitation, higher Royalties, and different Marketing Contributions and any other documents then customarily used by Emitepod to grant franchises as Emitepod reasonably requests. The term of the new Franchise Agreement will not be greater than the remaining Term unless Emitepod agrees in writing;

(e) If Transferee is a business entity, Transferee's owners will jointly and severally guarantee the obligations of Transferee by entering into a guarantee in a form satisfactory to Emitepod. Any owners with a proprietary interest in Transferee will not own or engage in any Competitive Business;

(f) On or before the earlier of the date (i) of Franchisee's application for approval of the Transfer, or (ii) upon which Transferee or Transferee's personnel or affiliates begin the Franchisee Orientation Training Program, Franchisee pays Emitepod a nonrefundable $12,500.00 transfer fee plus legal fees and disbursements;

(g) Transferee does not have debt of more than 40% of the Purchase Price and is not otherwise undercapitalized in Emitepod's reasonable opinion;

(h) If Franchisee or Franchisee's owners finance any portion of the sale price, then all of Transferee's obligations under promissory notes, agreements, or security interests reserved in Franchisee's Business are subordinate to Transferee's obligations to pay Royalties, Marketing Contributions, and any other amounts owing to Emitepod, Affiliates, or third party vendors. Any payment due from Transferee to Franchisee relating to the purchase of Franchisee's Business will be subordinate to Transferee's obligations to Emitepod and Affiliates;

(i) Transferee or Transferee's personnel or affiliates successfully attend and complete a training program determined by Emitepod;

(j) Each of the Releasors enter into a release in a form permitted by law of all claims against Emitepod, Affiliates, Emitepod's franchisees, and Emitepod's and their respective officers, directors, shareholders, and employees but excepting any claims under Applicable Laws that cannot be released;

(k) Transferee agrees to bring Franchisee's Business into full compliance with the then-current specifications and standards applicable for new or renewing franchisees including, without limitation, signage, computer hardware and software, and methods of operation and to make all capital expenditures Emitepod requests to modernize Franchisee's Business to reflect Emitepod's then-current standards and image at Franchisee's or Transferee's sole expense within a reasonable timeframe established by Emitepod;

(l) In the case of an asset sale, Transferee purchases all of Franchisee's assets used in Franchisee's Business in accordance with all applicable bulk sales legislation and assumes all of Franchisee's business liabilities including all tax liabilities unless the liabilities have been paid prior to the transaction closing;

(m) Transferee expressly assumes all of Franchisee's obligations to Emitepod and Affiliates;

(n) Franchisee submits all required reports, financial statements, and other documents due to Emitepod under the Agreement up to the effective date of the Transfer;

(o) At the time of the proposed Transfer or within three months thereafter, there is not another suitable Business that the proposed Transferee may purchase from Emitepod;

(p) There are at least twelve months remaining in the Term;

(q) Franchisee remains liable for all of Franchisee's obligations to Emitepod and Affiliates in connection with the operation of Franchisee's Business prior to, through, and after the effective date of the Transfer and Franchisee executes any instruments reasonably required by Emitepod to evidence the liability;

(r) If Emitepod is prepared to consent to a Transfer and the Transfer is not completed for any reason, Franchisee will reimburse Emitepod for Emitepod's reasonably incurred legal and administrative expenses;

(s) Emitepod's consent to any given Transfer is not considered a waiver of the requirement for Emitepod's consent to a subsequent Transfer;

(t) Franchisee returns the Operations Manual and any confidential or proprietary material to Emitepod within 24 hours of a Transfer;

(u) Franchisee provides Emitepod with a copy of the complete purchase agreement between Franchisee and Transferee and any related documentation. If any financial statements are included, Emitepod may, but is not obligated to, question any figures relating to matters about which Franchisee is required to report to Emitepod under the Agreement; and

(v) There are no other reasonable grounds for Emitepod to withhold Emitepod's consent.

12.4 Continued Responsibility. Notwithstanding any Transfer, Franchisee will remain liable to Emitepod and Affiliates for the prompt and complete observance and performance of all of the terms, covenants, and conditions to be observed and performed by Franchisee under the Agreement on or before the effective date of the Transfer or that are designed to survive Termination. Franchisee will execute any instruments reasonably required by Emitepod to evidence Franchisee's liability.

12.5 Franchisee's Ownership and Management. After Franchisee executes the Franchise Assignment, Franchisee warrants and represents to Emitepod that only the individuals named in the Statement of Ownership and Management will be Franchisee's registered and beneficial owners and management. Any Transfer of the legal or beneficial ownership of the ownership interests or any change of Franchisee's effective control without fulfilling the conditions for consent set out in Section 12.3 without Emitepod's prior written consent is an unauthorized assignment of the Agreement and a default under the Agreement. Emitepod will not unreasonably withhold Emitepod's consent to a Transfer if the Transfer is to any of Franchisee's owners identified in the Statement of Ownership and Management or their children or spouses provided that Emitepod may, without limitation, withhold Emitepod's consent if any of the conditions contemplated in Section 12 are not met. Franchisee will pay Emitepod all legal fees and disbursements incurred by Emitepod in connection with a Transfer. Otherwise, Emitepod may withhold Emitepod's consent to a Transfer for any reason.

12.6 Advertising Sale of Franchisee's Business. Franchisee will not cause or permit any notice or advertisement indicating that Franchisee's Business is for sale to appear at, on, or about Franchisee's Business or in printed media of general and regular circulation, radio, Internet, television, or any other media without Emitepod's prior written consent.

12.7 Transfer by Court Order. If a court of competent jurisdiction orders Franchisee or a Guarantor to Transfer to Franchisee's or a Guarantor's spouse all or any part of Franchisee's or a Guarantor's interest in Franchisee's Business or any of Franchisee's Business's assets, the order constitutes a Transfer. Transferee is subject to all the terms and conditions concerning Transfers in this Section 12.

12.8 Transfer by Emitepod. Emitepod may sell, transfer, or assign in whole or in part Emitepod's interest in the Agreement without prior notice to Franchisee or Franchisee's prior consent or approval. If any sale, transfer, or assignment occurs, the Agreement inures to the benefit of and is binding upon any transferee or other legal successor to Emitepod's interest in the Agreement, Franchisee will attorn to the transferee and execute any attornment agreement requested by Emitepod or Emitepod's transferee. If any sale, transfer, or assignment occurs, Emitepod is released from all obligations and liability to Franchisee.

12.9 Power of Attorney. Franchisee irrevocably appoints Emitepod, with full power of substitution, as Franchisee's true and lawful attorney to take any action, execute any document, or perform any other act required by Section 12 at Franchisee's sole risk and expense upon Franchisee's failure or refusal to fully comply within ten days after Termination. Franchisee covenants and agrees for Franchisee's successors and assigns to allow, ratify, and confirm whatsoever Emitepod does by virtue of the foregoing power of attorney. The power of attorney may be exercised during any legal incapacity on Franchisee's part.

12.10 Right of First Refusal. Without in any way derogating or otherwise affecting Emitepod's right to reject a proposed Transferee pursuant to Section 12.1, if Franchisee receives a *Bona Fide* Offer that Franchisee wants to accept during the Term or Franchisee intends to make a *Bona Fide* Offer, then Franchisee will immediately deliver the *Bona Fide* Offer to Emitepod as an offer to sell Franchisee's Business to Emitepod after Franchisee's receipt of the *Bona Fide* Offer on the same terms as described in the *Bona Fide* Offer except that Emitepod will be permitted to substitute cash for any other form of payment proposed in the *Bona Fide* Offer. Emitepod may accept Franchisee's *Bona Fide* Offer at any time within ten business days after Emitepod's receipt of Franchisee's *Bona Fide* Offer, whereupon the acceptance is deemed to be a binding agreement of purchase and sale between Emitepod and Franchisee on the terms and conditions contained in Franchisee's *Bona Fide* Offer. If Emitepod fails to accept Franchisee's *Bona Fide* Offer within ten business days following Emitepod's receipt of Franchisee's offer, Franchisee may make or accept the *Bona Fide* Offer subject to the provisions of Section 12.2 provided that the transaction contemplated under the *Bona Fide* Offer is completed within 120 days following the expiration of the ten-business-day period. If the transaction contemplated under the *Bona Fide* Offer is not completed within the 120-day period or if the terms of the *Bona Fide* Offer are changed from those described in Franchisee's *Bona Fide* Offer to Emitepod, then Franchisee will again comply with this Section 12.10.

SECTION 13
DEATH OR PERMANENT DISABILITY

13.1 Transfer or Sale. If any of Franchisee's controlling owners suffers a Death or Permanent Disability, then the rights granted by the Agreement may be transferred or sold to the heirs or personal representatives of the deceased or disabled owner with Emitepod's prior written consent. Emitepod may elect to not provide Emitepod's consent to a Transfer unless the conditions set out in Section 12 are satisfied. Notwithstanding the foregoing, Franchisee will pay Emitepod all legal fees and disbursements incurred by Emitepod in connection with the Transfer. If the conditions are not satisfied or the Transfer has not been completed within 180 days of the Death or Permanent Disability, Emitepod may terminate the Agreement by notice to the controlling owner's estate or representative and the provisions of Section 12 will then apply. Emitepod will pay the costs of any examination required to determine a Death or Permanent Disability pursuant to this Section 13.

13.2 Emitepod's Purchase. If Emitepod declines to consent to a Transfer of Franchisee's Business pursuant to Section 13.1, Emitepod may purchase any part of the Franchise Assets for fair market value by providing a Notice of Intent to the personal representative of the deceased or disabled owner. The Purchase Price will be the then-current fair market value less any (i) liens, encumbrances, and security interests on the Franchise Assets, (ii) depreciation from the date of acquisition of the Franchise Assets calculated monthly at the rate of 20% per year on the declining balance, (iii) consideration allocated to Goodwill, and

(iv) amounts due from Franchisee to Emitepod under the Agreement including, without limitation, any interest. Emitepod will identify the Franchise Assets to be purchased and their fair market value as determined by Emitepod. The personal representative of the deceased or disabled owner has 14 days following receipt of Emitepod's Notice of Intent to object to any of the specified prices and any disputes over pricing will be resolved by a third party appraiser selected by Emitepod. The costs of the third party appraiser will be deducted from the Purchase Price.

SECTION 14
RESTRICTIVE COVENANTS

14.1 In-Term Covenants. To maintain the confidentiality of the System, Emitepod's marketing and operational plans and programs, and other proprietary information during the Term, the Related Parties will not:

(a) Be a member of or otherwise be associated with any consortium or other organization directly or indirectly engaged in the purchase or arranging for the purchase of a Competitive Business;

(b) Directly or indirectly maintain any ownership or leasehold interest in or business affiliation with any franchised system other than a franchise operated under a direct agreement with Emitepod;

(c) Authorize or allow independent contractors or any third party with whom Franchisee transacts business to use or have access to the Confidential Information;

(d) Carry on, be engaged in, be concerned with, be interested in, or advise, lend money to, guarantee the debts or obligations of, or permit any part of Franchisee's name to be used or employed in a Competitive Business individually, in partnership, jointly, or in conjunction with any Related Party or person, firm, association, syndicate, or corporation, as principal, agent, shareholder, advisor, consultant, or in any manner whatsoever; or

(e) Directly or indirectly engage in any activities that would be detrimental to or interfere with Emitepod's operation, reputation, or goodwill or that of Franchisee's Business or the System including, without limitation, by making, posting, or transmitting disparaging comments about Emitepod, Affiliates, the Trademarks, Franchisee's Business, other franchisees, or the System in an advertisement, letter, e-mail, Internet chat room, teleconference, website, social or professional networking site, or any other similar medium.

14.2 Post-Term Covenants. Upon Termination and for a period of two years thereafter:

(a) Franchisee, Guarantors, and each of their respective Related Parties, officers, directors, shareholders, partners, employees, consultants, distributors, agents, or the members of Franchisee's or their immediate families or households who have access to or knowledge of the System or the Operations Manual will not have any direct or indirect interest as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative, adviser or agent in a Competitive Business; and

(b) Franchisee will not on Franchisee's own behalf or on behalf of or in connection with any person or entity directly or indirectly interfere or attempt to interfere with the System or persuade or induce or attempt to persuade or induce any of Emitepod's or Affiliates' franchisees, prospective franchisees, customers, prospective customers, employees, or suppliers to discontinue or alter the person's relationship with Emitepod or otherwise denigrate Emitepod's reputation or undermine Emitepod's goodwill or the Trademarks in any manner.

If any person restricted by this provision refuses to voluntarily comply with the foregoing obligations, the two-year period referred to in this Section 14.2 will commence with the entry of any court order enforcing this provision. FRANCHISEE EXPRESSLY ACKNOWLEDGES THAT FRANCHISEE AND FRANCHISEE'S GUARANTORS POSSESS SKILLS AND ABILITIES OF A GENERAL NATURE AND HAVE OTHER OPPORTUNITIES TO EXPLOIT THE SKILLS AND ABILITIES. ACCORDINGLY, ENFORCEMENT OF THE COVENANTS SET OUT ABOVE WILL NOT DEPRIVE FRANCHISEE OR FRANCHISEE'S GUARANTORS OF THE ABILITY TO EARN A LIVING.

14.3 Severability. Emitepod has attempted in Section 14.2 to limit Franchisee's right to compete only to the extent necessary to protect Emitepod from unfair competition. If any provision of Section 14.2 is determined by a court of competent jurisdiction to exceed any lawful scope or limit with respect to duration, geographic coverage, or otherwise, then the maximum limit allowed by law or a court of competent jurisdiction will apply. Emitepod may unilaterally reduce the scope of said provision without Franchisee's consent at any time effective immediately upon notice to Franchisee.

14.4 Exception. Nothing in this Section 14 will prevent any of Franchisee's active officers or members of Franchisee's family or household to individually or collectively own up to a total of 5% of the issued capital stock of any public company.

14.5 Application of Section 14. If Franchisee is not an individual, this Section 14 will also apply to Franchisee's officers, directors, shareholders, partners, members, trustees, beneficiaries, principals, and any persons controlled by, controlling, or under common control with Franchisee.

14.6 Survival. The provisions of this Section 14 survive Termination for any reason.

SECTION 15
NOTICES

15.1 Written Notice Validity. Any required notice or other communication is deemed sufficiently given if in writing and personally delivered, e-mailed, or if mailed by prepaid registered mail and addressed to the Party for whom it is intended at the address indicated on the Summary Page or any other address for which notice is given pursuant to this Section 15.1.

15.2 Written Notice Delivery Date. Each notice or other communication is deemed to have been given when personally delivered or e-mailed if a business day or on the next business day, or on the fifth business day following the date on which it was deposited in the mail provided that if the notice or other communication is mailed and if normal mail service is interrupted prior to the fifth business day, then the notice or other communication must be delivered by another permitted method. For the purposes of this Section 15, personal delivery includes delivery by a professional courier. Franchisee may be required to obtain an e-mail address in order to accept electronic communications from Emitepod.

SECTION 16
INDEPENDENT CONTRACTOR

16.1 Franchisee is an Independent Contractor.

(a) Franchisee is an independent contractor completely separate from Emitepod and not Emitepod's agent. Franchisee has no authority to bind Emitepod in any manner or assume or incur any express or implied obligation or responsibility on behalf of Emitepod or in Emitepod's name. The Agreement will not be construed to constitute Franchisee as Emitepod's partner, joint venturer, employee,

subsidiary, agent, or representative for any purpose whatsoever. The Agreement does not create a relationship of fiduciary, special trust, or confidence.

(b) All of Franchisee's employees are Franchisee's sole responsibility. Franchisee acknowledges that Franchisee is the exclusive employer of Franchisee's employees with the sole right to hire, establish wages, hours, benefits, employment policies, vacations, scheduling, performance evaluations, promotions, demotions, work assignments, and other terms and conditions of employment. Only Franchisee may discipline and discharge Franchisee's employees and may do so without consultation with or approval by Emitepod. Emitepod has no control over the terms and conditions of employment of Franchisee's employees. Franchisee and Emitepod acknowledge that the employees are Franchisee's employees and not Emitepod's employees and should not be held out to third parties to be Emitepod's employees. Franchisee will explicitly notify Franchisee's employees in all interactions including, without limitation, employment applications, written and electronic correspondence, paychecks, employee handbooks, employment policies and procedures, and other written materials that only Franchisee is their employer and Emitepod is not their employer. Notwithstanding anything in the Agreement to the contrary, the terms of the Agreement will govern if a conflict between the Agreement and the Operations Manual arises relating to "joint employer" status or a similar employment-related issue. If the Operations Manual includes information, specifications, procedures, criteria, or requirements for the employees of Franchisee's Business, the requirements will be interpreted exclusively for the purposes of maintaining brand standards associated with the System, protecting the Goodwill, and ensuring System uniformity and standards.

(c) Franchisee's compliance with all Applicable Laws is Franchisee's sole obligation and will be exclusively determined and managed by Franchisee.

(d) Franchisee will advise each of Franchisee's suppliers, vendors, Franchisee's customers, the media, the public, and all others with whom Franchisee deals that Franchisee's Business is owned by Franchisee, that Franchisee is an independent contractor, and that all debts and liabilities incurred by Franchisee are for Franchisee's account only. Without limiting the generality of the foregoing, Franchisee will display signage or take other actions to that effect as directed by Emitepod in Emitepod's discretion.

16.2 Third Parties. The parties intend to confer no benefit or right on any person or entity not a party to the Agreement. Except as explicitly stated in the Agreement, no third party has the right to claim the benefit of any provision of the Agreement as a third party beneficiary.

SECTION 17
GENERAL PROVISIONS

17.1 Schedules. The following Schedules to the Agreement form an integral part of the Agreement:

(a) Schedule A: Acknowledgement;

(b) Schedule B: Emitepod Inc. Conditional Assignment of Telephone and Directory Listings, Etc.; and

(c) Schedule C: Emitepod Inc. Franchise Agreement Assignment and Assumption Agreement.

Reference to the Agreement includes the Schedules.

17.2 Modification of Agreement. The Agreement may be modified only with the written consent of both Parties except as stated in the Agreement. Emitepod expressly reserves the right to modify the Operations Manual, the System**,** the Trademarks, and the business concept without Franchisee's consent.

17.3 Survival of Obligations. Notwithstanding Termination, Franchisee will not be released from any of Franchisee's obligations under the Agreement that expressly or by their nature survive Termination including, without limitation, payment of any amounts due to Emitepod or Affiliates, compliance with any confidentiality, non-competition, and other restrictive covenants, and observance of any other obligation or covenants that by their nature continue to apply after Termination.

17.4 Severability of Illegal Provisions. All of the provisions of the Agreement are to be construed as covenants and agreements as though the words importing the covenants and agreements were used in each separate section. If any provision of the Agreement is deemed invalid, void, illegal, or unenforceable, it will be separate and severable from the Agreement and the remaining provisions will remain in force and be binding upon the Parties as though the provision had not been included.

17.5 Governing Law and Choice of Forum. The Agreement is governed by and interpreted and construed under the laws of Nevada. Any action or other legal proceeding arising out of or relating to the Agreement or the franchise relationship must be brought in Nevada unless the Parties agree otherwise in writing. Notwithstanding the foregoing and subject to Section 17.6 below, Emitepod may use the state or federal courts anywhere in the United States with respect to matters related to the Trademarks.

17.6 Dispute Resolution and Arbitration. All disputes arising out of or in connection with the Agreement or any related agreement will be finally resolved without appeal by arbitration under the then-current rules of the American Arbitration Association. The arbitration will take place in Las Vegas, Nevada unless the Parties agree otherwise. The language of the arbitration will be English. The arbitration may include any non-party to the Agreement provided the allegations brought by or made against that non-party are related to the Agreement with the non-party's consent. Notwithstanding the foregoing, the Parties are not precluded from seeking injunctive, mandatory, or other extraordinary relief from a court pending a time when an arbitration can be commenced when the relief is sought provided that the Party seeking the relief from a court will act to commence arbitration expeditiously. The Parties are not precluded from seeking in court any relief or the determination of any issue for which the arbitrator does not have jurisdiction. Except to the extent otherwise required by Applicable Laws, arbitration will be confidential and neither the proceedings nor the result will be communicated to persons other than the Parties and their professional advisors; provided, however, that any order made by an arbitrator may be filed with a court or adopted as part of a court order for purposes of enforcement in accordance with Applicable Laws.

17.7 Reasonableness. Whenever Emitepod's consent or approval is required under the terms of the Agreement, the consent or approval will not be unreasonably withheld or delayed except as otherwise specifically provided in the Agreement. Franchisee's sole remedy if Emitepod unreasonably withholds or delays consent or approval is an action for specific performance and Emitepod is not liable for damages. Whenever Emitepod's consent or approval is required to be given under the Agreement or Emitepod's approval of any act or performance by Franchisee is required, the consent or approval is not effective unless in writing.

17.8 Unavoidable Delays. Whenever and to the extent that either Party is unable to fulfill or are delayed or restricted in the fulfillment of any obligation with respect to the supply or provision of any service or utility, the performance of any work, or the making of any repairs by reason of (i) being unable to obtain the material, goods, equipment, service, utility, or labor required to enable the Party to fulfill the obligation, (ii) any applicable statute, law, by-law, regulation, or order of any legislative body, administrative authority, or judicial body having jurisdiction, (iii) any strikes or lockouts, (iv) material shortages, (v) riots, insurrection, sabotage, acts of God, pandemics, or acts of terror, or (vi) any other cause beyond the Parties' control other than any insolvency, lack of funds, or other financial cause of delay, the Party is relieved from the fulfillment of the obligation as applicable so long as the cause continues; provided however, that except

as may be expressly provided in the Agreement, Franchisee is not entitled to any compensation for any inconvenience or nuisance or discomfort, to terminate the Agreement, or to receive any abatement of any payments due to Emitepod. Without limiting the generality of the foregoing, the provisions of this Section 17.8 do not in any way operate to excuse Franchisee from the prompt payment of any fees, Royalties, Marketing Contributions, or other sums required to be paid to Emitepod or Affiliates by the Agreement or from the prompt performance of any of Franchisee's other obligations of the Agreement when the prompt performance is delayed, hindered, or prevented by reason of lack of funds.

17.9 Entire Agreement. The terms contained in the Agreement including all addenda, riders, and exhibits to the Agreement and all other agreements related to the relationship between the Parties constitute the entire agreement between the Parties. There are no express or implied representations, conditions, or collateral warranties, inducements, promises, or agreements between the Parties not embodied in the Agreement other than those written disclosures required by law. Nothing in the Agreement or any related agreement is intended to disclaim the representations Emitepod made in Emitepod's Franchise Disclosure Document provided to Franchisee. Except as otherwise provided in the Agreement including, without limitation, Emitepod's right to modify the provisions of the Operations Manual, no amendment to the Agreement is binding unless signed in writing by both Parties.

17.10 No Implied Surrender or Waiver. No provision of the Agreement is deemed to have been waived by Emitepod unless the waiver is in writing signed by Emitepod. Emitepod's waiver of a breach of any term or condition of the Agreement does not prevent a subsequent act that would have originally constituted a breach from having all the force and effect of any original breach. Emitepod's receipt of any payment from Franchisee with knowledge of a breach by Franchisee of any term or condition of the Agreement is not deemed a waiver of the term or condition. No payment by Franchisee or receipt by Emitepod of a lesser amount than an amount payable by Franchisee to Emitepod is deemed to be other than on account of the earliest stipulated payment, nor is any endorsement or statement on any check or any letter accompanying any check deemed an accord and satisfaction. Emitepod may accept a check or payment without prejudice to Emitepod's right to recover the balance of the payment or pursue any other remedy available to Emitepod.

17.11 Joint and Several Liability. If there is more than one person or entity named as Franchisee, they are bound jointly and severally by the terms, covenants, and agreements made by Franchisee under the Agreement. Any notice required or permitted by the terms of the Agreement may be given by or to any one of them and has the same force and effect as if given by or to all of them.

17.12 Power, Capacity, and Authority. Franchisee covenants, represents, and warrants that Franchisee has the power, capacity, and authority to enter into the Agreement and perform Franchisee's obligations under the Agreement and that there are no covenants, restrictions, or commitments relating to Franchisee that prevent or inhibit Franchisee from entering into the Agreement.

17.13 Drafting of the Agreement. Franchisee acknowledges that Franchisee has had ample opportunity to participate in drafting or modifying the form and content of the Agreement prior to execution and delivery by Franchisee and agrees that any rule of law which provides that ambiguities are construed against the "drafting party" have no force or effect.

17.14 No Offer. Notwithstanding the submission of a copy of the Agreement in either blank form or with the particulars inserted or receipt of a deposit or the first payment by Franchisee to Emitepod when the Agreement is received by Emitepod for execution from Franchisee, no contractual or other right exists in Franchisee's favor with respect to Franchisee's Business until both Parties have executed the Agreement.

17.15 Set Off. If Emitepod is liable for any payment or reimbursement to Franchisee, Emitepod has the right to set off the liability against Franchisee's liabilities to Emitepod or Affiliates unless otherwise prohibited by the Agreement.

17.16 Time of Essence. Time is of the essence for the Agreement.

17.17 Emitepod's Agent. Emitepod may perform any of Emitepod's obligations or exercise any of Emitepod's rights through any agency Emitepod determines and Franchisee will pay to the agent any monies payable to Emitepod as Emitepod directs.

17.18 Accounting Principles. All calculations will be made in accordance with standard principles and practices applicable to the System and applied on a consistent basis.

17.19 Further Assurances. Franchisee will execute any further assurances, agreements, and documents and perform any further acts Emitepod deems reasonably necessary to give effect to the terms and conditions of the Agreement.

17.20 Confidentiality. Franchisee will use Franchisee's best efforts to keep the provisions of the Agreement, the Operations Manual, the Confidential Information, and other information and material Franchisee receives in connection with the Agreement confidential.

17.21 Exculpatory Provisions. In all provisions of the Agreement containing a release, indemnity, or other exculpatory language in Emitepod's favor, references to Franchisee include reference to the Released Persons.

17.22 Language. The Agreement and related documents will be drafted in English.

17.23 Injunctive Relief. Franchisee recognizes the unique value and secondary meaning attached to the System, the Trademarks, Emitepod's standards of operation, and Emitepod's trade practices. Franchisee acknowledges that any noncompliance with the terms of the Agreement or any unauthorized or improper use will cause irreparable damage to Emitepod, the System, and Emitepod's franchisees. If Franchisee engages in any unauthorized or improper use during or after the Term, Emitepod may apply for interim, interlocutory, or final mandatory, injunctive, or other extraordinary relief, restraining order, decree, declaration, or other remedies from any court of competent jurisdiction or in any arbitral proceeding in addition to any other remedies prescribed by law.

17.24 No Misrepresentations. Franchisee represents to Emitepod as an inducement to Emitepod's execution of the Agreement that Franchisee has made no misrepresentations to obtain the Agreement.

17.25 Inurement. The Agreement inures to the benefit of and is binding upon the Parties and their respective heirs, executors, administrators, successors, permitted assigns, and any other legal representatives.

17.26 Receipt of Disclosure Document. FRANCHISEE ACKNOWLEDGES RECEIPT FROM EMITEPOD OF A MATERIALLY COMPLETE COPY OF THE AGREEMENT AND ITS SCHEDULES TOGETHER WITH A COPY OF A DISCLOSURE DOCUMENT AT ONE TIME AND IN ONE DOCUMENT IN ACCORDANCE WITH ALL APPLICABLE FRANCHISE LEGISLATION AT LEAST 14 DAYS PRIOR TO THE EARLIER OF (I) THE DATE ON WHICH THE AGREEMENT OR ANY OTHER AGREEMENT IS EXECUTED, OR (II) ANY PAYMENT OF ANY CONSIDERATION BY OR ON BEHALF OF FRANCHISEE TO EMITEPOD OR ANY OF EMITEPOD'S AFFILIATES FOR THE GRANT OF THE FRANCHISE.

17.27 Consent to Disclosure of Personal and Confidential Information. Franchisee expressly permits Emitepod to disclose in a Disclosure Document (whether required by law or made available on a voluntary basis) personal and confidential information related to Franchisee's Business, Franchisee, Franchisee's officers, directors, and shareholders including, without limitation, Franchisee's and their names, addresses, telephone numbers, and facsimile numbers, the sales, revenues, expenses, costs, results of operations, and similar information regarding Franchisee's Business, and any information regarding non-renewal, closure, expiration, or Termination. Franchisee will obtain the consent of Franchisee's officers, directors, and shareholders necessary to permit the disclosure of their personal information as contemplated under this Section 17.27. Without limiting the generality of the foregoing, Emitepod has the right to make available for inspection by any of Franchisee's intended Transferees any part of Emitepod's records relating to the Agreement, Franchisee's Business, or Emitepod's relationship with Franchisee. Franchisee consents to the disclosure by Emitepod and will release and hold Emitepod, Affiliates, and their respective officers, directors, agents, and employees harmless from and against any claim, loss, or injury resulting from an inspection of Emitepod's records or release of the information.

17.28 No Representation of Uniformity. Emitepod makes no warranty or representation that all Franchise Agreements issued by Emitepod will contain terms substantially similar to those of the Agreement. Emitepod may waive or modify comparable provisions of other Franchise Agreements granted to other franchisees in a non-uniform manner including any increase or decrease to the Initial Franchise Fee, Royalties, or other payments due to Emitepod or Affiliates under the Agreement in Emitepod's reasonable business judgment.

17.29 Notice of Potential Profit. Emitepod or Affiliates:

(a) May make available to Franchisee or require Franchisee to purchase services for use in Franchisee's Business from which Emitepod may make a profit;

(b) May receive Rebates from suppliers or manufacturers with respect to sales of equipment, products, or services to Franchisee or in consideration of services rendered or rights licensed to such persons whether or not on account of purchases made (i) by Emitepod for Emitepod's own account or for Franchisee's account, Emitepod's franchisees generally, or other brands now or ever owned by Emitepod or Affiliates, or (ii) by Franchisee directly for Franchisee's own account. Franchisee acknowledges that Emitepod's designated suppliers may not offer the lowest prices for every item or service, but for the sake of group buying, consistency, and other benefits to the System, Franchisee will buy from these suppliers only; and

(c) Are entitled to retain or distribute the whole or any part of benefits to partially compensate Emitepod or Affiliates for their ongoing efforts to establish and maintain quality sources of supply, evaluate potential new suppliers, and monitor and evaluate approved suppliers and upstream manufacturers to ensure that those suppliers and manufacturers meet Emitepod's quality and performance standards.

17.30 Cumulative Remedies. No reference to or exercise of any specific right or remedy including any termination rights by Emitepod will prejudice or preclude Emitepod from exercising or invoking any other remedy whether allowed under the Agreement or generally at law or in equity. The express provisions of the Agreement relating to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to Emitepod generally at law or in equity.

17.31 Actions Prior to Execution of the Agreement. It is in the Parties' interests to ensure that the activities relating to the solicitation, negotiation, and grant of a franchise for Franchisee's Business have complied with all Applicable Laws. Franchisee will truthfully complete the Acknowledgement contemporaneously with execution of the Agreement. Emitepod will not execute the Agreement unless the

Acknowledgement does not contain responses that might suggest that a violation of any Applicable Laws has occurred.

17.32 Counterparts and Electronic Signatures. The Agreement may be executed in one or more counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same instrument. The Agreement will become effective when one or more counterparts have been signed by the Parties. Facsimile transmissions of signed documents and electronic signatures will have the same full force and effect as originally executed documents.

IN WITNESS WHEREOF, the Parties have caused this Emitepod Inc. Franchise Agreement to be duly executed effective as of the Effective Date.

EMITEPOD:

EMITEPOD INC.

By: _____

Name: _____

Title: _____

Date: _____
(Effective Date)

FRANCHISEE:

By: _____
individually

Name: _____

Date: _____

SCHEDULE A

ACKNOWLEDGMENT

FROM: _____ ("**FRANCHISEE**")

TO: EMITEPOD INC. ("**EMITEPOD**")

RE: EMITEPOD INC. FRANCHISE AGREEMENT DATED _____
(the "**FRANCHISE AGREEMENT**")

IN CONSIDERATION of Emitepod executing the Franchise Agreement and granting Franchisee a franchise pursuant to the Franchise Agreement and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Franchisee agrees as follows:

1. Franchisee has received, has had ample time to read, and has read the Franchise Agreement including all attached Schedules and a Franchise Disclosure Document, is cognizant of every term and condition of the Franchise Agreement, and agrees to the terms and conditions;

2. Franchisee has had an opportunity to be advised by advisors of Franchisee's own choosing regarding all pertinent aspects of the franchise granted by Emitepod and the business venture contemplated by the Franchise Agreement;

3. Emitepod may receive a referral payment, benefit, allowance, credit, fee, commission, discount, bonus, rebate, other benefit, or consideration (collectively, "**Rebates**") in connection with equipment, goods, services, or facilities purchased, leased, or obtained by Franchisee from designated suppliers and contractors. The benefit of the Rebates may not necessarily be passed on to Franchisee and Emitepod may keep the Rebates for its own use and benefit; and

4. The success of the business venture contemplated by the Franchise Agreement involves risks and is speculative and depends on (i) the ability of Franchisee as an independent businessperson, (ii) the acceptance of Franchisee's Business in the community, (iii) external economic forces, (iv) Franchisee's active participation in the daily affairs of Franchisee's Business, and (v) other factors. Emitepod cannot and does not guarantee the success of Franchisee's Business.

Emitepod and Franchisee agree as follows:

1. Emitepod and its officers, directors, agents, employees, or contractors do not make any representation or warranty regarding the potential success of Franchisee's Business and the business venture contemplated by the Franchise Agreement, nor did any of them induce Franchisee to enter into the Franchise Agreement in reliance upon any such representation or warranty; and

2. Franchisee has entered into the Franchise Agreement after making an independent investigation of the proposed business venture and is not relying upon any express or implied representation or warranty by Emitepod or its officers, directors, employees, or agents regarding revenue, profits, or success that Franchisee might be expected to realize, nor has any person made any other warranty or representation that is not expressly set out in the Franchise Agreement to induce Franchisee to execute the Franchise Agreement.

When used in this Acknowledgment, all capitalized words and expressions not otherwise defined have the same meanings described in the Franchise Agreement. The signatures affixed to the Franchise Agreement were affixed as a wholly voluntary act of the signatory. The terms and provisions of the Franchise Agreement cannot be changed or modified unless in writing signed by an authorized representative of Franchisee and an authorized officer of Emitepod.

By signing below, Franchisee covenants that Franchisee fully understands and accepts the risks described above and all other risks not described above that may affect Franchisee's ability to profitably operate Franchisee's Business. Any questions or concerns that Franchisee has relating to Emitepod or the Franchise Agreement are stated as follows:

_____

_____

_____

_____

_____

IN WITNESS WHEREOF, the parties have caused this Acknowledgement to be duly executed as of the date of the Franchise Agreement.

FRANCHISEE:

By: _____
individually

Name: _____

Date: _____

SCHEDULE B

EMITEPOD INC. CONDITIONAL ASSIGNMENT OF TELEPHONE AND DIRECTORY LISTINGS, ETC.

In consideration of, and as an inducement to, the execution of the Emitepod Inc. Franchise Agreement dated _____ (the "**Agreement**"), by and between EMITEPOD INC. ("**Assignee**") and _____ ("**Assignor**"), this EMITEPOD INC. CONDITIONAL ASSIGNMENT OF TELEPHONE AND DIRECTORY LISTINGS, ETC. (the "**Assignment**") is made and entered into contemporaneously with the Agreement and effective as of the date signed by Assignee. To the extent not defined in the Assignment, all capitalized references in the Assignment will have the meanings defined in the Agreement.

Pursuant to the terms of the Agreement and other valuable consideration, Assignor assigns to Assignee all telephone numbers, directory listings, facsimile numbers, Internet website addresses and domain names, and other listing used or to be used by Assignor for the operation of Assignor's Business. Assignee assumes the performance of all terms, covenants, and conditions of the telephone, directory, or other company with respect to the listings with the same force and effect as if they had originally been issued to Assignee. The Assignment is valid upon execution and irrevocable in all circumstances. The telephone, directory, or other company involved with any listings is hereby authorized by both Assignee and Assignor to rely on the Assignment. Both Assignee and Assignor will hold harmless and indemnify the telephone, directory, or other company involved with the listings from any claims based on reliance on the Assignment.

ASSIGNEE:

EMITEPOD INC.

By: _____

Name: _____

Date: _____

ASSIGNOR:

By: _____
individually

Name: _____

Date: _____

SCHEDULE C

EMITEPOD INC. FRANCHISE AGREEMENT ASSIGNMENT
AND ASSUMPTION AGREEMENT

This EMITEPOD INC. FRANCHISE AGREEMENT ASSIGNMENT AND ASSUMPTION AGREEMENT (the "**Assignment**") is entered into effective as of _____ (the "**Effective Date**"), and made by and between EMITEPOD INC., a Nevada corporation located at 848 North Rainbow Boulevard, Unit 8181, Las Vegas, Nevada 89107 ("**Emitepod**"), _____, an individual located at _____ ("**Franchisee**"), and _____, a _____ located at _____ ("**Assignee**"). Emitepod, Franchisee, and Assignee will sometimes be individually referred to as a "**Party**" and collectively referred to as the "**Parties**."

RECITALS

WHEREAS, Emitepod and Franchisee have entered into that certain Emitepod Inc. Franchise Agreement dated _____ (the "**Franchise Agreement**"), pursuant to which Franchisee will operate or operates an Emitepod business as defined in the Franchise Agreement (the "**Emitepod Business**");

WHEREAS, since entering into the Franchise Agreement, Franchisee has formed Assignee;

WHEREAS, Franchisee owns at least fifty-one percent (51%) of Assignee;

WHEREAS, Franchisee desires to assign Franchisee's interest and rights in the Emitepod Business and Franchise Agreement to Assignee and Assignee desires to accept the assignment of Franchisee's rights in the Emitepod Business and Franchise Agreement (the "**Requested Assignment**"); and

WHEREAS, Emitepod desires to approve the Requested Assignment upon the terms and conditions contained in the Assignment.

AGREEMENT

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants and agreements contained in the Assignment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. CONSENT TO ASSIGNMENT. Emitepod consents to the Requested Assignment upon the terms and conditions contained in the Assignment, including (i) execution of the Assignment, (ii) execution of the Emitepod Inc. Personal Guarantee attached as Exhibit A, and (iii) completion of the Holders of Legal or Beneficial Interest, Officers, and Directors attached as Exhibit B.

2. LICENSE OF RIGHTS. Section 2.3 of the Franchise Agreement (Representations and Warranties) is deleted and replaced with the following:

2.3 Representations and Warranties. Franchisee represents and warrants that:

(a) If Franchisee is a business entity, Franchisee is duly organized and validly existing under the laws of the jurisdiction in which Franchisee was formed;

(b) Franchisee is duly qualified and authorized to conduct business in each jurisdiction in which Franchisee will conduct business activities;

(c) If Franchisee is a business entity, Franchisee's organizational documents prohibit the issuance of any additional ownership interests or the Transfer of any issued ownership interests without Emitepod's consent and provide that each certificate or document issued to evidence any ownership interest contains a legend disclosing the foregoing restriction;

(d) If Franchisee is a business entity, Franchisee's organizational documents provide that Franchisee's activities are confined exclusively to the development and operation of Franchisee's Business;

(e) Execution of the Agreement and all transactions contemplated by the Agreement are duly authorized and within Franchisee's power; and

(f) Franchisee will provide a copy of the Agreement to every person identified in Exhibit A to Schedule C.

3. SCHEDULE ADDITIONS.

(a) Schedule D. The Franchise Agreement is amended by the addition of a new Schedule D (Emitepod Inc. Personal Guarantee) attached as Exhibit A to the Assignment.

(b) Schedule E. The Franchise Agreement is amended by the addition of a new Schedule E (Statement of Ownership and Management) attached as Exhibit A to the Assignment.

4. ASSIGNMENT AND ASSUMPTION OF FRANCHISE AGREEMENT. Franchisee hereby assigns and transfers to Assignee all of Franchisee's right, title, and interest in and to the Franchise Agreement and the Emitepod Business. Assignee accepts the assignment of Franchisee's right, title, and interest in and to the Franchise Agreement and Emitepod Business, and assumes all of the obligations of Franchisee arising or accruing before or after the date hereof pursuant to the Franchise Agreement. Assignee will make all payments and keep and perform all conditions and covenants of the Franchise Agreement in the same manner as if Assignee were the original franchisee thereunder. The Assignment will be binding upon and will inure to the benefit of Franchisee and Assignee, their heirs, executors, administrators, successors in interest, and assigns.

5. TERMINATION OF RIGHTS. All of Franchisee's rights to and under the Franchise Agreement and Emitepod Business are relinquished and only Assignee will have any rights to and under the Franchise Agreement after the Effective Date.

6. REPRESENTATIONS.

(a) Assignee's Representations. Assignee represents and warrants the following and acknowledges that Emitepod is relying on the representations to approve the Requested Assignment:

(i) The Requested Assignment was originated, negotiated, and concluded by Franchisee and Assignee;

(ii) Assignee has not received any representations, promises, or commitments relating to the Emitepod Business;

(iii) Assignee did not receive and is not relying on any financial statements, pro formas, or other materials from Emitepod regarding past, projected, estimated, or anticipated earnings, sales, or otherwise of any Emitepod business, including the Emitepod Business. Assignee acknowledges that any financial statements, pro formas, or other materials furnished by other persons are not approved or endorsed by Emitepod; and

(iv) Unless specifically set forth in the Assignment, no term or condition in any other agreement regarding the Requested Assignment has been agreed to by Emitepod, including terms or conditions that may have been included in correspondence, or other oral or written communications between Assignee, Franchisee, or Emitepod; and

(b) Franchisee's Representations. Franchisee represents and warrants the following and acknowledges that Emitepod is relying on the representations to approve the Requested Assignment:

(i) Franchisee is not in default of any of Franchisee's obligations under the terms of the Franchise Agreement; and

(ii) Franchisee owns at least fifty-one percent (51%) of Assignee.

7. INDEMNIFICATION AND WARRANTIES.

(a) No Endorsement. Emitepod's consent to the Requested Assignment does not constitute an endorsement of the Requested Assignment, economic feasibility thereof, or any other transaction terms between Franchisee and Assignee.

(b) Indemnification. Assignee and Franchisee, for themselves, their successors, assigns, subsidiaries, divisions, and agents, and each of them, will indemnify and hold harmless Emitepod and the Emitepod Released Parties (as defined below) from any liabilities, losses, damages, deficiencies, claims, costs, or expenses of any nature directly or indirectly resulting from any misrepresentation, breach of warranty, or covenant on the part of Assignee or Franchisee under the Assignment or otherwise, the non-fulfillment of any conditions under the Assignment, and any actions, suits, proceedings, investigations, demands, assessments, judgments, costs, and expenses incident to the foregoing, including, without limitation, reasonable legal and accounting fees.

8. RELEASE. Franchisee, on behalf of itself, its predecessors, successors, affiliates, parent and subsidiary companies, and each of their respective present and former officers, directors, owners, shareholders, members, partners, guarantors, managers, employees, agents, representatives, heirs, assigns, and attorneys (collectively, the "**Franchisee Parties**"), now and forever releases, relieves, acquits, and discharges Emitepod and any of Emitepod's predecessors, successors, affiliates, parent and subsidiary companies, and each of their respective present and former officers, directors, owners, shareholders, members, partners, managers, employees, agents, heirs, assigns, and attorneys (collectively, the "**Emitepod Released Parties**"), for all purposes, of and from any known, unknown, vested, contingent, suspected, or unsuspected claims, demands, actions, penalties, liabilities, obligations, causes of action, and damages of whatever kind or nature (collectively, the "**Claims**"), that any of the Franchisee Parties have or ever had against any of the Emitepod Released Parties prior to or as of the Effective Date including, without limitation, Claims relating to, arising from, or in any way connected to (i) the Franchise Agreement and/or the Assignment, (ii) the Franchisee's Business and the operation thereof, (iii) the relationship between each of the Franchisee Parties and each of the Emitepod Released Parties, (iv) any other agreement relating to the relationship between each of the Franchisee Parties and each of the Emitepod Released Parties or the Franchisee's Business, and (v) the Parties' negotiation of and entry into the Franchise Agreement, the Assignment, and/or any other agreements relating to the relationship between any of the Franchisee Parties

and any of the Emitepod Released Parties or the Franchisee's Business. This release extends to all Claims, whether arising from contract, tort, statute, law, or equity, it being the express intention of the Franchisee Parties and the Emitepod Released Parties that each of the Franchisee Parties will have no further Claims against or with respect to any of the Emitepod Released Parties arising prior to or as of the Effective Date upon execution of the Assignment. Each of the Franchisee Parties covenants and agrees to never institute, prosecute, assist others to institute or prosecute, or in any way aid any Claim for any damages (actual, consequential, punitive, or otherwise), injunctive relief, or other loss or injury to person or property, cost, expense, legal fees, amounts paid on account of recovery or settlement, or any other damage or harm whatsoever, based upon or arising out of any event, act, or omission that has occurred or arisen prior to the Effective Date.

9. RECORDS. Upon Assignee's or Assignee's representatives' request, Franchisee authorizes Emitepod to provide any financial information or records to Assignee or its representatives regarding the Emitepod Business operated by Franchisee in accordance with the Franchise Agreement.

10. NOTICES. Any notices given under the Assignment will be in writing and if delivered by hand, or transmitted by U.S. certified mail, return receipt requested, postage prepaid, or via electronic transmission, deemed to have been given on the date so delivered or transmitted to the recipient at its address, facsimile number, or email address.

11. NO COERCION AND CONTRA PROFERENTEM. The Parties acknowledge that they are freely and voluntarily entering into the Assignment, uncoerced by any person, and that they have been advised and afforded the opportunity to seek the advice of legal counsel of their choice with regard to the Assignment. The Parties acknowledge that they have each had the opportunity to review the Assignment with counsel of their choosing and that the terms and conditions of the Assignment were established through mutual contribution and discussion. Notwithstanding any rule or legal precedent to the contrary, no provision of the Assignment will be construed or interpreted against any Party because the Party or its counsel was the drafter.

12. ASSIGNMENT BINDING. The Assignment will be binding upon and inure to the benefit of each party and to each Party's respective successors and assigns. The Franchise Agreement as assigned by the Assignment is ratified and continues in full force and effect.

13. NO FURTHER CHANGES. Except as specifically provided in the Assignment, all of the terms, conditions, and provisions of the Franchise Agreement will remain in full force and effect as originally written and signed.

14. COUNTERPARTS AND ELECTRONIC SIGNATURES. The Amendment may be executed in one or more counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same instrument. The Amendment will become effective when one or more counterparts have been signed by the Parties. Facsimile transmissions of signed documents and electronic signatures will have the same full force and effect as originally executed documents.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Emitepod Inc. Franchise Agreement Assignment and Assumption Agreement effective as of the Effective Date.

ASSIGNEE:	EMITEPOD:
[ASSIGNEE NAME]	EMITEPOD INC.
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

FRANCHISEE:

By: _____
individually

Name: _____

Date: _____

EXHIBIT A

EMITEPOD INC. PERSONAL GUARANTEE

In consideration of, and as an inducement to, the execution of an Emitepod Inc. Franchise Agreement dated _____ (the "**Agreement**"), by EMITEPOD INC. ("**Emitepod**") in favor of [FRANCHISEE] ("**Franchisee**"), the undersigned (each, a "**Guarantor**") personally and unconditionally guarantee to Emitepod, its affiliates, and their successors and assigns for the term of the Agreement and thereafter that Franchisee will punctually pay and perform every undertaking, agreement, and covenant set forth in the Agreement. Guarantor will be personally and unconditionally bound by every undertaking, agreement, and covenant of Franchisee set forth in the Agreement. Guarantor will personally comply with and abide by the non-competition provisions, other restrictive covenants, and non-disclosure provisions of the Agreement and by the provisions in the Agreement relating to trademarks, assignment, and transfer to the same extent as and for the same period of time as Franchisee is required to comply with and abide by the covenants and provisions. All of the foregoing obligations of Guarantor will survive any expiration, transfer, or termination of the Agreement or this Emitepod Inc. Personal Guarantee (the "**Guarantee**").

Guarantor waives the following:

(a) Notice of demand for payment of any indebtedness or nonperformance of any guaranteed obligations;

(b) Protest and notice of default to any party with respect to the indebtedness or nonperformance of any guaranteed obligations; and

(c) Any right Guarantor may have to require that any action be brought against Franchisee or any other person as a condition of liability.

Guarantor consents and agrees that:

(a) Guarantor's direct and immediate liability will be joint and several with any other guarantor;

(b) Guarantor will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so;

(c) Guarantor's liability will not be contingent or conditioned upon pursuit by Emitepod of any remedies against Franchisee or any other person; and

(d) Guarantor's liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence that Emitepod may from time to time grant to Franchisee or to any other person including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims, none of which will in any way modify or amend the Guarantee.

If Emitepod, its affiliates, or its successors and assigns are required to enforce the Guarantee in any judicial proceeding or appeal, Guarantor will reimburse Emitepod, its affiliates, or its successors and assigns for costs and expenses including, without limitation, reasonable fees for accountants, attorneys, attorney assistants, and expert witnesses, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing, or proceeding to enforce the Guarantee.

Guarantor acknowledges that certain disputes relating to the Agreement will be resolved by arbitration and consents to arbitration in accordance with the Agreement. The terms contained in the Agreement, any applicable addendum, and the Guarantee constitute the entire agreement between the parties relating to the Guarantee. There are no representations, inducements, promises, or agreements between the parties not embodied in the Guarantee.

IN WITNESS WHEREOF, Guarantor has affixed Guarantor's signature to this Emitepod Inc. Personal Guarantee effective as of the date below Guarantor's signature.

GUARANTOR(S):

By: _____ individually

Name: _____

Address: _____
_____
_____

Date: _____

By: _____ individually

Name: _____

Address: _____
_____
_____

Date: _____

EXHIBIT B

STATEMENT OF OWNERSHIP AND MANAGEMENT

1. Franchisee's Name: _____.

2. Franchisee's Form of Ownership: _____.

3. Franchisee's State of Incorporation/Organization:_____.

4. Franchisee's Date of Incorporation/Organization:_____.

5. Franchisee's Ownership:

_____

_____

_____

_____

_____

6. Franchisee's Management:_____.

Franchisee will report any changes to the above information to Emitepod for Emitepod's review and approval at least ten business days prior to the date the changes take effect.

FRANCHISEE:

_____

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT C

OPERATIONS MANUAL TABLE OF CONTENTS

OPERATIONS MANUAL

Section 1. Training Module and Getting Started

- **Chapter 1. Introduction and Welcome (how to get started; summary of program; first 90 days; 12-week training and onboarding checklist)**
- **Chapter 2. Launching your New Business (completion of the Dope CFO onboarding checklist)**
- **Chapter 3. Getting Involved and Becoming a "VIP"**
- **Chapter 4. Finding Great Clients**
- **Chapter 5. How to Deliver a World-Class Product to Clients**
- **Chapter 6. How to Serve Startups**
- **Chapter 7. Certification Test, Library, and Next Steps**

Section 2. Becoming and Expanding Your VIP

- **Chapter 1. AICPA Code of Conduct and Firm Representation**
- **Chapter 2. Mindset and Confidence**
- **Chapter 3. Becoming a "VIP": Adding Massive Value to the CEO**
- **Chapter 4. General Background Knowledge on the Industry**
- **Chapter 5. Cannabis Tax Information**
- **Chapter 6. Hemp/CBD Information**

Section 3. Finding Great Clients

- **Chapter 1. Finding CEOs**
- **Chapter 2. Emailing CEOs**
- **Chapter 3. Discovery Call With CEO**
- **Chapter 4. Pricing and Offer to CEO**

Section 4. Provide Clients With a World-Class Product Delivered With World-Class Service

Chapter 1. Summary of Serving Clients

Chapter 2. On-Boarding Clients

Chapter 3. Cleanup Past Folder

Chapter 4. Day to Day Accounting

Chapter 5. Month End Process

Chapter 6. Cost Accounting

Chapter 7. Financials and Reporting

Chapter 8. Strategic and Tax Planning

Section 5. Library, Extra Resources, and Zoom Calls

Chapter 1. Franchisee-Only Zoom Calls and Recordings

Chapter 2. Prior Year Q&A Cost Accounting Call Library

Chapter 3. Marketing Resources

Chapter 4. GAAP, Internal Controls, and State Regulations

Chapter 5. Other Cannabis Blogs and Useful Information

EXHIBIT D

LIST OF FRANCHISEES

Cindy Aslan
13241 Kerrville Folkway
Austin, Texas 78728
(858) 344-6193

Judith Dyer
131 Pond Path
Lake Grove, New York 11755
(347) 743-2183

Lee Generous
103 Cohasset Avenue
Marshfield, Massachusetts 02050
(781) 536-7299

Kimberly Gould (not yet open)
722 Brooks Lane
Oxford, Michigan 48371
(810) 614-0716

Malvina Kay
318 Wolfe Street
Fredericksburg, Virginia 22401
(202) 467-6100

Daniel McCarthy
231 South Bemiston Avenue
Suite 850
St. Louis, Missouri 63105
(773) 873-7753

Cassidy McFarland
12403 Old Mill Drive
Geismar, Louisiana 70734
(225) 205-1080

Lisa Morstad
456 North Oliver Avenue
Fayetteville, Arkansas 72701
(479) 445-8666

Ashley Mosby
21433 North Lane
Oakwood Village, Ohio 44146
(216) 392-5432

Joel Mueller
10240 Bellavista Circle
Fort Myers, Florida 33913
(239) 295-1863

Marcela Osello
107 Naugatuck Avenue
Milford, Connecticut 06460
(917) 209-3420

Susan Russeau (not yet opened)
288 Gulf Ridge Drive
Jasper, Alabama 33504
(256) 385-6030

Tressa Silvey
11935 Gladstone Court
Frisco, Texas 75035
(469) 834-7850

Erica Sloan
P.O. Box 420
Ranson, West Virginia 25438
(304) 808-0420

David Woodbeck and Justin Woodbeck
8035 Marsh Creek Road
Woodbury, Minnesota 55125
(651) 592-3461

EXHIBIT E

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

None.

EXHIBIT F

FINANCIAL STATEMENTS

Emitepod Inc.

Financial Statements

As of December 31, 2024 and 2023
and for the years ended December 31, 2024, 2023 and the period from inception (March 16, 2022) through December 31, 2022

Emitepod Inc.

Financial Statements

As of December 31, 2024 and 2023
and for the years ended December 31, 2024 and 2023
and the period from inception (March 16, 2022) through December 31, 2022

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A&G LLP
CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

To the Stockholder
Emitepod Inc.
Las Vegas, Nevada

Report on the Financial Statements

Opinion

We have audited the financial statements of Emitepod Inc. (the "Company"), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of operations, changes in stockholder's equity, and cash flows for the years ended December 31, 2024 and 2023 and the period from inception (March 16, 2022) through December 31, 2022, and related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations, changes in stockholder's equity and cash flows for the years ended December 31, 2024 and 2023 and the period from inception (March 16, 2022) through December 31, 2022 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Emitepod Inc. 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 Emitepod Inc.'s ability to continue as a going concern within one year from the date the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Emitepod Inc.'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 Emitepod Inc.'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.

A+G LLP

Dallas, Texas
February 12, 2025

Balance Sheets

As of December 31,	**2024**	2023
Assets		
Current assets:		
Cash and cash equivalents	**$ 19,282**	$ 133,379
Unbilled revenue	**5,512**	5,680
Due from affiliate	**46,786**	134,437
Prepaid expenses	**2,223**	7,976
Investments	**526,996**	346,200
Other receivables	**3,558**	2,033
Total current assets	**604,357**	629,705
Notes receivable	**50,000**	50,000
Intangible assets	**1,000**	1,000
Crypto assets	**649,333**	126,774
Total assets	**$ 1,304,690**	$ 807,479
Liabilities and Stockholder's Equity		
Current liabilities:		
Accrued expenses	**$ 2,473**	$ 3,854
Income tax payable	**4,244**	41,558
Deferred revenue	**42,250**	71,314
Total current liabilities	**48,967**	116,726
Long-term liabilities:		
Deferred revenue, net	**119,483**	75,858
Deferred tax liability, net	**109,017**	10,618
Deferred compensation liability	**168,515**	125,192
Stockholder's equity		
Common stock, no par value; 1,000 shares authorized, issued and outstanding	**-**	-
Additional paid-in capital	**1,000**	1,000
Retained earnings	**857,708**	478,085
Total stockholder's equity	**858,708**	**479,085**
Total liabilities and stockholder's equity	**$ 1,304,690**	$ 807,479

Statements of Operations	**Year Ended December 31, 2024**	Year Ended December 31, 2023	March 16, 2022 through December 31, 2022
Revenues:			
Franchise fee revenue	**$ 200,439**	$ 172,133	$ 3,695
Product revenue	**772,151**	1,202,297	1,020,633
Mastermind program revenue	**-**	32,279	24,779
Royalty revenue	**78,350**	30,870	-
Other revenue	**3,750**	3,000	1,500
Total revenues	**1,054,690**	1,440,579	1,050,607
General and administrative expenses:			
Advertising and marketing	**429,364**	512,236	361,450
Personnel costs	**673,830**	722,659	196,100
Professional fees	**26,438**	41,633	43,600
Other general and administrative expenses	**97,204**	129,429	78,249
Total general and administrative expenses	**1,226,836**	1,405,957	679,399
Income (loss) from operations	**(172,146)**	34,622	371,208
Other income (expense):			
Interest income	**1,525**	1,740	592
Dividend income	**19**	1,203	-
Interest expense	**(94)**	(71)	(500)
Realized gain (loss) on investments	**108,078**	170	(21,160)
Unrealized gain on investments	**203,675**	215,720	-
Remeasurement gain on crypto assets	**341,209**	5,336	-
Total other income (expenses)	**654,412**	224,098	(21,068)
Income before provision for income taxes	**482,266**	258,720	350,140
Provision for income taxes	**102,643**	52,165	78,610
Net income	**$ 379,623**	$ 206,555	$ 271,530

Statements of Changes in Stockholder's Equity

	Common Stock		Additional Paid-In	Retained	Total Stockholder's
	Shares	Amount	Capital	Earnings	Equity
Balance at March 16, 2022 (inception)	-	$ -	$ -	$ -	$ -
Net income	-	-	-	271,530	271,530
Issuance of stock	1,000	-	1,000	-	1,000
Balance at December 31, 2022	1,000	$ -	1,000	271,530	272,530
Net income	-	-	-	206,555	206,555
Balance at December 31, 2023	1,000	$ -	$ 1,000	$ 478,085	$ 479,085
Net income	-	-	-	379,623	379,623
Balance at December 31, 2024	1,000	$ -	$ 1,000	$ 857,708	$ 858,708

Statements of Cash Flows	**Year Ended December 31, 2024**	Year Ended December 31, 2023	March 16, 2022 through December 31, 2022
Operating Activities			
Net income	**$ 379,623**	$ 206,555	$ 271,530
Adjustments to reconcile net income to net cash provided (used) by operating activities:			
Deferred compensation	**43,323**	125,192	-
Deferred income taxes	**98,399**	10,607	11
Realized gain on investments	**(108,078)**	(170)	-
Unrealized gain on investments	**(203,675)**	(215,720)	-
Remeasurement gain on crypto assets	**(341,209)**	(5,336)	-
Changes in operating assets and liabilities:			
Unbilled revenue	**168**	(5,680)	-
Due from affiliate	**87,651**	(3,630)	(130,807)
Prepaid expenses	**5,753**	1,591	(9,567)
Other receivables	**(1,525)**	(1,525)	(508)
Accrued expenses	**(1,381)**	(12,822)	16,676
Income tax payable	**(37,314)**	(37,041)	78,599
Deferred revenue	**14,561**	(2,412)	149,584
Net cash provided (used) by operating activities	**(63,704)**	59,609	375,518
Investing Activities			
Proceeds from sale of investments	**149,284**	145,171	-
Purchase of investments	**(18,327)**	(275,481)	-
Purchase of crypto assets	**(181,350)**	(121,438)	-
Issuance of note receivable	**-**	-	(50,000)
Net cash used by investing activities	**(50,393)**	(251,748)	(50,000)
Financing Activities			
Net cash provided by financing activities	**-**	-	-
Net increase (decrease) in cash and cash equivalents	**(114,097)**	(192,139)	325,518
Cash and cash equivalents, beginning of period	**133,379**	325,518	-
Cash and cash equivalents, end of period	**$ 19,282**	$ 133,379	$ 325,518
Supplemental Disclosure of Cash Flow Information			
Interest paid	**$ 94**	$ 71	$ 500
Taxes paid	**$ 41,558**	$ 78,599	$ -

1. Organization and Operations

Emitepod Inc. (the "Company") is a corporation operating under the laws of the State of Nevada. References in these financial statement footnotes to "Company", "we", and "us" and "our" refer to the business of Emitepod Inc. The Company was formed on March 16, 2022 ("Inception").

The Company grants franchises for the establishment and operation of accounting business providing bookkeeping, accounting, CFO, tax planning, tax preparation, and other accounting and financial services using the Company's proprietary methodology ("Franchised Business") under the "Dope CFO" name and trademark to cannabis and CBD/hemp-related businesses.

The Company has 1,000 authorized shares of no-par value common stock. At inception, the Company issued 100 shares of common stock to its sole shareholder. Effective August 31, 2022, the Company's issued and outstanding shares were split on a ten-for-one basis, resulting in the Company issuing an additional 900 shares to its sole shareholder. As of December 31, 2024 and 2023, the Company had 1,000 shares issued and outstanding.

The table below reflects the status and changes in franchised outlets and affiliate-owned outlets for the years ended December 31, 2024, 2023 and for the period from Inception through December 31, 2022.

Franchised Outlets

Year	Start of Year	Opened	Closed or Ceased Operations – Other reasons	End of Year
2022	0	0	0	0
2023	0	6	0	6
2024	6	7	0	13

Affiliate-owned Outlets

Year	Start of Year	Opened	Closed or Ceased Operations – Other reasons	End of Year
2022	0	1	0	1
2023	1	0	0	1
2024	1	0	0	1

Going Concern
Management has evaluated our ability to continue as a going concern as of December 31, 2024. Due to the positive earnings for the year ended December 31, 2024 and the liquidity position of the Company as of December 31, 2024, we have concluded that there is not significant doubt about our ability to continue as a going concern.

2. Significant Accounting Policies

Basis of Accounting
The Company uses the accrual basis of accounting in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). Under this method, revenue is recognized when earned and expenses are recognized as incurred.

2. Significant Accounting Policies (continued)

Use of Estimates
The preparation of the financial statements and accompanying notes in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Estimates are used for the following, among others: revenue recognition and deferred tax assets. Actual results could differ from those estimates.

Comparative Financial Statements
Certain prior period amounts have been reclassified to conform to current year presentation.

Cash and Cash Equivalents
For purposes of reporting cash flows, all highly liquid investments with a maturity of three months or less are considered cash equivalents.

Investments
Investments consists of equity securities with a readily determinable fair value. The Company accounts for investments in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 321, Investments – Equity Securities. Investments are measured and recorded at fair value on a recurring basis based on quoted market prices at December 31, 2024. Changes in fair value, whether realized or unrealized, are recorded in the statements of operations.

Intangible Assets
Intangible assets are recorded at the lower of cost or net realizable value. Intangible assets with indefinite lives are not amortized, but are assessed for impairment on at least an annual basis. Intangible assets with definite lives are amortized over the expected useful lives of the assets and are assessed for impairment whenever events or changes in circumstances indicate that their carry values may not be recoverable. At December 31, 2024 and 2023, intangible assets consisted of a trademark, an indefinite lived asset, in the amount of $1,000 and $1,000, respectively.

Crypto Assets
In December 2023, the FASB issued Accounting Standards Update (ASU) 2023-08 “Intangibles - Goodwill and Other - Crypto Assets (Subtopic 350-60).” The update aims to improve the accounting for and disclosure of crypto assets. The ASU requires to measure crypto assets at fair value separately from other intangible assets on the balance sheet. Any changes from the re-measurement of crypto assets are included in net income and are presented separately from the changes in the carrying amounts of other intangible assets. We use a first-in, first-out methodology to assign costs to out crypto assets in the calculation of out realized gains or losses. The Company has adopted ASU 2023-08 and implemented the guidance. The Company’s crypto assets consist solely of Bitcoin.

Impairment of Long-Lived Assets
The Company assesses potential impairment of its long-lived assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors that the Company considers important which could trigger an impairment review include, but are not limited to, significant under-performance relative to historical or projected future operating results, significant changes in the manner of use of the acquired assets or the strategy for the Company’s overall business, and significant industry or economic trends. When the Company determines that the carrying value of the long-lived assets may not be recoverable based upon the existence of one or more of the above indicators, the Company determines the recoverability by comparing the carrying amount of the asset to net future undiscounted cash flows that the asset is expected to generate. If the carrying value is not recoverable, an impairment is recognized in the amount by which the carrying amount exceeds the fair value of the asset. As of December 31, 2024 and 2023, no impairment charges were recognized related to long-lived assets.

2. Significant Accounting Policies (continued)

Fair Value Measurements
Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company's financial instruments consist primarily of cash and cash equivalents, investments, other receivable, crypto assets and accrued expenses. The carrying values of cash and cash equivalents, investments, other receivable, crypto assets and accrued expenses are considered to be representative of their respective fair values due to the short-term nature of these instruments.

Assets and liabilities that are carried at fair value are classified and disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets and liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Non-recurring fair value measurements include the assessment of intangible assets for impairment. As there is no corroborating market activity to support the assumptions used, the Company has designated these estimates as Level 3.

Note Receivable
Note receivable consists of amounts advanced by the Company, less an allowance for credit losses for estimated losses resulting from the maker's failure to make note payments in accordance with the terms of respective loan agreement. The allowance for credit losses is determined primarily on the basis of management's best estimate of probable losses, including specific allowances for known trouble accounts. Amounts charged to the allowance for credit losses. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for credit losses. Interest on the note receivable is recognized over the term of the note and is calculated using the simple-interest method on principal amount outstanding.

Revenue Recognition
The Company recognizes revenue in accordance with FASB ASC 606-10-25, Revenue from Contracts with Customers. In January 2021, the FASB issued ASU 2021-02, "Franchisors – Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient." ASU 2021-02 provides a practical expedient that simplifies the application of ASC 606 about identifying performance obligations and permits franchisors that are not public entities to account for pre-opening services listed within the guidance as distinct from the franchise license. The Company has adopted ASU 2021-02 and implemented the guidance on its revenue recognition policy.

The Company's primary sources of revenue are as follows:

Franchise fee revenue
The Company sells individual franchises. The franchise agreements typically require the franchisee to pay an initial, non-refundable fee prior to opening the respective location(s), continuing royalty and other fees on a monthly basis based upon a percentage of franchisees gross sales. A franchise agreement establishes a Franchised Business developed in one or multiple defined geographic areas and provides for a 5-year initial term with the option to renew for 3 consecutive 5-year terms. Subject to the Company's approval, a franchisee may generally renew the franchise agreement upon its expiration. If approved, a franchisee may transfer a franchise to a new or existing franchisee, at which point a transfer fee is typically paid by the current owner which then terminates that franchise agreement. A franchise agreement is signed with the new franchisee with no franchise fee required.

2. Significant Accounting Policies (continued)

Revenue Recognition (continued)

Franchise fee revenue (continued)

Under the terms of our franchise agreements, the Company typically promises to provide franchise rights, pre-opening services such as training, and ongoing services. The Company considers certain pre-opening activities and the franchise rights and related ongoing services to represent two separate performance obligations. The franchise fee revenue has been allocated to the two separate performance obligations using a residual approach. The Company has estimated the value of performance obligations related to certain pre-opening activities deemed to be distinct based on cost plus an applicable margin, and assigned the remaining amount of the initial franchise fee to the franchise rights and ongoing services. Revenue allocated to preopening activities is recognized when (or as) these services are performed, no later than opening date. Revenue allocated to franchise rights and ongoing services is recognized on a straight line basis over the contractual term of the franchise agreement as this ensures that revenue recognition aligns with the customer's access to the franchise right. Renewal fees are recognized over the renewal term of the respective franchise from the start of the renewal period. Transfer fees are recognized over the contractual term of the franchise agreement.

Royalty revenue
Royalty revenue from Franchised Businesses is based on the greater of five to eight percent of the franchisees' gross revenue or $500. Royalty revenue is recognized during the respective franchise agreement as earned each period as the underlying franchised business sales occur.

Product revenue
Product revenue consists of a self-directed accounting training program inclusive of educational and marketing materials, tools and workpapers for accounting professionals servicing clients in the cannabis industry. Product revenue is recognized at upon delivery of the training program which occurs at the time of sale.

Mastermind program revenue
Mastermind program revenue consists of selling the access to the group coaching program with the ability to request one-on-one support as needed until the participant reaches a monthly revenue that when annualized is equal to or greater than $100,000 from ongoing services. The Company estimates that a participant will reach the target in approximately 12 months, and recognizes this revenue on a straight line basis over 12 months.

Other revenue
Other revenue consists of initial marketing fee and is recognized as earned.

Advertising and marketing
All costs associated with advertising and marketing are expensed in the period incurred.

Deferred Compensation
Awards of phantom units are accounted for as a liability under The Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 718, Compensation – Stock Compensation. ASC 718 requires changes in the fair value of our liability to be recognized as compensation cost over the requisite service period for the percentage of requisite service rendered each period. Changes in the fair value of the liability that occur after the requisite service period are recognized as compensation cost during the period in which the changes occur. We remeasure the liability for the outstanding awards at the end of each reporting period as provided by the Phantom Plan and the compensation cost is based on the change in fair value for each reporting period.

2. Significant Accounting Policies (continued)

Income Tax Status
The Company is taxed as a C-Corporation. Income taxes are provided for the tax effects of transactions reported in the financial statement and consist of taxes currently due plus deferred taxes. Deferred income taxes are provided for the temporary differences in basis of the Company's assets and liabilities and their reported amounts. The deferred tax assets and liabilities represent the future tax consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets and liabilities are determined based on the enacted rates that are expected to be in effect when these differences are expected to reverse. Deferred tax expense or benefit is the result of the changes in the deferred tax assets and liabilities. The Company records a valuation allowance to reduce deferred tax assets if it is more likely than not that some portion or all of the deferred tax assets will not be realized. The Company recognizes income tax related interest and penalties in interest expense and general and administrative expenses, respectively.

Recent Accounting Pronouncements
In December 2023, the FASB issued ASU No. 2023-09, "Income Taxes (Topic 740) - Improvements to Income Tax Disclosures". The standard requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The standard is intended to benefit investors by providing more detailed income tax disclosures that would be useful in making capital allocation decisions and applies to all entities subject to income taxes. ASU 2023-09 will be effective for annual periods beginning after December 15, 2025. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively. Early adoption is permitted. The Company is currently evaluating the impact of adopting ASU No. 2023-09 on its financial statements.

We reviewed other significant newly-issued accounting pronouncements and concluded that they either are not applicable to our operations or that no material effect is expected on our financial statements as a result of future adoption.

3. Certain Significant Risks and Uncertainties

The Company maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant risk on cash or cash equivalents. The Company maintains its deposits in two financial institutions.

4. Revenue and Related Contract Balances

Disaggregation of Revenue

The following table disaggregates revenue by source for the years ended December 31, 2024 and 2023 and the period from Inception through December 31, 2022:

	2024	2023	2022
Point in time:			
Franchise fee revenue	**$ 168,000**	$ 154,811	$ -
Product revenue	**772,151**	1,202,297	1,020,633
Royalty revenue	**78,350**	30,870	-
Other revenue	**3,750**	3,000	1,500
Total point in time	**$ 1,022,251**	$ 1,390,978	$ 1,022,133
Over time:			
Franchise fee revenue	**32,439**	17,322	3,695
Mastermind program revenue	**-**	32,279	24,779
Total over time	**$ 32,439**	$ 49,601	$ 28,474
Total revenues	**$ 1,054,690**	$ 1,440,579	$ 1,050,607

Contract Assets

Contract assets consist of unbilled revenue. Unbilled revenue consists of royalties earned from its franchisees for which a billing has not occurred.

Contract Liabilities

Contract liabilities consist of deferred revenue resulting from initial franchise fees paid by franchisees, which are recognized on a straight-line basis over the term of the franchise agreements, and deferred revenue resulting from fees paid by master mind participants, which are recognized on a straight-line basis over one year. The Company classifies the contract liabilities as deferred revenue in the balance sheets. The following table reflects the change in contract liabilities for the years ended December 31:

	2024	2023
Deferred revenue – beginning of year	**$ 147,172**	$ 149,584
Franchise fee revenue recognized	**(200,439)**	(172,133)
Mastermind program revenue recognized	**-**	(32,279)
New deferrals	**215,000**	202,000
Deferred revenue – end of year	**$ 161,733**	$ 147,172

The following table illustrates estimated revenues expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied) as of December 31, 2024:

2025	$ 42,250
2026	42,250
2027	38,734
2028	28,290
2029	10,209
Total	$ 161,733

5. Note Receivable

In September 2022 the Company advanced funds to an affiliate under a promissory note in the amount of $50,000. This note receivable is unsecured and bears interest at a rate of 3.05% per annum, payable annually. Principal and any unpaid interest is due at maturity, September 2028. At December 31, 2024 and 2023, the balance of accrued interest receivable related to this note was $3,558 and $2,033, respectively.

6. Related Party Transactions

Transactions with Affiliates

Our affiliate, Colo & Co LLC, collects funds related to product revenue from the Company's customers. At December 31, 2024 and 2023, the Company had a receivable due from its affiliate in the amount of $46,786 and $134,437, respectively.

7. Crypto Assets

The following table reflects the activity related to crypto assets from December 31, 2022 through December 31, 2023:

	Units	Fair Value
Balance at December 31, 2022	-	$ -
Purchases	3	121,438
Gain on remeasurement of crypto assets	-	5,336
Balance at December 31, 2023	3	$ 126,774
Purchases	3.95	181,350
Gain on remeasurement of crypto assets	-	341,209
Balance at December 31, 2024	6.95	$ 649,333

8. Deferred Compensation

On September 1, 2022, our Board of Directors approved and the Company adopted, the Emitepod, Inc. Phantom Plan (the "Phantom Plan"). Under the Phantom Plan, 250 shares of phantom units may be awarded, each of which represent a contractual right to receive cash payments based on the value of the Company on the settlement date, no shares of common stock will be issued pursuant to the Phantom Plan.

Each award vests in increments of i) 25% on the anniversary of the grant date and ii) the remainder in equal tranches over a thirty-six-month service period provided the participant has been continuously employed by the Company during the service period. In the event of a change in control of the Company any unvested phantom units held by the participant will become fully vested. All unvested phantom units held by a participant as of the date of the separation from service will be forfeited and cancelled without payment. If the participant's service is terminated for cause, all vested phantom units held by the participant will be forfeited and cancelled without payment.

Participants in the Phantom Plan are entitled to receive amounts due on vested shares on the settlement date, which is the earlier of the eligible participant's i) separation from service to the Company, or ii) a change in control of the Company. Unless the award agreement specifies otherwise, payments for separation from service will be made in cash over 3 equal annual payments. Payments made as a result of a change in control will be made on the same schedule and terms and conditions as apply to payments to the Company's stockholder provided that in all events the participant will be paid in full within five years after the change in control.

8. Deferred Compensation (continued)

On September 1, 2022, the Company granted 190 phantom units under the Phantom Plan. During the year ended December 31, 2024 and 2023, the Company recognized compensation expense for vested units amounting to $43,323 and $125,192, respectively. At December 31, 2024 and 2023, 91 and 52 phantom units were vested, 35 and 0 phantom units were forfeited, and 64 and 138 phantom units remained unvested, respectively. Unrecognized compensation cost related to all unvested units as of December 31, 2024 and 2023 was $118,516 and $332,241, respectively.

9. Income Taxes

The provision for income taxes expense consists of the following for the years ended December 31, 2024 and 2023 and the period from Inception through December 31, 2022:

	2024	2023	2022
Federal – current	**$ 4,244**	$ 41,558	$ 78,599
Federal – deferred	**98,399**	10,607	11
Net provision for income taxes	**$ 102,643**	$ 52,165	$ 78,610

The following is a reconciliation of the expected federal income tax benefit at the statutory rate of 21% to the actual provision for income taxes for the years ended December 31:

	2024	2023	2022
Expected tax provision at statutory rates:	**$ 101,276**	$ 54,331	$ 73,530
Permanent	**1,367**	2,278	636
Change in valuation allowance	**-**	(4,444)	4,444
Provision for income taxes	**$ 102,643**	$ 52,165	$ 78,610

The significant components of deferred tax asset (liability) at December 31, 2024 and 2023, consists of the following:

	2024	2023
Deferred tax assets:		
Deferred revenue	**$ 15,904**	$ 5,131
Capital loss	**-**	4,408
Deferred compensation	**35,388**	26,290
Charitable contributions	**578**	-
Total deferred tax assets	**51,870**	35,829
Deferred tax liabilities:		
Intangible asset	**(39)**	(25)
Unrealized gains on marketable securities	**(88,073)**	(45,301)
Remeasurement gains on crypto assets	**(72,775)**	(1,121)
Total deferred tax liabilities	**(160,887)**	(46,447)
Deferred tax liability, net	**$ (109,017)**	$ (10,618)

The Company's management periodically assess the likelihood that it will be able to recover its deferred tax asset. Management considers all available evidence, both positive and negative, including historical levels of income, expectations and risks associated with estimates of future taxable income and ongoing prudent and feasible profits.

9. Income Taxes (continued)

The Company files income tax returns in the U.S. federal jurisdiction. The Company is currently subject to the general three-year statute of limitation for federal tax. Under this general rule, the Company is subject to examination by taxing jurisdictions for all periods from Inception.

In accordance with FASB ASC 740-10, Income Taxes, the Company is required to disclose uncertain tax positions. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities.

The Company has analyzed tax positions taken for filing with the jurisdictions where it operates. The Company believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Company's financial condition, results of operations or cash flows. Accordingly, the Company has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2024 and 2023.

10. Subsequent Events

The Company has evaluated subsequent events through February 12, 2025, the date the financial statements were available to be issued.

EXHIBIT G

STATE LAW ADDENDA AND RIDERS

MICHIGAN

THE FOLLOWING APPLIES ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

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.

(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 that deprives a Franchisee of rights and protections provided in this act. This will 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 will 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 that 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 five 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 six 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 will not preclude the Franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision that 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 will include, without limitation:

(i) The failure of the proposed Franchisee 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 that 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.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000.00, the franchisor will, at the request of a Franchisee, arrange for the escrow of initial investment and other funds paid by the Franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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:

State of Michigan Consumer Protection Division
Attention: Franchise
670 G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48933
Telephone: (517) 373-7117

Despite subparagraph (f) above, we intend to enforce fully the provisions of the arbitration section contained in our Franchise Agreement. We believe that subparagraph (f) is unconstitutional and cannot preclude us from enforcing our arbitration section. You acknowledge that we will seek to enforce this section as written.

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	N/A
Hawaii	N/A
Illinois	N/A
Indiana	N/A
Maryland	N/A
Michigan	February 1, 2025
Minnesota	N/A
New York	N/A
North Dakota	N/A
Rhode Island	N/A
South Dakota	N/A
Virginia	N/A
Washington	N/A
Wisconsin	N/A

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT H

RECEIPT

(to be retained by Franchisee)

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all agreements carefully.

If Emitepod Inc. offers you a franchise, it must provide this Franchise Disclosure Document to you fourteen calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. However, some state franchise laws require Emitepod Inc. to provide this Franchise Disclosure Document to you at the first personal meeting held to discuss the franchise sale or at least ten business days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale (Iowa, Michigan, New York, Oklahoma, and Rhode Island).

If Emitepod Inc. does not deliver this Franchise 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 the appropriate state agency identified on Exhibit A.

The name, principal business address, and telephone number of each franchise seller offering the franchise are those individuals listed in Item 2, 10409 Pacific Palisades Avenue, Las Vegas, Nevada 89144-1221, (800) 420-2361, and as follows: _____.

Issuance Date: February 12, 2025.

I have received a Franchise Disclosure Document dated February 12, 2025, that included the following Exhibits:

A. List of State Agencies and Agents for Service of Process
B. Emitepod Inc. Franchise Agreement
C. Operations Manual Table of Contents
D. List of Franchisees
E. List of Franchisees Who Have Left the System
F. Financial Statements
G. State Law Addenda and Riders
H. Receipt

_____ _____

Date Prospective Franchisee

_____

Print Name

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_____ _____

Date Prospective Franchisee

_____

Print Name