FRANCHISE DISCLOSURE DOCUMENT

Dryvebox Franchising, LLC
A Delaware limited liability company
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www.dryvebox.com

Dryvebox Franchising, LLC franchises the Dryvebox mobile golf simulator business, featuring rentable golf simulation bays for events, individual practice, instruction, and play.

The total investment necessary to begin operations of a standard Dryvebox franchise is $136,347-$376,270. This includes $160,108 - $244,590 that must be paid to the franchisor or affiliate.

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

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

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

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

Issuance Date: April 19, 2024

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit F-1.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Dryvebox 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 Dryvebox franchisee?	Item 20 or Exhibit F-1 lists current franchisees and Exhibit G lists former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

Spousal Liability. Your spouse must sign a document that makes your spouse liable for all financial obligations under the Franchise Agreement, even if your spouse has no ownership interest in the franchise. This Guarantee will place both you and your spouse's marital and personal assets (perhaps including your house) at risk if your franchise fails.

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.

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

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

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

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ITEM 1
THE FRANCHISOR, PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language, this disclosure document uses "we" or "us" to mean Dryvebox Franchising, LLC the franchisor. "You" means the individual, corporation, or other entity that buys a Dryvebox franchise.

Franchisor and Affiliates

We conduct our business under the name Dryvebox. Our principal business address is 439 43rd Avenue, San Francisco, CA 94121. We are a Delaware limited liability company formed on July 26, 2022. We began offering Dryvebox franchises for the first time with this FDD. We do not conduct business under any other name, and we do not operate a business of the type described in this FDD, or offer franchises in any other line of business.

Our corporate parent company is Dryvebox Inc., a Delaware corporation formed on October 28, 2020. Its principal business address is 439 43rd Avenue, San Francisco, CA 94121.

We have several affiliates relevant to this Disclosure Document.

Yang & Cohen Enterprises Inc. is a Delaware corporation, formed on September 6, 2019. Its principal address is 439 43rd Ave., San Francisco, CA 94121. Yang & Cohen is wholly owned by Dryvebox, Inc., and owns and licenses some of the intellectual property in the Box that you will use in operating your Dryvebox business. Yang & Cohen also operates a corporate-owned unit in San Diego, under the trade name Dryvebox San Diego.

Dryvebox, Inc. is a Delaware corporation formed on October 28, 2020. Its principal address is 439 43rd Avenue, San Francisco, CA 94121. Dryvebox, Inc. owns the trademark that you will use as the brand name for your business and it also sells the mobile trailer ("Box") that you will use in your business. Dryvebox, Inc. also owns and operates two corporate-owned Dryvebox units in California, and a brick and mortar hybrid indoor golf and R&D facility, in San Francisco, CA.

Dryvebox Houston, LLC is a Delaware LLC formed on January 19, 2023. Its principal address is 4401 Steelbrooke Dr., Houston, TX 77035. Dryvebox Houston operates a corporate-owned Dryvebox unit in Houston, TX.

Dryvebox Visalia-Tulare, LLC is a Delaware LLC formed on January 27, 2023. Its principal address is 2966 Cape Canyon Ave, Tulare, CA 93274. Dryvebox Visalia-Tulare operates a corporate-owned Dryvebox unit in Visalia, CA.

Dryvebox Vero Beach, LLC is a Delaware LLC formed on March 27, 2023. Its principal address is 5825 39th Pl., Vero Beach, FL 32966. Dryvebox Vero Beach operates a corporate-owned Dryvebox unit in Vero Beach, FL.

Dryvebox Phoenix, LLC is a Delaware LLC formed on April 18, 2023. Its principal address is 439 43rd Ave., San Francisco, CA 94121. Dryvebox Phoenix operates a corporate-owned Dryvebox unit in Chandler, AZ.

Dryvebox Golf Lounge, Tulare LLC is a Delaware LLC formed on May 31, 2023. Its principal address is 2966 Cape Canyon Ave., Tulare, CA 93274. Dryvebox Golf Longue, Tulare operates a corporate-owned indoor brick and mortar golf facility in Tulare, CA.

Boondoctor, LLC ("Boondoctor") is an Arizona LLC formed on January 20, 2021. Its principal address is 64251 65 ½ Street, Salome, AZ 85348. Its owner is an advisor to Dryvebox, Inc. and as part of that position he and Boondoctor have options to acquire shares (amounting to less than a 2% interest in Dryvebox, Inc.) in our parent company, Dryvebox, Inc. He has not yet exercised the options as of the issuance date of this disclosure document, but could do so at any time, which could make Boondoctor an affiliate.

At this time, neither we nor our affiliates plan to offer franchises for the brick and mortar business type, although we may do so in the future.

Other than Yang & Cohen operating as Dryvebox San Diego, our affiliates do not do business under any other name. Our affiliates have not offered franchises in any other line of business.

We have no predecessor.

Agent for Service of Process

Our agents for service of process are listed in Exhibit D.

Prior Experience

We were formed in 2022 and have begun selling franchises as of the date of this disclosure document. Our affiliates developed the Dryvebox golf simulator trailer in 2021 and began operating it as a business in 2021. Together with our affiliates, we have been offering the mobile golf simulator experience that you will offer since 2021. This is our first offer of franchises.

The Business We Offer

Your Dryvebox business will consist of a trailer containing the technology and equipment necessary to offer golf simulator experiences to the public (your "Box"). You will be required to have access to (own, lease, or rent) a truck capable of towing the Box, although you will have discretion about whether to primarily leave your Box in a single location or to move it more frequently. Your customers will primarily be individuals and businesses creating social or marketing events using the Box, and new and existing golfers who want to hone their skills using the Box. Some may be people newer to golf who wish to take lessons or improve with the Box and with coaching assistance. You may have customers for optional lines of businesses in this franchise, such as those seeking club fitting, if you offer that service.

The market for golf is highly developed. Your competitors will include golf courses, driving ranges, golf-themed practice and party facilities, other golf coaches, and facilities that have indoor golf simulators. The business can have some seasonality depending on your local climate. For example, golfers may prefer to practice or play golf outside on days with good weather, and events using your Box may be less common during periods of uncomfortable weather.

Applicable Regulations

You must follow all laws applicable to motor vehicles in your area including vehicle registration, insurance, rules of the road when driving, and parking regulations. Any person who drives your vehicle must have a valid driver's license. The requirements for driver and vehicle licensing vary depending on your location. We strongly recommend that you consult with an independent advisor. You may need an additional local permit to operate an event or use your Box commercially in some locations, and in some cases you will be required to have specific insurance coverage for that event or location.

If you intend to park the Box at or near your home, you should investigate local regulations and ordinances including homeowner's association rules to be sure that doing so is permissible. You must also comply with all federal, state, and local requirements applicable to all businesses, including workplace safety laws, employment laws, and truth in advertising laws.

ITEM 2
BUSINESS EXPERIENCE

CEO and Co-Founder: Adeel Yang, MD

Dr. Yang has been the CEO of Dryvebox Franchising, LLC since its formation in July 2022, and has been the CEO and Co-Founder of Dryvebox, Inc. since October 2020. He worked as the Business Lead for Philips in Boston, Massachusetts from July 2019 to September 2021. Prior to that, he was Co-Founder and CEO of Medumo in Boston, Massachusetts from January 2015 until its acquisition by Philips in July 2019.

Chief Golf Officer and Co-Founder: Jake Hutt

Mr. Hutt has been the Chief Golf Officer of Dryvebox Franchising, LLC since its formation in July 2022, and has been the Chief Golf Officer and Co-Founder of Dryvebox, Inc. since October 2020. Since April 2017, he has been the CEO of Jake Hutt Golf in Redwood City, California, and he was a Class A golf professional working at Stanford University in Palo Alto, California from April 2012 to March 2020.

Chief Operating Officer and Co-Founder: Matthew Gipple

Mr. Gipple has been the Chief Operating Officer of Dryvebox Franchising, LLC since its formation in July 2022, and has been the Co-Founder of Dryvebox, Inc. since August 2021. From November 2019 to August 2021, he was the Head of Legal for Forward in San

Francisco, California, and from August 2015 to October 2019, he was General Counsel for Cruise in San Francisco, California.

Head of Strategy: Timothy Lin

Mr. Lin has been the Head of Strategy of Dryvebox Franchising, LLC since its formation in July 2022, and has been the Head of Operations and Strategy of Dryvebox, Inc. since July 2021. He attended Stanford Graduate School of Business in Palo Alto, California from September 2019 to June 2021, and prior to that he was a manager for A.T. Kearney in Atlanta, Georgia from July 2015 to July 2019.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcies are required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Summary of Initial fees:

Item	Low Amount	High Amount
Franchise Fee[1]	$34,000	$84,000
Box[2, 9]	$95,000	$122,793
Boondoctor Upfit[3]	$25,000	$25,000
Box Branding[4]	$1,800	$1,800
Box Shipping/Pickup[5]	$0	$6,500
Software/Licensing Fees[6]	$72	$261
Initial Inventory[7]	$1,236	$1,236
Launch/Grand Opening Assistance[8]	$3,000	$3,000
Total	$160,108	$244,590

Note 1: You must pay us an initial franchise fee in a lump sum when you sign a franchise agreement. If you sign a Franchise Agreement for a single Territory, you will receive a standard sized territory comprised of approximately five hundred thousand (500,000) residents, although the actual size of your specific territory will be set based on the household income and golfer density in your territory. The initial franchise fee for a standard Territory is the Low Amount reflected above of $34,000.

If you choose to purchase a larger territory and we agree to provide it to you, you will pay more than the High Amount reflected above, at $10,000 per additional approximately 100,000 people. The High Amount of $84,000 reflected above is based on a Territory sized at approximately 1 million people, which would be a standard territory plus the purchase

of 5 contiguous additional territories ($34,000 for your first territory and $50,000 for the 5 additional territories at $10,000 each).

If you choose to purchase a larger territory and we agree to provide it to you, you will pay more than the High Amount reflected above, at $10,000 per additional approximately 100,000 people.

Note 2: When you execute a purchase agreement for your Box, you must pay to our affiliate Dryvebox, Inc. a $50,000 deposit to initiate the construction of your Box. The balance is due prior to your pickup of the Box. As of the date this Franchise Disclosure Document was issued, the total cost of the Box ranges from $95,000 to $122,793, depending on which manufacturer and options you choose. The amount reflected in Item 7 of $35,009 assumes you have financed your purchase of the Base Box through a third-party finance company and the amount reflected assumes a down payment and the first 3 months of repayment for the Box. The total loan amount would cover both the deposit and remainder due on the Box.

Note 3: Prior to picking up your Box, you must purchase, from us, an upfit to your Box provided by Boondoctor which includes the grid power access, battery, and solar system for your Box, which currently costs $25,000 and is paid to us.

Note 4: Prior to picking up your Box, you will also pay us $1,800 to procure the branding placed on the Box.

Note 5: You may pick up your Box or secure your own shipping, or you may ask us to deliver it to you. If we procure delivery for you, you will pay us, and the amount owed will differ depending on the distance from the trailer manufacturer to the delivery location. We anticipate delivery costs to range between $500-$6,500 for deliveries made within the continental US. This charge is based on gas prices as of the date this Disclosure Document was issued, and may increase if gas prices increase.

Note 6: Before you open for business, you will pay us $72-$261 for software licenses covering the products we make available to you or that you need to operate your business, such as email and user account(s) tied to the Dryvebox Google Workspace domain. The total cost varies based on how long it is between your signing and launch, how many users you add to certain systems, what tier of service / product you wish to purchase for certain systems, and which systems you elect to use.

Note 7: You will also pay us $1,236 for an initial inventory of certain branded merchandise that you will offer at your business.

Note 8: You will pay us a lump sum of $3,000 prior to opening, which will cover the cost of our visit to you to help with your launch and grand opening.

Note 9: The total amount due to us listed on the Cover Page of this Disclosure Document assumes the 3rd party financing of the Box and includes an estimated down payment and the first 3 monthly payments.

Discounts:

If you are an existing general manager of one of our Dryvebox businesses and we agree to sell you a franchise, for your first franchise, we will waive your initial franchise fee for the standard size territory. Further, we will not require you to have us come out for the launch and grand opening visit, and if you do not have us visit, you will not need to pay us the $3,000 fee associated with that visit.

If you attended our Dryvebox Summit in person in January or April 2023 and we agree to sell you a franchise, and you aren't already a general manager of a Dryvebox unit, for your first franchise, we will waive your initial franchise fee for the standard size territory. In the last fiscal year, we waived some initial franchise fees pursuant to this policy, and we provided discounts ranging from 10% - 20% off the initial franchise fee for the acquisition of more than one franchised business.

Refunds:

Your initial franchise fees are not refundable under any circumstances. Your Box deposit is also not refundable except for certain situations of manufacturer fault, which will be described in your purchase agreement with the manufacturer. If you take possession of the Box from the manufacturer, that fee is also not refundable, although if you do not begin operating the business or if you stop operating the business, we may be willing to repurchase the Box from you at a purchase price set by your franchise agreement, set by law, or that otherwise we find acceptable.

ITEM 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty	6% of gross sales during the previous month	Payable monthly, no later than second Tuesday of the month	Gross sales includes all sales through your business , excluding discounts and sales tax. Gross sales includes all revenue at the time you receive it, whether or not you have provided the services yet.

Type of Fee	Amount	Due Date	Remarks
Brand Advertising Fund (Note 1)	2% of gross sales per month	Payable monthly, no later than the second Tuesday of the month	We will use this to build the brand and have no obligation to spend it in your area or region. This requirement begins the month in which you open for business
Local Advertising	The greater of $400 or 3% of gross sales per month	Payable monthly, no later than the second Tuesday of the month	At present, we do not collect this, but we require you to spend this much in your area. We have the right to begin collecting this from you (a) at any time, with prior notice, or (b) if you are unable to demonstrate that you are spending this amount yourself. This requirement begins the month in which you open for business

Type of Fee	Amount	Due Date	Remarks
Technology Fee (if implemented)	The greater of $300 or 2% of gross sales per month	Monthly, no later than the second Tuesday of the month	At present, we do not collect this, but in the future we have the right to implement a monthly fee for our maintenance and development of our website, proprietary software systems, loyalty programs, mobile apps, or any other software programs or technologies we make available to you or for your benefit.

Type of Fee	Amount	Due Date	Remarks
Non-PGA Coach Approval Fee (if applicable) (Note 2)	$150 - $300	As incurred	If you want to employ a golf coach who is not PGA certified, you must submit an application for approval to us. We will review their experience, interview them, and potentially organize a trial coaching session, and then let you know whether we agree that they have the minimum qualifications to teach golf to the Dryvebox brand standards. The approval fee is non-refundable, even if we do not approve the proposed coach or you do not hire the proposed coach.
Additional Training (if applicable)	If provided virtually, $200 per day of additional training, up to two people. $50 per hour per additional person. If we provide the training in person, it is $400 per day.	As incurred	This is for training on new or additional matters, not for our initial training.

Type of Fee	Amount	Due Date	Remarks
Replacement Initial Training (if applicable)	Initial training is provided at no cost, for up to two people if at the same time. $5,000 for up to two people.	Prior to the start of training	Initial training is free for you and one manager. We charge you this amount for training additional people or newly hired personnel that must have the entire initial training.
Additional Box Fee (if applicable)	$5,200	As incurred	If you choose to add another Box to your franchise, you will pay us this fee. This is in addition to the cost of the Box, which is described in Items 5 and 7.
Audit (if applicable)	Cost of audit and inspection, understated amounts, accounting and legal expenses, travel costs, plus maximum legal interest on late payments Estimated to be between $1,000 and $12,000	At conclusion of audit	This fee is only charged if our audit reveals that you have underreported and underpaid your monthly obligations to us by 2% or more.

Type of Fee	Amount	Due Date	Remarks
Transfer (if applicable)	$7,500 if sold to an existing Dryvebox franchisee, otherwise $10,000	Prior to transfer	This fee is charged if you transfer your interest to a new owner, transfer ownership of your legal entity, or transfer your interest in the Franchise Agreement. If you transfer your interest to an entity that you control, you will only be responsible for our actual costs.
Renewal (if applicable)	The greater of $7,500 or 25% of the then-current initial franchise fee	Prior to renewal	You must be in good standing in order to qualify for renewal. Our then-current initial franchise fee is calculated as the lump sum fee you pay for the franchise fee plus any additional territory rights. If you purchased a larger territory, we will use the total size of the territory you purchased to calculate the then-current initial franchise fee.

Type of Fee	Amount	Due Date	Remarks
Relocation (if applicable)	$1,000 plus third-party costs for legal and other services. Approximately $2,000 - $5,000 total.	As incurred	This fee is charged only if you request and we approve a change of your Territory to a different location.
Insufficient Funds, Late Fees and Interest (if applicable) (Note 3)	$100 per insufficient funds notice. For amounts owed: 12% per annum in interest, plus late fee of $100 per week that any amount owed remains unpaid.	As incurred	Payable only if you fail to pay amounts owed to us or our affiliates when due. Any amounts will be reduced to the highest rate permitted by law if they would otherwise be above such amount.
Payment Service Fee (if applicable)	Up to 4% of total charge	As incurred	If payment is made to us or our affiliates by credit card, we may charge a service fee to account for our processing expenses.
Annual Convention Fee (if applicable)	Our annual fee for attendance, plus costs of travel and lodging for all attendees Our current fee is estimated to be $1,000 per person	Annually	We do not currently hold an annual convention. But, any year that we hold a convention and require attendance, you must pay the convention fee (and attend).

Type of Fee	Amount	Due Date	Remarks
Supplier and Product Evaluation Fee (if applicable)	Costs of evaluation (estimated to be between $100 to $500)	As incurred	Payable if we inspect a new product, service, or proposed supplier that you ask us to evaluate. You must also provide us with the sample to inspect at your own cost.
Insurance Replacement (if applicable)	Costs and expenses, plus 20% administration fee, as applicable.	As incurred	Payable if you fail to obtain insurance or if we obtain insurance for you. If we obtain insurance for you, you must pay 20% of the premium as an administrative fee.

Type of Fee	Amount	Due Date	Remarks
Customer/Warranty Issue Resolution (if applicable)	Actual costs incurred for responding to customer complaints or warranty issues, plus $200	As incurred	Payable if a customer contacts us with a complaint or warranty issue and we or another franchisee assists or compensates them or are required to correct or redo the work performed by you. In these circumstances, you must reimburse us (in which case the amount reimbursed may be placed in the Brand Advertising Fund or retained by us, in our discretion) or the provider of services for these amounts.

Type of Fee	Amount	Due Date	Remarks
Non-Compliance Fee (if applicable) (Note 3)	$400 per occurrence and $400 per additional week that the non-compliance continues after we provide you with notice	As incurred	Payable if you materially fail to comply with our requirements, including failure to submit any required reports or financial statements when due. You will continue to incur this fee until you return to compliance.
Indemnification (if applicable)	Varies	As incurred	You must indemnify and reimburse us for any expenses or losses that we or our affiliates incur related in any way to the franchise.
Management Fee (if applicable)	$2000 per month plus $150 per hour of time spent on management activities.	As incurred	Payable if we manage your franchise for up to 120 days because you are in breach of the Franchise Agreement, or upon our mutual agreement to do so.

Type of Fee	Amount	Due Date	Remarks
Liquidated Damages (if applicable)	Your average monthly royalty over the past 12 months multiplied by the lesser of 24 or the number of months left in the term of your Franchise Agreement.	As incurred	Payable if we terminate the Franchise Agreement before the term ends because of your material breach, or if you terminate the Franchise Agreement or abandon operation of your business without cause.

All of these fees, if applicable, are imposed and collected by us, and are paid to us directly. These fees are non-refundable once collected. As of the date of this FDD, these fees are uniformly imposed.

Note 1: The Brand Advertising Fund is used by us, in our discretion, for brand-building, promotions, and advertising, including search engine optimization (SEO) and digital marketing, and to maintain our website, which will list your business.

Note 2: The fee we charge to assess and approve your proposed golf coach will vary depending on the qualifications of the proposed coach and the time required for us to vet them.

Note 3: We have the right to assess late penalties and non-compliance fees as set forth here on any amounts you fail to pay us when due, or any material non-compliance with our requirements. Your failure to pay money due or to otherwise comply with our requirements is also a breach of the franchise agreement, and an ongoing failure to comply after we have provided you the required time to cure your default is grounds for termination. Even if you pay these fees, if you breach the franchise agreement multiple times, we may still have the right to terminate your franchise agreement.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial franchise fee (Note 1)	$34,000 - $84,000	Lump sum	At signing of franchise agreement	Us
Base Box purchase (Note 2)	$35,008 - $122,793	Two installments	Installments at signing of purchase agreement, and prior to Box pickup	Affiliate; or a third party vendor if you finance the purchase
Box branding (Note 3)	$1,800	Lump sum	Prior to Box pickup	Us
Box outfitting (Note 4)	$35,050 - $45,300	As incurred	Prior to Box pickup	Us and third party vendors
Launch monitor lease / purchase (Note 5)	$0 - $21,000	Lump sum	Prior to Box arrival	Third party vendor
Box shipping (Note 6)	$0 - $6,500	Lump sum	Prior to Box pickup	Us or Third-party shipping vendor
Truck procurement (Note 7)	$0 - $10,500	As incurred	Prior to Box arrival	Third party vendor
Vehicle registration and taxes (Note 8)	$2,500 - $10,200	As incurred	Upon acquisition of vehicles	Government agencies
Vehicle & business insurance (Note 9)	$1,388 -$4,100	As incurred	Prior to Box arrival	Third party vendors
Parking space rental & security deposits (Note 10)	$0 - $3,000	As incurred	Prior to Box arrival	Landlord
Pre-launch build and launch expenditures (Note 11)	$2,225 - $10,900	As incurred	As incurred	Third party vendors
Merchandise (Note 12)	$1,236	Lump sum	Prior to opening	Us

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Business licenses and permits (Note 13)	$350 - $1,300	As incurred	Prior to opening	Government agencies
Internet (Note 14)	$135 - $450	As incurred	As incurred	Third party vendors
Software licenses purchased through us (Note 15)	$72 - $261	As incurred	As incurred	Us
Software and other licenses purchased directly from vendors (Note 16)	$583 - $1830	As incurred	As incurred	Third party vendors
Maintenance and cleaning (Note 17)	$300 - $600	As incurred	As incurred	Third party vendors
Costs to attend training (Note 18)	$1,500 - $8,000	As incurred	Prior to opening	Third party vendors
Our launch visit to you	$3,000	Lump sum	Prior to opening	Us
Professional/ legal expenses (Note 19)	$2,200 - $9,500	As incurred	As incurred	Third party vendors
Additional funds (first 3 months) (Note 20)	$15,000 - $30,000	As incurred	As incurred	Third party vendors
TOTAL	$136,347 - $376,270			

Note 1: The low end of our estimate represents our standard initial franchise fee. The high end represents a territory sized at approximately 1 million people, which would be a standard initial fee and territory plus the purchase of 5 contiguous additional territories at $10,000 each ($34,000 for your first territory and $50,000 for the 5 additional territories at $10,000 each give the high end total of $84,000 represented above). If you choose to purchase a larger territory and we agree to provide it to you, you will pay more than the

high end of our estimate, at $10,000 per additional approximately 100,000 people. We do not finance your initial franchise fee or any other portion of your initial investment.

Note 2: The "Base Box" means the Box without the installation of the additional items of furniture and equipment you will need to add to the Box. Your initial cost to purchase the Base Box will depend on whether you finance through an equipment financing lender or pay for it in a lump sum. We allow people to finance their Box through third parties, but we do not offer financing ourselves.

The current full price for the Base Box ranges from $95,000 – $122,793, with variance depending on which of our authorized suppliers you purchase from and if you add optional components to your Box, such as side awnings.

The purchase agreement for the Box, regardless of which manufacturer you choose, calls for payments of $50,000 up front and the remainder due at Box pickup.

The low end number of $35,009 reflected in the table above assumes you have financed your purchase of the Base Box through a third-party finance company and this amount reflects a down payment and the first 3 months of repayment for the Box. The loan would cover both the deposit and remainder due on the Base Box.

Your purchase of the Base Box includes the majority of the hardware and equipment that is permanently attached to the trailer, such as a projector, TVs, lighting, the deck, and turf. But, in order to be used for the business, the Box needs additional equipment and installed items, the "loose" items and solar and battery system, which are addressed in Note 4 below.

Note 3: We get Dryvebox branding placed on your Box, including materials and installation.

Note 4: This includes the grid power access, battery, and solar system for your Box, which currently costs $25,000 and is paid to us.

Beyond that system, this category includes the "loose" items used in or with the Box, such as clubs, balls, furniture, the computer, decorations, and the generator you will use. If you already have some of the "loose" items and what you have meets our requirements, you will not need to purchase them and you may end up spending less than our expected minimum.

If you purchase our recommended set of "loose" items, your expenses will be at the lower end of our estimates. If you go outside our recommendations and purchase more and higher end golf clubs, more furniture or more expensive furniture, or other items in greater quantity or that are more expensive, then you will spend toward the higher end of the estimate, or could even exceed it, depending on what you choose to buy.

Note 5: You are required to procure a high-quality, new-condition, event-optimized launch monitor and accompanying software system for your business. We must approve the launch monitor you will use. Our recommended launch monitor is Trackman 4, though we will consider additional launch monitors, such as operating with a pair of Foresight GC3 units.

You may not use an older launch monitor or one that is not in good visible and functional condition. If you already own a Trackman 4 unit or another launch monitor that we approve, you will not incur this cost. The high end of our estimate assumes you buy a Trackman 4 unit new and in full, at the discounted purchase price we have negotiated with TrackMan. We have also negotiated lease options from TrackMan. You can also purchase a used TrackMan 4 unit from a third party, so long as it is in good working condition.

Note 6: You will be responsible for picking up the Box or arranging for a vendor to deliver the Box to you. Depending on your location, whether you choose to go to the Box and inspect it before shipping, and the vendor you select, the cost for pickup or delivery will vary.

Note 7: You will need a truck capable of towing the Box. Our estimate assumes that you will finance or lease your truck, rather than purchase outright. We do not require truck wrapping, but if you choose to add branding to your truck you must acquire our prior approval of the design and use of our marks. You may not use a truck that is branded with any third-party advertising. The truck must be in good condition with no visible body damage. If you already have a truck meeting our requirements, you will not incur this cost. Our high-end estimate is based on the acquisition of a larger truck than is needed, with mid-range trim/features. If you acquire a luxury vehicle or opt for the highest-end trim/additional features or after-market additions, your cost could exceed our estimate. We do not provide automobile financing.

Note 8: You will need to register both the truck and the Box in your state. Your cost will depend on your state's fees for license and title registration and taxes for vehicles of these types, the price of the Box you purchased, and whether you bought/leased your truck for this business or already had it.

Note 9: Our estimate of insurance is based on either quarterly or annual payments for all business and vehicle insurance we require, including coverage of no more than two drivers. Your cost can vary based on the driving record of the drivers you insure and your location. You will need to maintain business insurance in amounts we specify, and worker's compensation insurance in the amount required by your local area. Your rates are likely to vary based on your local area.

Note 10: You will need a secure location to park the Box. If you are not offering services at that location, the space needs to fit only the closed size of the trailer (35' L, 8.5' W, 13.5' H). If you will have customers come to you, the space will need to account for the expanded profile of the Box (45' L, 22' W, 13.5' H). You can use your home, if otherwise compliant with local law and any applicable property, neighborhood, homeowners association, or community rules. The location will need to have access to non-GFCI (exterior outlet) power. To the extent you will allow customers at the location, you will also need to consider a number of other factors we will discuss with you in training, such as safety, access to restroom facilities, location, ambiance, access hours, parking, accessibility, and more.

Note 11: This estimate covers your expenditures surrounding your pre-launch build and launch events, including advertising (digital and print), driving to and performing Box demonstrations (before launch, at launch, and occasionally in the three months after launch), launch event expenses such as prizes or food, and having any paid staffing to support the launch events.

With regards to fuel costs, we have used $4.75 per gallon in our estimate. If your gasoline costs exceed that, your costs may be higher.

This estimate does not account for fuel costs you will incur in the furtherance of booked business that you travel to in your first three months, as those costs are operational and should be covered by your pricing of the events you are serving.

For the same reason, this estimate does not account for staff costs you will incur in the furtherance of paid business that you conduct in your first three months. The staff cost included in this estimate accounts only for our expected range of free demonstrations and launch events where you would need to have and pay for additional staff. If you are not working the Box yourself at all, your staff costs will be higher. We estimate that, when they first open for business, a typical franchisee will either work the business themselves, or use a single employee with minimal part-time additional employee support. Your costs will depend on whether and when you hire anyone. If you hire a full-time employee, or if you pay yourself a wage as an owner operator, it is possible that your costs will exceed our estimate.

Note 12: This estimate includes your costs for an initial inventory of branded merchandise that you will have available for sale, including hats and t-shirts.

Note 13: This estimate includes your cost to register your business and obtain local permits.

Note 14: This estimate includes your costs for the Box's internet subscription.

Note 15: You must procure Google Workspace (email, file storage, calendar), Slack (internal communications), and Zapier (automations and integrations) through us. This estimate assumes you will need between 1 and 3 user accounts for each of those services. If you require additional users to operate your business, your costs will exceed our estimate.

Note 16: You need various other additional software and licenses to operate your business, for accounting, music, marketing, sales, and IT, all of which are outlined in our operations manual. This estimate assumes between 1 and 3 users, and generally the standard-feature plans. If you need additional users, or procure higher-end plans, it is possible that your costs will exceed our estimate.

Note 17: You will need to maintain your truck and Box in good condition, both visible and functional. This estimate assumes typical cleaning and maintenance in the time from receiving your Box through the first three months of operation.

Note 18: Your initial franchise fee covers the cost of our providing initial training to you and one other person. However, unless you live in the San Francisco, California area, you will incur costs to travel to our training and stay in the area, and all other costs of meals, transportation and other expenses during your stay for the training program. If you bring a trainee who is on your staff, you will incur costs to pay wages while they attend training, plus their travel, lodging, and other associated costs.

Note 19: Our estimate for professional expenses is for hiring an attorney, accountant or other professionals and for forming your business entity. For example, you may retain an attorney to review this FDD, to help you set up a legal entity to own your business, and to help you understand employment laws, and you may hire a bookkeeper or accountant to help you with financial aspects of running your business.

Note 20: Our estimate for additional funds includes funds for additional marketing, employee wages not tied to launch events and demonstrations, fuel not tied to launch events and demonstrations, unexpected maintenance and repairs, and other unknown operational expenses you may incur in running the business. If you hire more than one full-time person during the first three months, your additional payroll costs could exceed our estimate. This estimate does not include expenses from any of the other categories described above. This estimate is based on our parent company's experiences operating a similar business over the last 18 months.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases

You must purchase the Box from our affiliate Dryvebox, Inc., which is partially owned by one or more of our officers, and which is built by one of our authorized manufacturers, and bearing our branding. You must also purchase or lease a truck, certain operating software and hardware, golf balls, clubs, and other supplies and merchandise that we specify under specifications in the operating manual. These specifications include standards for performance, design, appearance, and capacity. Our specifications have been developed based on our, our franchisees', and our affiliates' experience and may be modified periodically by notice to you.

Required and Approved Suppliers

You must purchase through us an upgrade provided by Boondoctor to add the solar and battery system and functionality from us for connecting to grid power. The hardware unit, furniture, lawn games, golf balls, and various other items needed to outfit your Box from our approved suppliers. We will provide you with a list of our approved suppliers. The Box will be built by one of our designated manufacturers, and that manufacturer is solely responsible for any warranty, performance or other claims. We have no liability to you for

any malfunction, repairs, or replacement of the Box, the Boondoctor upgrade items, or any other equipment or supplies.

We require you to use software and hardware from specific suppliers. We have the right to change these suppliers and to require you to license software or purchase hardware from other suppliers in the future.

Approval of Alternate Suppliers

From time to time, we may approve other suppliers whose products meet our standards and requirements. If you would like to purchase from an alternate supplier, you must make a written request that we review that supplier's products and determine whether or not to approve them as a vendor. We may require you to purchase, at your own expense, an example of the proposed vendor's product for us to review. Our approval of other suppliers depends on many factors, including the proposed supplier's business reputation, delivery performance, product quality, production capability, financial status and credit rating, and warranty, if any. We may charge a fee to evaluate the product. We will give you notice of approval or disapproval within thirty (30) days of receipt of your written request. Approval may be revoked in our sole discretion by providing written notice to you.

Revenue from Franchisee Purchases

In 2023, our affiliate received $115,171 in revenue from our license of the patented technology to manufacturers who produce the Box, when those manufacturers sold Boxes to franchisees. We did not receive any revenue from franchisee purchases or leases.

Cooperatives

We do not have any purchasing or distribution cooperatives.

Negotiated Prices

We have negotiated discounted price arrangements with TrackMan, the Box manufacturer, the grid connection, solar, and battery upfitter, and club manufacturers. As our business grows, we may negotiate additional discounted pricing structures.

Franchisees do not receive any material benefit or inducement from the Franchisor or its Affiliate for using designated or approved suppliers.

Required Purchases in Relation to All Purchases

Our detailed specifications and standards for purchasing are in our Operations Manual, as modified periodically. This includes specifications, recommendations, requirements, and limitations on your truck, the Box from which you will operate your business, your attire, and related equipment necessary for you to operate your business. These purchases will comprise almost 100% of your expenditures to establish the business other than what you spend on payroll, rent, utilities, taxes, licensing and permitting, and miscellaneous professional services. On an ongoing basis, you should estimate that at least seventy-five

percent (75%) of your purchases will be subject to some requirement in our Operations Manual.

These estimates are based on our experience operating our own business and a study of the expenses you will incur.

Insurance Requirement

You must maintain: a commercial general liability policy with a $1,000,000 per occurrence and $3,000,000 aggregate limit; automobile liability for scheduled vehicles with a $1,000,000 combined single limit and no deductible exceeding $2,500; and special form property insurance on all personal property, furniture, fixtures, and equipment used in the business, together with all other insurance required by law in your area. You must name us and our related parties as additional insureds.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

	OBLIGATION	SECTION IN FRANCHISE AGREEMENT	Disclosure Document Item
a.	Site selection & acquisition/lease	2.1(b), 5.1, 6.1(a)	Item 11
b.	Pre-opening purchases/leases	3.2 – 3.4	Items 7 & 8
c.	Site development & other pre-opening requirements	5.1	Items 7 & 11
d.	Initial & ongoing training	4.7(d); 6.1(c); 6.2(a), (h)	Item 11
e.	Opening (launch)	5.3	Item 11
f.	Fees	3, 4	Items 5 & 6
g.	Compliance with standards & policies/operating manual	2.1(b); 5.3	Items 8 & 11
h.	Trademark & proprietary information	1.2; 5.4	Items 13 & 14
i.	Restrictions on products/services offered	2.1(b); 5.6	Items 8 & 16
j.	Warranty & customer service requirements	4.7(g); 9.4	Not Applicable
k.	Territorial development & sales quotas	5.3(e), 5.3(h)	Items 11 & 12
l.	Ongoing product/service purchases	3.3; 5.7	Item 8
m.	Maintenance, appearance & remodeling requirements	2.3(b); 5.2	Item 11
n.	Insurance	5.10	Items 7 & 8
o.	Advertising	4.3	Items 6 & 11

	OBLIGATION	SECTION IN FRANCHISE AGREEMENT	Disclosure Document Item
p.	Indemnification	5.9; 6.4	Not Applicable
q.	Owner's participation management/staffing	Not required	Item 15
r.	Records/reports	4.8; 5.13	Not Applicable
s.	Inspections/audits	5.13(b); 5.14	Item 6
t.	Transfer	8	Item 17
u.	Renewal	2.3(b)	Item 17
v.	Post termination obligations	7.3	Item 17
w.	Noncompetition covenant	1.5, Exhibit 3	Items 12 & 17
x.	Dispute resolution	9.12	Item 17

ITEM 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee any truck, Box, or TrackMan lease or any other obligation.

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

Except as listed below, Dryvebox Franchising, LLC is not required to provide you with any assistance.

Pre-Opening Assistance

Before you open the business, we will:

1. Identify your protected territory.

2. If applicable, review and approve your proposed "Home Base" location. A Home Base is the location where clients can come to the Box instead of you traveling to their location. If you want to have a Home Base location, you must submit the proposed location to us for our review and approval. We weigh the following factors when reviewing your proposed location: safety, ease of access, proximity to target market, visibility, compliance, restroom access, cost, the appearance and maintenance of the surrounding area, foot traffic, availability of parking, the nature of surrounding businesses, and any structural impediments or challenges such as limitations in access to power or internet or restrictions on noise or hours of operation. If you wish to have a Home Base location, you must get our approval at least 3 weeks prior to offering services there. We will provide you with guidance on what to submit to us in order for us to review your proposed home base. We will review and respond to your proposal promptly, and in no case longer than 14 days. If you fail to do ask for our approval, or if you and we cannot agree on an acceptable Home Base location, then you cannot offer services of people coming to the Box, but you can

continue to offer the services of you traveling with the Box to clients. (Franchise Agreement – Section 2.1(b)(i); 5.1(a)).

2. Get Dryvebox branding installed on your Box. (Franchise Agreement – Section 3.2(c); 6.1(b)).

3. Guide you in the process of outfitting your Box. We will provide you a written summary of the items you must purchase, instruction on what to put where and how to connect everything, and if you need it when we visit for your launch, direct assistance. Other than getting Dryvebox branding installed on the Box, we do not purchase, deliver or install any of your furniture, fixtures, or vehicle, or accept delivery of or set up these items on your behalf. (Franchise Agreement - Section 6.1(b)).

4. Provide you with access to software necessary to operate your business. (Franchise Agreement – Section 3.3).

5. Provide training for you (and another staff member, if applicable) in how to operate a Dryvebox business. (Franchise Agreement - Sections 3.4; 5.3(f); 6.1(c)).

6. Loan you the Operations Manual. (Franchise Agreement – Section 6.1(d)).

7. Add your business to the Dryvebox website and populate your location's page with information you provide about your business's contact information and services. (Franchise Agreement – Sections 6.1(f)).

8. Visit your business for your grand opening and create a launch video for you to use in local advertising. (Franchise Agreement – Section 3.4).

We do not however, provide assistance in conforming your Home Base (if applicable) to local ordinances and building codes, nor do we provide assistance in obtaining any required permits, and/or construction, remodeling, or decorating your location. We do not offer any assistance in hiring or training your employees.

Post-Opening Assistance

During the operation of the business within the term of the Agreement, we will:

1. Give you any advice and written materials we may develop on the techniques of managing and operating Dryvebox Franchises. (Franchise Agreement, Section VI.G.)

2. Provide pricing methods/guidance from time to time for products and services to be sold at Dryvebox Franchises, and we may establish minimum, maximum or other pricing requirements. (Franchise Agreement – Section 6.2(b)).

3. Maintain the company website, which will include information for your franchised business, including how to contact your location and other information we approve. (Franchise Agreement - Section 6.1(f)).

4. Manage the advertising fund and engage in marketing for the benefit of the brand. (Franchise Agreement – Sections 4.3).

5. Review and approve or disapprove your proposed advertising and promotional plans and materials. (Franchise Agreement – Section 6.2(e)).

6. In our discretion, hold a franchisee conference no more frequently than annually. (Franchise Agreement – Section 3.5(j)).

7. In our discretion, provide periodic all franchisee calls or virtual meetings to provide you with updates and information and to field your questions. We reserve the right to make it mandatory for you or your staff to attend these calls or meetings, which will be held at no cost to you. (Franchise Agreement – Section 4.2(c)).

8. In our discretion, provide refresher training courses as we determine necessary (Franchise Agreement, Section 4.7(d)).

9. Conduct Major Event reviews and provide recommendations regarding the structure and operation of proposed Major Events. (Franchise Agreement - Section 4.5).

10. If we book Drive-up Events or Major Events in your territory, offer you the opportunity to participate in those, at a rate of no less than $2,500 per active day of event (using your Box and staff) for doing so. (Franchise Agreement – Section 2.1(c)(ii)).

Time to Open

We estimate that it will take an average of three months for you to open for business after signing your Franchise Agreement. You must open for business within 12 months of signing the Franchise Agreement or we have the right to terminate your rights. We will not give you a refund, although if we repurchase your Box, we will pay you for it according to the calculation set forth in our Franchise Agreement, or as required by law. The factors that may affect the time period between signing the Franchise Agreement, paying the franchise fee, and opening the business include local permitting, training dates, schedules, whether you choose to have a Home Base, and if so whether the Home Base requires buildout or remodeling.

Advertising

We will run advertising for the brand through the Brand Advertising Fund. Specifically, we provide the following services and support:

1. We design and maintain the Dryvebox website; and

2. We may use the Brand Advertising Fund for digital marketing, search engine optimization, maintenance and improvement of the website, development of marketing materials that can be used by all franchisees, branding consultants, advertising, promotion, and marketing efforts and associated administrative expenses for the Dryvebox system within the United States. Our use of the Brand Advertising Fund may be local,

regional or national advertising, including public relations and marketing programs for the Dryvebox brand. The primary intention of this advertising is to maximize public recognition of the Dryvebox brand and the we are not required to spend any amount of the Brand Advertising Fund in any franchisee territory, but may if we choose at our discretion.

We need not spend all amounts we collect for this advertising in the same year collected. If the amount collected exceeds what is needed to pay for currently-planned advertising and marketing, we may accrue the excess amounts for use in future years. We will provide you with an unaudited accounting of how we used payments in the last fiscal year upon your request. We do not use your advertising payments in any advertising that is principally to solicit prospective franchisees. You will not receive a refund of any advertising fees paid on termination, nonrenewal or expiration of your franchise. We are not required to segregate these payments from other funds we hold or to audit what we collect and spend.

We administer the Brand Advertising Fund and have exclusive discretion over its expenditures. The Brand Advertising Fund is not audited, but we make a statement of our use of the Brand Advertising Fund available annually to franchisees. We do not use the Brand Advertising Fund to sell additional franchises.

You are required to spend on local advertising. We may later collect the required local marketing contributions and manage that marketing for you. For your local advertising, you must notify us of the advertising you wish to do and either obtain our prior written approval of your specific advertising initiative, or use our approved vendors. We have the right to require you to reimburse us for our actual costs of placing advertising for you, through our approved vendors, and to charge you a fee for such service if we offer to provide it to you. You are not permitted to establish and maintain your own website for the Franchised Business.

We do not have the contractual right to form or require you to join advertising cooperatives, or to change, dissolve or merge any advertising cooperatives.

We do not currently have an "Advertising Council."

We collect the Brand Advertising Fund contributions at the same rate from all Dryvebox franchises. We have not yet collected any money for the Brand Advertising Fund as of the date of this FDD.

Computer Requirements

We require you to have a computer to run the TrackMan software and other software you'll need to run the business. We provide you the specification of the system you need to procure, and instructions on how to install the computer and mouse, monitor, and keyboard, into the Box. The price of computers varies, but currently, we anticipate the cost to purchase a computer and peripherals sufficient for your needs will be approximately $1,400. We reserve the right to change or require additional software if we deem it necessary and appropriate.

We also require you to have a credit card processing system (currently Square) that will work with your mobile device. We will provide you the specification of the system you need to procure, which at this time runs on an iPad (or phone). We reserve the right to switch to a different POS provider if we deem it necessary and appropriate.

In addition to the cost of purchasing the Box, your ongoing TrackMan and other software subscriptions will cover the expected costs to use and access critical software and technology, including Google Suite and Quickbooks.

We reserve the right to develop proprietary computer software or systems or point of sale systems in the future and have the right to require you to use them and enter into appropriate licensing agreements to protect our rights in them. We do not have any contractual obligation during the term of the franchise to update or upgrade any website or computer program we might develop. We cannot at this time estimate the cost to comply with any future requirements it may impose, but we will not impose any requirements on you that are unreasonable for a business like the Franchised Business.

We require you to authorize our independent, online access to data stored in your computer system, including sales, purchasing and customer data. Your failure to do so is grounds for termination. We will have full access online to all data and records of the Franchised Business available through your use of our website, to any communications you make through or receive at the website, and to information that you post at the website, and we are not required to notify you about our reviewing this data and information.

Operations Manual and Program Guide

We will loan you a copy of the operations manual and program guide that contain mandatory and suggested specifications, our Dryvebox system. The operations manual is currently 391 pages long, including appendices. These documents are confidential and remain our property. You will be required to restrict access to them and ensure that your employees do not copy these or disclose their contents, except as authorized. We will modify them from time to time, but the modifications will not alter your status and rights under the Franchise Agreement. The Table of Contents for the operations manual is attached as Exhibit H.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
History, who we are, mission, values	2	0	Virtual
Getting started – Site selection, accounts, licenses and permits, insurance, initial marketing and launch preparation	4	0	Virtual

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Legal	1	0	Virtual
Finance & Accounting	2.5	0	Virtual
Safety, trailer outfitting, and driving	1	3	San Francisco, CA and your location
Advertising and Marketing	2	0	San Francisco, CA
Sales	2	0	San Francisco, CA
Operating your business	6	3	San Francisco, CA and your location
Totals	22.5	6	

We offer initial training for each franchisee and one additional person. You may bring additional staff you have hired for a daily fee. The training sessions are conducted as needed. You must pay for you and your employees' travel and living expenses, in addition to any wages for your employees who attend. Our training program covers the subjects listed in the table above.

Currently, our training staff includes Adeel Yang (CEO), Matt Gipple (COO), Jake Hutt (Chief Golf Officer), Tim Lin (Head of Strategy), Juan Hurtado (Operations Manager), and Anthony Thaxton (Operations Manager). Your training staff will be dictated by Franchise location and available trainers. Each of your instructors will have at least one year of personal experience with Dryvebox in the subject area they teach.

We have the option, but not the obligation, to provide an additional refresher training for up to 2 days per year. If we offer this training, you will be required to attend and you must pay for your own travel and lodging, and we have the right to charge a fee at our rate for additional training.

We may also require you to participate in monthly video conferences.

ITEM 12
TERRITORY

You will receive a protected territory, defined by zip codes, consisting of approximately 500,000 people. This number will be approximate and will be based on recent data available to us regarding population. We will adjust the number of people in the territory lower than 500,000 where the household income or density of golfers is higher in that geographic area than the average in the United States, and we will create a larger territory by population where the opposite is true. If you are being offered one of these smaller or larger territories, we will tell you.

If you want a larger territory than our standard offer, you can purchase additional contiguous territory size in increments of approximately 100,000 residents.

Your Box is mobile, and the business involves taking your Box to customer locations. We have the right, however, to prohibit you from parking or operating your Box in certain areas we do not approve of for brand protection purposes, for example, political rallies.

In addition to going to the customer, you may, but do not have to, operate your Box at a specific site within your territory where customers can come to you. We call such a location your Box's home base, and if you choose to have a home base, we must review and approve it prior to you offering services there.

If you request and we approve a change of your Territory to a different location, you will pay a fee of $1,000 plus third-party costs for legal and other services, which will total approximately $2,000 to $5,000.

This chart summarizes your rights, our rights, and others' rights in your Territory.

In your Territory, what can you do with a Dryvebox			
Type of Service	You can:	Dryvebox or its affiliates can:	Other franchisees can:
Simulator rentals / memberships	You can advertise these, close sales, and provide these services to consumers ("Market, sell, and serve.")	None.	None.
Coaching / club fitting	Market, sell, and serve.	None (except as part of allowed events).	None (except as part of allowed events).

Drive-up Events	Market, sell, and serve.	Market, sell, and serve, subject to some restrictions. We must offer you the first opportunity to work at any Drive-up or Major Event we book in your Territory, at a rate of not less than $2,500 per day, for your trailer and two staff members. If you reject or are unable to work the event, or if the event requires more Boxes than you own, we have the right to bring in other Boxes and staff, including our own Boxes or other franchisees in the Dryvebox system to supplement your Box(es).	Nothing unless you invite them or we involve them after first offering the event to you.
Major Events	Market, sell, and serve, provided that you have us approve the event via a Major Event Review.	Same as Drive-up Events.	Same as Drive-up Events.
Note: This table only addresses the Dryvebox businesses that you are allowed to offer. It does not cover business that Dryvebox, Inc. has reserved to itself, nor does it touch on the scope of any party's agreements not to compete with the Dryvebox business. Those items are addressed in the Franchise Agreement and this FDD.			

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. The above chart and this Item 12 describe what we, you, and others can do in your territory and other areas.

Areas specifically reserved to us or granted to another franchisee are a "Restricted Territory". You cannot market or serve within a Restricted Territory. You are prohibited from going into a Restricted Territory to make a pitch, participate in a trade show, street fair, festival or other sales opportunity, from mailing marketing materials into that area, from directing or targeting online marketing into that area, or otherwise specifically targeting that Restricted Territory with your sales efforts, although marketing efforts to your own territory that happen to reach individuals in the Restricted Territory are permitted. You may accept a customer booking even if that customer lives in a Restricted Territory, provided that you do not travel to a Restricted Territory to provide the service. If a customer books your business for an event in a Restricted Territory, you must pass that event to the holder of the territory within our system. You may not charge a fee for passing an event to someone else in the system and you will not be compensated by us for doing

so. Your violation of these rules is a material default and is grounds for us to terminate your franchise.

Any area that is not reserved to us or assigned to another franchisee is unclaimed territory. Within unclaimed territory, you are permitted to market, sell, and serve simulator rentals, memberships, coaching services, club fitting services, and Drive-up Events. You are not permitted to market or sell Major Events, and you are not permitted to serve Major Events unless we invite you to do so. Notably, as we sell or develop more territories, the amount of unclaimed territory will shrink or may be eliminated. You should not count on your ability to access unclaimed territory.

During the initial term, we will not modify the size of your territory without your permission, unless you miss your minimum sales quota. Starting in the 18th month of operation, and every six months thereafter, we will review your gross sales to determine if they have met the minimum sales quota. If you fail to meet the minimum sales quota we have established, we have the right to modify the size of your territory rather than terminating your franchise agreement, if we choose to do so. The minimum sales quota is $50,000 per trailing 12 months, based on a standard sized territory (accounting for any income or golfer density adjustments to the default of 500,000 people). If you have purchased a larger territory, the minimum sales quota is adjusted up pro rata, based on how much larger of a territory you purchased. For example, if you purchased a territory of an additional 500,000 people, meaning your total territory was 1 million people, the quota is $100,000. We also have the right to modify your territory at renewal if the demographics of your area have materially changed.

You must obtain our permission to change your Box's home base. Any such request must be in writing, must specify the proposed site, and must state the reason for the request. We have discretion over whether or not to grant you permission and we will respond within 14 days to any request to change your home base, although our response may include a request for additional information. If your Box doesn't have a Home Base, meaning it only operates in the function of going to customers (instead of having customers come to the Box), the storage location of the Box must be in your Territory unless we otherwise approve.

You are permitted to use pre-approved social media channels to promote your business. We will not approve direct marketing, telemarketing, or catalog sales. There are no provisions in the Franchise Agreement for compensating you in case an affiliate or any other franchisee or licensee sell any goods or services to customers in your territory.

We reserve the right to lease and sell Dryvebox branded or unbranded mobile golf simulators within your protected territory, to be used only at fixed locations. The leasing or buying party may compete with you by offering the Dryvebox experience at their locations. If you are the person who first introduced us to a non-franchise lead that ends up purchasing or leasing a trailer, we will give you a reverse royalty of 6% of the revenue from that transaction, paid to you within 15 days of when we are paid.

We reserve the right to lease and sell Dryvebox branded or unbranded mobile golf simulators outside of your protected territory. The lease or purchase agreement will

prohibit the leasing or purchasing party from conducting commercial operations in your protected territory, unless they pay $1,000 per day of such operations. If you are the person who first introduced us to a non-franchise lead that ends up purchasing or leasing a trailer, we will give you a reverse royalty of 6% of the revenue from that transaction, paid to you within 15 days of when we are paid.

We have established two brick and mortar Dryvebox facilities as of the date of this disclosure document. We are not currently offering franchises for a brick and mortar business and have no plan to do so. If we choose to do so and we want to establish a brick and mortar Dryvebox business inside your territory, we have the right to do so. However, you have a right of first refusal to own and operate that brick and mortar Dryvebox business inside your territory if we decide to put one there, and we will offer you the opportunity to become the franchisee of such a business as long as you are not in default. We will give you written notice and 30 days in which to decide whether you want to own a brick and mortar Dryvebox in your territory before we develop it ourselves or sell it to anyone else.

We also reserve to ourselves and any affiliates all marketing and development rights that are not expressly contrary to the territory rights granted to you, including the rights, at any location: (i) to own and operate or franchise any trailers or other competitive businesses at any locations outside of the territory regardless of proximity to the territory; (ii) to own and operate businesses that are not competitive businesses; (iii) to participate in trade shows, franchise trade shows, and other marketing events to promote or increase awareness of the Dryvebox business model and system both inside and outside your territory; and (iv) to own and operate competitive businesses under a different brand name. A "competitive business" is one that offers or sells, either retail or wholesale, any products/services the same as or similar to the products and services we approve.

You can add more Boxes to your Territory. There is no limit on the number of Boxes you can add to your Territory.

You do not have a right of first refusal, right of first offer, or any similar right or interest in any other territories.

Neither we nor our affiliates plan to operate a business under a different trademark that will sell similar goods or services to those offered under the Dryvebox marks.

ITEM 13
TRADEMARKS

We grant you the right to operate a franchise under the name "Dryvebox" using our trademarks. You may also use our other current or future trademarks to operate your franchise, provided that we include them in our operations manual as marks approved for your use.

Our affiliate owns these trademarks registered on the Principal Register of the United States Patent and Trademark Office (the “Marks”).

Trademark	Application Date	Registration Date	Serial Number	Registration Number
DRYVEBOX	Dec. 25, 2020	Nov. 1, 2022	90978270	6887974
DRYVEBOX	Dec. 25, 2020	Nov. 8, 2022	90412470	6896178

The Marks are owned by our affiliate Dryvebox, Inc., and licensed to us pursuant to an agreement dated April 3, 2023 that permits us to license the necessary rights to use them. That agreement is perpetual and can only be terminated for our material misuse of the Marks. All required affidavits related to these registrations have been filed.

At this time, there are no pending infringement, opposition or cancellation proceedings or material litigation involving any of the principal marks which are relevant to their use in any state.

There are no currently effective determinations of the United States Patent and Trademark Office, the trademark administrator or any court, pending interference, opposition or cancellation proceeding, or material litigation involving the above registered Marks.

You must notify us if you become aware of any unauthorized use of the Marks or an imitation of the Marks, or if litigation involving the Marks is instituted or threatened against you, and to cooperate fully with the Franchisor in this regard. We have the right to control any litigation concerning the Marks.

We intend to take all steps reasonably necessary to preserve and protect the ownership and validity of the Marks. We will defend and indemnify you in the event of a claim against you for your use of our Marks, provided that you complied with our guidelines about trademark use. We have the right to control any litigation concerning the Marks.

We may at any time, in our sole discretion, modify, substitute or discontinue use of any Mark, and in that case you must comply with these changes at your expense within a reasonable period of time.

We are not aware of any superior prior rights or infringing uses that could materially affect your use of the principal Marks.

We permit you to use our Marks in social media and other marketing, for promoting your franchise and our brand. However, we must approve your content prior to you using it, and your use of our Marks must be positive and enhance the goodwill of our system and the Marks and must comply with all applicable laws and relevant terms of use. We may require you to delete disparaging, negative, or unlawful content connected to our Marks.

In the event of any trademark or unfair competition lawsuits brought against you arising from use of the licensed marks, provided that your use of the marks is consistent with our guidelines and restrictions, we may, but are not required to, defend and indemnify you. Alternatively, we may direct you to change your use of the mark in question to one or more marks of our choosing.

We may from time to time modify the Marks, develop new trademarks, or discontinue certain trademarks. You at your own expense must comply with any changes in the trademarks which we implement.

You must not directly or indirectly contest our right to our trademarks, trade secrets, or business techniques that are part of our business. You are not permitted to use our trademarks in social media or on the internet, including registering a domain name including our trademarks, without our prior permission.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Our affiliate Yang & Cohen Enterprises, Inc. has received patent protection from the United States Patent & Trademark Office on certain functional elements of the Box, and potential uses of the Box, as follows:

Type of Patent	Patent Title	Issuance Date	Registration Number / Status
Utility	User configurable trailer	October 17, 2023	11,797,488 / Issued
Utility	User configurable trailer	January 24, 2023	11,560,193 / Issued
Utility	User configurable trailer	September 28, 2021	11,130,535 / Issued
Utility	User configurable trailer	September 21, 2021	11,124,253 / Issued

The 11,560,193 and 11,787,488 patents covers aspects of the Box that you will use, and the other two patents cover aspects of the Box that you may use, depending on your use case and any future development we provide in Box software. For example, the first claim for Patent No. 11,560,193 reads:

A configurable trailer for practicing golf, the configurable trailer comprising:

a trailer body, the trailer body comprising a first and second moveable slideout, wherein the first and second moveable slideouts may be positioned in a transit state where the slideouts are set in a retracted closed position, and wherein the slideouts may be positioned in an in-use state where the slideouts are set in an extended position;

wherein the trailer body includes a first impact screen affixed to an interior of the trailer body, and

wherein the trailer body includes a striking zone on the floor of the trailer body where a person may practice hitting balls with a golf club at the first impact screen while the slideouts are in the extended position;

a projection system for projecting imagery of areas of a golf course onto the first impact screen;

one or more sensors placed about the interior of the trailer body, the one or more sensors capable of obtaining data about a golf ball that was physically struck from the striking zone; and

a system for graphically simulating the ball that was physically struck from the striking zone being shown as continuing into the projected imagery.

Although the Box is covered by these patents, these patents do not prohibit a competitor from putting a golf simulator into a trailer.

Our affiliate's rights in these patents are not materially limited by any agreement or known infringing use. You must tell us immediately if you learn about an infringement or challenge to these patents. We will take action that we think is appropriate. You must also agree not to contest our interest in these or our other trade secrets.

You can use the proprietary information in the Operations Manual. As of the date of this disclosure document, our materials are not registered with the Copyright Office.

The materials in our training information, Operations Manual, and other internal documentation we provide to you are proprietary to us and you and your employees will be required to not disclose or improperly use certain information that we designate as confidential and not to use it if you leave the Dryvebox system for any reason.

In the event of a claim by a third party that you are infringing on their intellectual property rights by using our materials or processes covered by our technology or proprietary materials, we are not obligated to defend your use of these items or processes, but we will reimburse you for damages and reasonable costs incurred in litigation about them if you have used them only as we have directed, without modification. We will have the right to require you to immediately cease using them or to modify your use of them at your own cost.

We require you to play music from approved playlists at your Box. You will need to ensure that you are using the appropriate type of streaming account to permit you to do this without infringing on third parties' copyrights in the music.

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

On an ongoing basis, you, or a manager you choose who has completed initial training, must participate personally in the direct operation of the franchise by engaging in oversight of the franchise's operations and finances. managing staff, hiring, and operational decisions. In addition, for the first 6 months, we require that you or such manager directly operate the business, including at least 4 hours per month of sales activities, attending all

Major Events, attending at least one Drive-up event per month, and personally handling the onboarding of at least 25% of new members.

You or your named manager are responsible for ensuring that qualified and trained personnel are present at all times and that all employees have been adequately trained. If the franchisee is a company or business entity, at least one of its shareholders or members must attend and pass training, and any manager left in charge of the business must also have attended and passed training.

Our franchise agreement contains a non-competition clause, which restricts your right to own or operate a competing business during the term of the franchise agreement. If the franchisee is anything other than a natural person, all individuals with an equity interest in the franchise must agree to this noncompetition term. They must also each execute a personal guaranty (Exhibit I), providing for joint and several liability for each and every obligation created under the Franchise Agreement.

In addition, if you are married, your spouse will be required to sign the Spousal Consent and Waiver (Exhibit J), providing that they understand and agree to waive any community property rights in the franchise.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We have limitations on the products and services you may offer. We require that you sell all the event services (Major Events and Drive-up Events) we designate, and to offer certain merchandise. You are not required to offer club fitting, simulator rentals, memberships, or coaching. We have the right to prohibit you from offering or selling other products or services.

We also require that you offer at least one charitable event at no cost per quarter. You may fulfill this requirement by partnering with a non-profit organization to provide a free event, by providing services at no cost at a park or for low-income people or youth in your community, or in other ways. We will require you to describe to us these "give back" events that you operate.

We require you to operate a drug and alcohol free workplace. Even if alcohol is offered at events you participate in, your staff operating the business may not use any intoxicating substances while on the job.

We have the right to modify the products and services that you must offer and that you may offer from time to time, in our discretion.

We require you to maintain the appearance of your Box and truck, including keeping both clean and free of body damage or material scuffs or scrapes, in order to maintain an appealing brand image.

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

	PROVISION	FA AGMT. SECTION	SUMMARY
a.	Length of the franchise term	2.3(a)	The initial term of the franchise is 6 years, measured from the date of your grand opening.
b.	Renewal or extension of the term	2.3(b)	If you are not in default under any term of the franchise agreement, you can renew up to three times for a period of 6 years each.
c.	Requirements for franchisee to renew or extend	2.3(b)(i)-(vii)	You must: (i) give written notice of election to renew 6-12 months before term expires; (ii) not be in default of any material provision of the Franchise Agreement or any amendments; (iii) satisfy all monetary obligations prior to commencement of the renewal term (iv) at our option, execute our then-current franchise agreement, which shall waive any initial franchise fees; (v) execute a general release of any and all claims against us and our affiliates, officers, directors, agents, and employees, arising out of or related to the franchise agreement; (vi) bring your Box and truck and equipment into compliance with our then-current standards (vii) obtain our approval for your Territory, or agree to our modification of your Territory; and (viii) pay a renewal fee equal to the greater of $7500 or 25% of our then-current initial franchise fee, adjusted as applicable for any larger size territory you had and are renewing.

	PROVISION	FA AGMT. SECTION	SUMMARY
d.	Termination by franchisee	7.1(a)	For our breach of the Agreement without cure after you provide notice to us.
e.	Termination by Franchisor without cause	n/a	Not Applicable
f.	Termination by Franchisor with cause	7.2(a)	We can terminate you if events described in section (g) occur and you fail to cure the breach within the time periods described in those sections.
g.	”Cause” defined – curable defaults	7.2(b)	Any material breach of the Agreement and any material violation of the requirements under the operations manual that you fail to cure within the time period permitted, except the defaults listed below in section (h).
h.	“Cause” defined – non-curable defaults	7.2(b)	Subject to state law, non-curable defaults include any default which has not been cured within the permitted time period, as well as the following: your misrepresentation in acquiring the Dryvebox franchise; failure to open for business within the required time period; your insolvency, bankruptcy, receivership, or assignment for the benefit of creditors; your material misconduct which threatens the goodwill of the Dryvebox brand; your conviction or plea to a felony or crime of moral turpitude; your disclosure of confidential or trade secret information; or your engagement in any breach of the Franchise Agreement twice within a 12-month period.

	PROVISION	FA AGMT. SECTION	SUMMARY
i.	Franchisee's obligations on termination or nonrenewal	7.3	Obligations include complete de-identification, including removing branding from your truck (if any), ceasing to use telephone numbers used while operating your Dryvebox, shutting down or transferring ownership of franchise-related software accounts controlled by you; allowing Franchisor to repurchase the Box; returning all proprietary components and operations manual, and payment of amounts due.
j.	Assignment of contract by Franchisor	8.6	We may transfer the Franchise Agreement to any other party.
k.	"Transfer" by you – definition	8.1	You may transfer by selling your franchise to an approved person or entity, and must pay required Transfer Fees and all amounts owed under your Franchise Agreement up to the date of transfer.
l.	Franchisor's approval of transfer by franchisee	8.1	We have the right to approve your transfer of the franchise, or to exercise our right of first refusal.
m.	Conditions for Franchisor approval of transfer	8.1	Our prior written approval is required for any transfer. If we decline to exercise our right of first refusal, you must comply with conditions for transfer including paying a transfer fee. In addition, we must approve the person to whom you are transferring and they must successfully pass training. Any transferee must meet the same criteria required of any franchisee, including passing our required background check.

	PROVISION	FA AGMT. SECTION	SUMMARY
n.	Franchisor's right of first refusal to acquire your business	8.3	We have an option to purchase your business on the same terms and conditions of any offer accepted by you, except if the transfer is to a member of the immediate family, an estate trust, or to an existing equity holder of the franchisee if certain conditions are met.
o.	Franchisor's option to purchase your business	7.3(e)	On expiration or termination of the franchise, we have a 60-day time period in which to purchase your equipment, furnishings, fixtures, inventory, and other property associated with the Franchised Business, or any portion thereof, for a sum equal to the fair market value of such assets, subject to state law. We will not pay for intangible assets including, but not limited to, goodwill.
p.	Your death or disability	8.2	For up to 180 days after your death, your surviving spouse, heirs, or representatives may participate in the ownership and operation of the franchise according to the terms of the franchise agreement. After 180 days, they must either pass our initial training program and satisfy all of our then-current qualifications and requirements of new franchisees, or sell the franchise to an entity or individual approved by us.

	PROVISION	FA AGMT. SECTION	SUMMARY
q.	Non-competition covenants during term of franchise	1.5	You may not own or operate a business consisting of any physical golf facility, the offering of any golf simulation or other mobile golf or golf events business during term of the Franchise Agreement without our prior written permission (subject to state law). If you already own such a business, we may choose to waive this prohibition for that business's current operations.
r.	Noncompetition covenants after franchise is terminated or expires	7.3(g)	For a period of two years after your Franchise Agreement ends for any reason, unless already approved, you may not own or operate a business consisting of any physical golf facility, the offering of any golf simulation or other mobile golf or golf events business that is operated anywhere within the territory we granted to you, or within 10 miles of that territory or the current territory of any other Dryvebox franchisee (subject to state law).
s.	Modification of Agreement	11(b)	No modification is permitted except in writing.
t.	Integration, merger clauses	11(b)	Subject to state law, only the terms of Franchise Agreement are binding. Nothing in the Franchise Agreement is intended to disclaim the representations we made in the Franchise Disclosure Document that we furnished to you. Any representations or promises outside of the Franchise Disclosure Document and other agreements may not be enforceable.

	PROVISION	FA AGMT. SECTION	SUMMARY
u.	Dispute resolution by arbitration or mediation	9.12	Non-binding mediation initially required. If the dispute is not resolved with non-binding mediation, or if a party refuses to mediate, then the parties may proceed to arbitration. Immediate injunctive relief is available where either party may be irreparably harmed. State law may give you additional rights.
v.	Choice of forum	9.10	JAMS arbitration (subject to applicable state law); San Francisco, CA. Please see the state-specific addenda to the Disclosure Document and Franchise Agreements in Exhibit E
w.	Choice of law	9.10	Delaware law applies (subject to state law). Please see the state-specific addenda to the Disclosure Document and Franchise Agreements in Exhibit E

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

We provide information about our corporate owned, and affiliate-operated units' historical earnings for two types of events. Drive-up Event (Private) means hourly events where the clients were private individuals or private, non-business groups. Drive-up Event

(Corporate) means hourly events where the client was a business. Our first franchised unit has not been open for a full year yet.

This disclosure covers all events of these types for the period of the 2023 calendar year.. We have excluded events we offered for charitable purposes. This is based on eight total units.

Event Type	Average	Low	Median	High
Drive-up Event (Private)	$1,044	$400	$950	$3,700
Drive-up Event (Corporate)	$1,527	$200	$1,200	$6,500

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

Written substantiation for the financial performance representation will be made available to prospective franchisees on reasonable request.

Other than the above information, 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, partners, affiliates or any affiliate personnel, 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 Matt Gipple at franchise@dryvebox.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Fiscal years 2021 - 2023

Outlet Type	Year	Outlets at the start of the year	Outlets at the end of the year	Net change
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	1	1

Outlet Type	Year	Outlets at the start of the year	Outlets at the end of the year	Net change
Company owned*	2021	0	1	1
	2022	1	4	3
	2023	4	8	4
Total Outlets	2021	0	1	1
	2022	1	4	3
	2023	4	9	5

* Outlets owned and operated by affiliates are counted as company-owned units for the purposes of this FDD.

Table No. 2
Transfers of Outlets from Franchisees to New Owners
For Fiscal years 2021 - 2023

State	Year	Number of Transfers
CA	2021	0
	2022	0
	2023	0
Totals	2021	0
	2022	0
	2023	0

Table No. 3
Status of Franchised Outlets
For Fiscal years 2021 - 2023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations–Other Reasons	Outlets at End of Year
FL	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Totals	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	1	0	0	0	0	0	1

Table No. 4
Status of Company Owned* Outlets
For Fiscal years 2021 - 2023

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
AZ	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1
CA	2021	0	1	0	0	0	1
	2022	1	1	0	0	0	2
	2023	2	2	0	0	0	4
SC	2021	0	0	0	0	0	0
	2022	0	1	0	0	0	1
	2023	1	0	0	0	0	1
TX	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1
UT	2021	0	0	0	0	0	0
	2022	0	1	0	0	0	1
	2023	1	0	0	0	0	1
Totals	2021	0	1	0	0	0	1
	2022	1	3	0	0	0	4
	2023	4	4	0	0	0	8

* Outlets owned and operated by our affiliates are counted as company-owned units for the purposes of this FDD.

Table No. 5
Projected Openings
As of December 31, 2023

State	Franchise Agreements Signed but Outlet not Open	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
CA	1	1	0
CO	0	2	0
FL	1	2	0
CT	0	1	0
GA	1	1	0
KS	0	1	0
MA	0	1	0
MI	0	1	0
MN	0	1	0

NC	0	2	0
NE	0	1	0
NJ	0	1	0
NY	0	2	0
OH	0	1	0
OR	1	1	0
PA	0	2	0
TX	1	3	0
UT	1	1	0
VA	0	1	0
WI	0	1	0
Totals	6	27	0

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

In the last three fiscal years, no franchisees have signed confidentiality clauses that would restrict their ability to speak openly about their experience with the franchise system.

Franchisee Groups

There are no franchisee groups or associations at present.

ITEM 21
FINANCIAL STATEMENTS

The audited financial statement of Dryvebox Franchising, LLC for the fiscal year ending December 31, 2023, and the period of inception through December 31, 2022 are attached as Exhibit A. We have not been operating long enough to provide three years' worth of financial statements.

The fiscal year end of Dryvebox Franchising, LLC is December 31.

ITEM 22
CONTRACTS

The following agreements are attached as exhibits to this Franchise Disclosure Document:

Exhibit B Franchise Agreement
Exhibit C Franchise Application
Exhibit I Owner's Guaranty and Assumption of Franchisee's Obligations
Exhibit J Spousal Consent
Exhibit K Electronic Debit Authorization
Exhibit L Purchase Agreement for Dryvebox Trailers

ITEM 23
RECEIPTS

Two copies of an acknowledgment of your receipt of this Disclosure Document appear as Exhibit N. Please sign and date one copy and return it to us. Retain the other copy for your records.

EXHIBIT A TO THE
DRYVEBOX FRANCHISING, LLC
DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

DRYVEBOX FRANCHISING, LLC

FINANCIAL STATEMENTS

Year Ended December 31, 2023 and
Period from July 26, 2022 (Date of Inception) to December 31, 2022

JOHNSON O'CONNOR

DRYVEBOX FRANCHISING, LLC
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JOHNSON O'CONNOR

INDEPENDENT AUDITORS' REPORT

To the Member
Dryvebox Franchising, LLC

Opinion

We have audited the accompanying financial statements of Dryvebox Franchising, LLC, which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of operations, changes in member's equity, and cash flows for the year ended December 31, 2023 and the period from July 26, 2022 (date of inception) to December 31, 2022, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Dryvebox Franchising, LLC as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the year ended December 31, 2023 and the period from July 26, 2022 (date of inception) to 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Dryvebox Franchising, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting

from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Dryvebox Franchising, LLC's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Dryvebox Franchising, LLC's ability to continue as a going concern for a reasonable period of time.

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

Johnson O'Connor Feron & Carucci LLP

Wakefield, Massachusetts
April 12, 2024

DRYVEBOX FRANCHISING, LLC
BALANCE SHEETS

	December 31, 2023	December 31, 2022
ASSETS		
CURRENT ASSETS		
Cash	$ 389,267	$ 172,693
Accounts receivable	25,667	-
Total current assets	414,934	172,693
LIABILITIES AND MEMBER'S EQUITY		
CURRENT LIABILITIES		
Accrued expenses	$ 6,358	$ -
Current portion of deferred franchise fees	13,827	-
Agency liabilities	200,000	-
Total current liabilities	220,185	-
LONG-TERM LIABILITIES		
Deferred franchise fees, less current portion	79,337	-
MEMBER'S EQUITY	115,412	172,693
Total liabilities and member's equity	$ 414,934	$ 172,693

See notes to financial statements.

DRYVEBOX FRANCHISING, LLC
STATEMENTS OF OPERATIONS

	Year Ended December 31, 2023	Period from July 26, 2022 (Date of Inception) to December 31, 2022
FRANCHISE REVENUES		
Franchise fees	$ 503	$ -
Royalties	507	-
Advertising fund revenues	600	-
Other revenues	3,174	-
Total franchise revenues	4,784	-
COST OF REVENUES	1,438	-
Gross profit	3,346	-
OPERATING EXPENSES		
Advertising expenses	1,684	-
Legal and accounting	57,048	28,095
Software	1,055	212
Dues and subscriptions	840	-
Total operating expenses	60,627	28,307
Loss from operations	(57,281)	(28,307)
Net loss	$ (57,281)	$ (28,307)

See notes to financial statements.

DRYVEBOX FRANCHISING, LLC
STATEMENTS OF CHANGES IN MEMBER'S EQUITY

MEMBER'S EQUITY - July 26, 2022 (Date of Inception)	$ -
Contributions	201,000
Net loss	(28,307)
MEMBER'S EQUITY - December 31, 2022	172,693
Net loss	(57,281)
MEMBER'S EQUITY - December 31, 2023	$ 115,412

See notes to financial statements.

DRYVEBOX FRANCHISING, LLC
STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2023	Period from July 26, 2022 (Date of Inception) to December 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (57,281)	$ (28,307)
Adjustments to reconcile net loss to net cash provided (used) by operating activities:		
(Increase) decrease in operating assets:		
Accounts receivable	(25,667)	-
Increase (decrease) in operating liabilities:		
Accrued expenses	6,358	-
Deferred franchise fees	93,164	-
Agency liabilities	200,000	-
Net cash provided (used) by operating activities	216,574	(28,307)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions from member	-	201,000
Net cash provided by financing activities	-	201,000
Net increase in cash	216,574	172,693
CASH, BEGINNING OF PERIOD	172,693	-
CASH, END OF PERIOD	$ 389,267	$ 172,693

See notes to financial statements.

1. NATURE OF THE BUSINESS

Dryvebox Franchising, LLC (the Company), a Delaware limited liability company, was organized on July 26, 2022. Dryvebox, Inc. (the Member) holds 100% of the outstanding membership units of the Company.

The Company was formed to act as franchisor and to hold all rights, title and interest in franchise agreements for Dryvebox, Inc., a golf entertainment company. Franchisees pay the Company an initial franchise fee to acquire the franchise. The Company has various initial and ongoing obligations to franchisees, including initial set up and training. During the term of the franchise agreement, franchisees pay a monthly franchise royalty fee based on a defined percentage of monthly sales. Franchisees also pay monthly fees to the brand advertising fund, which is used for advertising and marketing campaigns to support the brand in the national market. There were no franchise agreements in place as of December 31, 2022. During the year ended December 31, 2023, five franchise agreements were in place and one franchisee commenced operations.

Under the terms of the Company's operating agreement, all profits and losses will be allocated to the Member. Distributions shall be made to the Member at the discretion of the Board.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting –

The financial statements of the Company are prepared on the accrual basis of accounting.

Use of Estimates –

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Date of Management's Review –

Subsequent events have been evaluated by management through April 12, 2024, the date the financial statements were available to be issued.

Cash and Cash Equivalents –

The Company considers all highly liquid investments with original maturities of three month or less to be cash equivalents.

Accounts Receivable –

Accounts receivable are recorded at the invoiced amount and do not bear interest. Accounts receivable are presented in the balance sheets net of an allowance for expected credit losses. An allowance for expected credit losses is provided for accounts receivable considered to be uncollectible based upon consideration of disaggregated historical collection data, current conditions and reasonable and supportable forecasts regarding future conditions. There was no allowance for credit losses at December 31, 2023 and 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition –

The Company derives the majority of its revenues through initial franchise license fees, franchise royalties, advertising fund revenues, pre-opening revenues and passthrough technology costs to franchisees. Revenue is recognized in accordance with Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers* (ASC 606). Under ASC 606, revenue is recognized upon transfer of control of promised services or goods to customers in an amount that reflects the consideration the Company expects to receive for those services or goods.

The Company recognizes initial franchise license fees on a straight-line basis over the life of the related franchise agreement. The nature of the Company's promise in granting the franchise license is to provide the franchisee with access to the brand's symbolic intellectual property over the term of the license. The services provided by the Company are highly interrelated with the franchise license and as such are considered to represent a single performance obligation. As franchise fees are received in cash at or near the beginning of the franchise term, the cash received is initially recorded as deferred franchise fees (contract liability) and recognized as revenue over time.

The Company is entitled to royalties and advertising fund fees based on a percentage of the franchisee's monthly gross sales as defined in the franchise agreement. Royalty and advertising revenue are recognized monthly as the franchisee's reported sales occur.

The Company has elected the practical expedient available in Subsection 952-606 that permits private company franchisors to account for pre-opening services provided to a franchisee as distinct from the franchise license if the services are consistent with those included in a predefined list within the guidance. Further, the Company adopted the accounting policy election to recognize pre-opening services as a single performance obligation. Revenue associated with those services are recognized at a point in time once the goods or services are provided.

In determining the amount and timing of revenue from contracts with customers, the Company exercises significant judgment with respect to collectability of the amount; however, the timing of recognition does not require significant judgment as it is based on either the franchise term or the month of reported sales by the franchisee, neither of which requires estimation. The Company does not incur a significant amount of contract acquisition costs in conducting its franchising activities. The Company believes its franchising arrangements do not contain a significant financing component. The nature of the Company's business does not give rise to any significant variable consideration.

Accounts receivable and contract liabilities were as follows:

	December 31,	
	2023	2022
Accounts receivable	$ 25,667	$ -
Contract liabilities	$ 93,164	$ -

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued) –

The following table disaggregates the Company's franchise revenues based on the timing of satisfaction of performance obligations for the following:

	Year Ended December 31, 2023	Period from July 26, 2022 (Date of Inception) to December 31, 2022
Performance obligations satisfied:		
At a point in time	$ 3,036	$ -
Over time	1,748	-
	$ 4,784	$ -

Contract fulfillment costs consist of IP licensing fees paid to Dryvebox, Inc. As these costs are typically paid at or near the beginning of the franchise term, the amount paid is initially recorded as a contract asset and amortized over the contract term consistent with the pattern of transferring the goods or services to which the cost relates.

Agency Liabilities –

The Company acts as an agent on behalf of franchisees to collect and remit initial deposits for trailer boxes upon signing the franchise agreement. As the Company has no control over the goods or services being transferred to the franchisee, these amounts are recorded as an agency liability in the balance sheets until such funds are remitted to the supplier on behalf of the franchisee.

Income Taxes –

The Company is treated as a single member limited liability company (LLC) that is considered a disregarded entity for tax purposes. As such, the Company's income, losses, and credits are included in the income tax returns of Dryvebox, Inc. As a limited liability company, the member's liability may be limited to their investment in the Company. The Company regularly reviews and evaluates its tax positions taken in its filed returns and recognizes the benefit from a tax position only if it is more likely than not that the position would be sustained upon audit based solely on the technical merits of the tax position.

The Company is not currently under examination by any taxing jurisdiction. In the event of any future penalties or interest, the Company has elected to record interest and penalties as a component of income tax expense.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising –

The Company maintains an advertising fund established to collect and administer funds contributed for use in advertising and promotional programs for franchise units. Advertising fund fees are collected from franchisees based on a percentage of franchisee gross revenues. The Company has determined that it acts as a principal in the collection and administration of the advertising fund and therefore recognizes the revenues and expenses related to the advertising fund on a gross basis.

The Company expenses other advertising costs as incurred. Advertising expense was $1,684 for the year ended December 31, 2023. There was no advertising expense for the period from July 26, 2022 (date of inception) to December 31, 2022.

Recently Adopted Accounting Pronouncement –

In June 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments.* The FASB also subsequently issued additional ASUs amending certain aspects of ASU 2016-13. ASU 2016-13 revises the accounting requirements related to the measurement of credit losses by shifting from the incurred loss model to the expected loss model whereby entities are required to measure all expected credit losses for financial assets based on historical experience, current conditions, and reasonable and supportable forecasts about collectability. Assets must be presented in the financial statements at the net amount expected to be collected. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Company that are subject to the guidance in FASB ASC 326 were accounts receivable.

On January 1, 2023, the Company adopted the new accounting standard and all of the related amendments using the modified retrospective method. The impact of the adoption was not considered material to the financial statements.

3. CONCENTRATIONS OF CREDIT RISK

Cash –

The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of cash. The Company maintains its cash in a bank deposit account, which, at times, may exceed federally insured limits. The Company has not experienced any losses in their account. The Company believes it is not exposed to any significant credit risk on cash.

Accounts Receivable –

The Company's grants credit to its customers during the normal course of business. The Company routinely assesses the financial strength of its customers, and consequently, believes that its trade accounts receivable credit risk exposure is limited. At December 31, 2023, one customer accounted for 100% of total accounts receivable.

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DRYVEBOX FRANCHISING, LLC

FINANCIAL STATEMENTS

Period from July 26, 2022 (Date of Inception) to December 31, 2022

JOHNSON O'CONNOR

DRYVEBOX FRANCHISING, LLC
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JOHNSON O'CONNOR

INDEPENDENT AUDITORS' REPORT

To the Member
Dryvebox Franchising, LLC

Opinion

We have audited the accompanying financial statements of Dryvebox Franchising, LLC, which comprise the balance sheet as of December 31, 2022, and the related statements of operations, changes in member's equity, and cash flows for the period from July 26, 2022 (date of inception) to December 31, 2022, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Dryvebox Franchising, LLC as of December 31, 2022, and the results of its operations and its cash flows for the period from July 26, 2022 (date of inception) to December 31, 2022 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting

from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Dryvebox Franchising, LLC's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Dryvebox Franchising, LLC's ability to continue as a going concern for a reasonable period of time.

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

Johnson O'Connor Feron & Carucci LLP

Wakefield, Massachusetts
August 2, 2023

DRYVEBOX FRANCHISING, LLC
BALANCE SHEET

	December 31, 2022
ASSETS	
CURRENT ASSETS	
Cash	$ 172,693
Total current assets	172,693
Total assets	$ 172,693
LIABILITIES AND MEMBER'S EQUITY	
MEMBER'S EQUITY	$ 172,693
Total liabilities and member's equity	$ 172,693

See notes to financial statements.

DRYVEBOX FRANCHISING, LLC
STATEMENT OF OPERATIONS

	Period from July 26, 2022 (Date of Inception) to December 31, 2022
NET SALES	$ -
COST OF SALES	-
Gross profit	-
OPERATING EXPENSES	
Legal and accounting	28,095
Software	212
Total operating expenses	28,307
Loss from operations	(28,307)
Net loss	$ (28,307)

See notes to financial statements.

DRYVEBOX FRANCHISING, LLC
STATEMENT OF CHANGES IN MEMBER'S EQUITY

MEMBER'S EQUITY - July 26, 2022 (Date of Inception)	$ -
Contributions	201,000
Net loss	(28,307)
MEMBER'S EQUITY - December 31, 2022	$ 172,693

See notes to financial statements.

DRYVEBOX FRANCHISING, LLC
STATEMENT OF CASH FLOWS

	Period from July 26, 2022 (Date of Inception) to December 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss	$ (28,307)
Net cash used by operating activities	(28,307)
CASH FLOWS FROM FINANCING ACTIVITIES	
Contributions from member	201,000
Net cash provided by financing activities	201,000
Net increase in cash	172,693
CASH, BEGINNING OF PERIOD	-
CASH, END OF PERIOD	$ 172,693

See notes to financial statements.

1. NATURE OF THE BUSINESS

Dryvebox Franchising, LLC (the Company), a Delaware limited liability company, was organized on July 26, 2022. Dryvebox, Inc. (the Member) holds 100% of the outstanding membership units of the Company.

The Company was formed to act as franchisor and to hold all rights, title and interest in franchise agreements for Dryvebox, Inc., a golf entertainment company. As of December 31, 2022, there are no current franchise agreements in place.

Under the terms of the Company's operating agreement, all profits and losses will be allocated to the Member. Distributions shall be made to the Member at the discretion of the Board.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting –

The financial statements of the Company are prepared on the accrual basis of accounting.

Use of Estimates –

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Date of Management's Review –

Subsequent events have been evaluated by management through August 2, 2023, the date the financial statements were available to be issued.

Cash and Cash Equivalents –

The Company considers all highly liquid investments with original maturities of three month or less to be cash equivalents.

Income Taxes –

The Company is treated as a single member limited liability company (LLC) that is considered a disregarded entity for tax purposes. As such, the Company's income, losses, and credits are included in the income tax returns of Dryvebox, Inc. As a limited liability company, the member's liability may be limited to their investment in the Company. The Company regularly reviews and evaluates its tax positions taken in its filed returns and recognizes the benefit from a tax position only if it is more likely than not that the position would be sustained upon audit based solely on the technical merits of the tax position.

The Company is not currently under examination by any taxing jurisdiction. In the event of any future penalties or interest, the Company has elected to record interest and penalties as a component of income tax expense.

3. CONCENTRATIONS OF CREDIT RISK

The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of cash. The Company maintains its cash in a bank deposit account, which, at times, may exceed federally insured limits. The Company has not experienced any losses in their account. The Company believes it is not exposed to any significant credit risk on cash.

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EXHIBIT B TO THE
DRYVEBOX FRANCHISING, LLC
DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

DRYVEBOX

Franchise Agreement

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EXHIBITS

Exhibit 1 -- The Territory
Exhibit 2 – Guaranty and Assumption of Franchisee's Obligations
Exhibit 3 -- Confidentiality Agreement

THIS AGREEMENT between Dryvebox Franchising, LLC, hereinafter referred to as "Franchisor", and _____ hereinafter referred to as "Franchisee", is made on the basis of the following understandings and recitals and in consideration of the following promises, and the parties hereto, intending to be legally bound, agree as follows:

ARTICLE 1. RECITALS

1.1 The Dryvebox Business System.

As the result of the expenditure of time, effort and money in research and development, Franchisor has developed and has the right to license methods, procedures, designs and marketing and advertising standards and formats, which may be modified by Franchisor from time to time (hereinafter referred to as the "Franchisor System" or "System"). The System is used in the operation of a mobile golf simulator business (hereinafter referred to as “Dryvebox Business” or "Business") offering golf coaching; individual golf practice, play, and memberships; and golf events, all in accordance with techniques and specifications furnished by Franchisor. Each Business will be part of a network (hereinafter referred to as the "Franchisor Network" or "Network") of Businesses to use the Franchisor System on a mutually cooperative and interrelated basis.

1.2 Proprietary Marks.

Franchisor licenses Businesses under the proprietary service mark Dryvebox and associated logo and such other trademarks, service marks and other commercial symbols owned by Franchisor, as may be modified from time to time, which are used to identify the products and services offered by the Businesses (herein collectively referred to as the "Proprietary Marks").

1.3 Operating Standards.

Franchisee acknowledges reading this Agreement and the Dryvebox Franchise Disclosure Document and understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonable and necessary to maintain Franchisor high standards of service, quality and appearance, as well as the consistency of these standards at all Franchisor Businesses, in order to protect and preserve the goodwill of the Proprietary Marks. Franchisee therefore agrees to operate the franchised Business as an integral part of the Franchisor Network and in accordance with the Franchisor System.

1.4 Franchisee Desires a License.

Franchisee desires to establish a Dryvebox Business under the System, in the general area designated in Exhibit 1, and to use in connection therewith the Franchisor Proprietary Marks and System, and provide the related products and services authorized for the Business, as an integral part of the Franchisor Network, and to derive the benefits of Franchisor reputation, advice, experience, guidance and know-how.

1.5 Franchisee Is Not a Competitor.

Franchisee represents and warrants that, unless otherwise agreed upon in writing between the parties, it is not now an owner, part owner, operator, or employee of any physical golf facility, any business that offers golf simulation services or other mobile golf or golf event, including but not limited to a fitness facility with a competitive golf simulator, driving range, event facility with a golf theme or regular golf events, or golf course ("Competitive Business"). Franchisee further acknowledges and understands that it is a condition of this Agreement that, unless otherwise agreed upon in writing between the parties, during the term of this Agreement Franchisee will not engage in any Competitive Business in any capacity, including investing in such business. The only exception is that Franchisee may hold two percent (2%) or less in ownership of publicly traded shares of a Competitive Business.

ARTICLE 2. GRANT OF FRANCHISE

2.1 Grant of Franchise.

(a) Grant of Franchise. Subject to and upon all of the terms and conditions set forth in this Agreement, Franchisor grants to Franchisee the right and license, and Franchisee undertakes the obligation to establish and operate a Dryvebox Business under the System and the Proprietary Marks as Franchisor directs, and to use the Proprietary Marks in connection with the various services to be supplied in the operation of the Business (such operation and all of Franchisee's business and activities in connection therewith are herein referred to as a "Business"), which shall be provided strictly within the area described in Exhibit 1 attached hereto and made a part hereof.

(b) Grant of Territory; Limitations.

(i) Franchisor will define an area granted to Franchisee (herein referred to as the "Territory") which shall be defined in Exhibit 1 attached hereto. Franchisee shall establish a location where it will park the Dryvebox-branded trailer associated with the Business ("Box") which must be within the Territory. If Franchisee will offer business services at that location, instead of only offering services by driving the Box to the client, such location must be approved by Franchisor pursuant to Section 5.1.

(ii) The standard area granted by Franchisor is approximately five hundred thousand (500,000) residents, although the actual size of Franchisee's specific territory will be set based on the household income and golfer density in the territory. At the time of signing this Agreement, Franchisee may request a larger area. If Franchisor agrees to the requested Territory size, Franchisee shall pay the additional fee specified in Section 3.1(b) of this Agreement. Territory sizes are approximate, based on data available to Franchisor. There is no guaranty that your Territory will contain precisely the specified number of people, Franchisor has no obligation to modify your Territory in response to demographic changes over time.

(iii) Franchisee is required to operate one Box within the Territory, but may, in Franchisee's discretion, add any number of additional Boxes each of which shall be associated with such Territory, subject to the terms and conditions of this Agreement.

(iv) Franchisee shall provide the services associated with the Business within the Territory pursuant to the Manuals as defined in Section 5.3. In addition, Franchisee may, but is not required to, operate certain aspects of the Business outside of the Territory in areas that are not reserved to Franchisor or assigned to another franchisee. Franchisor may not market, close sales, or provide services for Major Events outside of the Territory, unless otherwise invited by Franchisor. For the purposes of this Agreement, "marketing within a territory" means physically traveling to a location within that territory or sending targeted advertising into that territory, including to any person that Franchisee knows or should have known lived or worked within that territory. For the purposes of this Agreement, "providing services within a territory" means taking the Box into that territory and operating it for any purpose. Franchisor shall communicate newly assigned or reserved territories to Franchisee on a periodic basis, and Franchisee shall be deemed to have notice of any such assigned or reserved territories within two (2) business days after any such communication.

(v) Notwithstanding the provisions of Section 2.1(b)(iv), Franchisor may prohibit Franchisee from operating the Box in any location that, in Franchisor's reasonable judgment, may harm the goodwill of the Proprietary Marks and the System. Franchisee must at all times comply with all terms in the Manuals that restrict the type of locations or events at which Franchisee may operate the Box or provide services.

(vi) Franchisee understands and expressly acknowledges that neighboring, unassigned territories will be sold by Franchisor without prior notice to or consent from Franchisee. Franchisee receives no right or interest in or to any territory except the Territory assigned pursuant to this Agreement.

(vii) Franchisor shall establish a name within the System to designate Franchisee's business that differentiates it geographically from other units in the System. Franchisor may, in its sole discretion, change the designated name of Franchisor's business during the term of this Agreement in response to the addition of new units in the area, provided that Franchisor will not grant Franchisee's exact former designated name to a new franchisee except where Franchisee has relocated, sold or transferred its business, or this Agreement has terminated or expired for any reason. For example, Franchisee could be required to change from being referred to as "Dryvebox Kansas City" to "Dryvebox Olathe." Franchisee shall comply with such change and shall promptly cease using any designated name that is no longer approved by Franchisor.

(c) Franchisor Rights in and around Territory; Franchisee Right of First Refusal; Loss of Rights and Exceptions. Subject to the following exceptions, Franchisor will not, while this Agreement is in effect, operate, nor will Franchisor grant others a license to operate a Dryvebox Business under its System at any location within the area (herein referred to as the "Territory") which shall be defined in Exhibit 1 attached hereto. Notwithstanding the above, Franchisor may itself operate, or grant a license to an affiliate to operate a Dryvebox Business or utilize the Dryvebox brand as set forth below:

(i) Franchisor reserves the right to market and sell both Drive-Up Events and Major Events within the Territory. If such an event is sold by Franchisor and will occur within the Territory, Franchisor will offer Franchisee the first opportunity to operate it, either directly engaging with the client, or as a subcontractor of Franchisor. If the event is offered to

Franchisee to work as a subcontractor, Franchisor will pay Franchisee a rate of not less than Two Thousand Five Hundred Dollars ($2,500) per day to work the event with Franchisee's Box and two staff members. Franchisee may accept or decline the opportunity. If Franchisee declines or fails to respond, Franchisor can operate the event with a Franchisor or other franchisee Box, or allow any other franchisee(s) to work the event. A "Major Event" is a multi-day event or any event for which the Box will bear non-Dryvebox branding. A "Drive-Up Event" is any other event.

(ii) Franchisor reserves the right to establish a brick and mortar Dryvebox facility within the Territory during the term of this Agreement. If at any time Franchisor elects to do so, Franchisor shall notify Franchisee of such election and shall offer Franchisee the opportunity to own and operate such brick and mortar Dryvebox facility on the then-current terms by which Franchisor will make such facility available. Franchisee shall have a period not less than thirty (30) days in which to determine whether to agree to own and operate such facility. If Franchisee declines or fails to respond with the permitted period of time, Franchisor shall have the right to open and establish the facility itself or to allow an affiliate to do so, provided that Franchisor may not permit any affiliate to operate on terms more favorable than those offered to Franchisee in writing.

(iii) In the event that Franchisee fails to attain the minimum Sales Quota required by Section 5.3(h) of this Agreement, Franchisor may, in lieu of termination, modify Franchisee's Territory. This modification shall not be construed as a waiver of the right of termination in any subsequent year in which Franchisee fails to meet the Sales Quota.

(iv) Upon the occurrence of any event or events as the result of which Franchisor has the right to terminate this Agreement, as provided in Article 5 below, Franchisor may, whether or not it elects to exercise its right of termination, grant to another franchisee or franchisees the right and license to operate a Dryvebox Business under the System and Proprietary Marks at another location within the Territory, and this action by Franchisor shall not affect any other rights and obligations hereunder unless and until Franchisor exercises its right of termination as provided in Article 5.

(v) Franchisor reserves the right to market and sell products under the Dryvebox brand within the Territory granted by this Agreement through alternate distribution channels including but not limited to internet, retail stores including big box stores, catalog or direct mail methods.

(vi) Franchisor reserves the right to sell mobile golf simulators functionally similar to the Box, either branded as Dryvebox or unbranded, outside of the Territory. If Franchisee is the first person to have introduced Franchisor to a party who purchases or leases such a simulator in this context, Franchisor shall pay Franchisee a 6% revenue share, paid to Franchisee within fifteen (15) days of Franchisor being paid, as described in Section 6.5.

(vii) Franchisor reserves the right to acquire, merge with, or otherwise affiliate with, and thereafter own and operate, and franchise or license others to own and operate, any business of any kind or company-owned or franchised system of businesses of any kind, including any business or system that offers products or services the same as or similar to those offered by Franchisee under the System and the Proprietary Marks, and to convert any such

acquired business or such acquired system of businesses to operation under the System and the Proprietary Marks, notwithstanding any other provisions hereof.

(viii) Outside the Territory, Franchisor reserves unrestricted rights to market, sell, and perform services and sell goods in any channel of distribution, to establish brick and mortar facilities, to establish other franchised businesses, and to promote its businesses.

2.2 Further Rights & Privileges.

Subject to and upon all of the terms and conditions set forth in this Agreement, Franchisor further grants to Franchisee the following rights and privileges:

(a) Proprietary Marks. Use of the Proprietary Marks as Franchisor directs, but only in connection with the specific Business described in Section 2.1(a) and only in connection with authorized Business products and related services;

(b) System. Use, in conjunction with the operation of the Business, of the Franchisor System, as it may be developed, changed and improved during the term of this Agreement;

(c) Supply. To purchase or acquire the right to use, from Franchisor or its approved suppliers, all products, supplies, equipment and services offered by Franchisor and required or permitted in the operation of the Business.

2.3 Term.

(a) Term. This Agreement and the appointment of Franchisee hereunder shall commence on the date this Agreement is executed and, unless previously terminated as herein provided, shall expire on the sixth (6th) anniversary of the date on which this Agreement was executed.

(b) Renewal Option. The term of this Agreement and the appointment hereunder may be extended for three additional terms of six (6) years exercisable by written notice from Franchisee to Franchisor, at least one hundred eighty (180) days prior to the expiration of the initial term; provided that at the end of the initial term:

(i) Franchisee is not at the time of the exercise or at the commencement of the extension term, in default of the performance of any of Franchisee's obligations hereunder; and

(ii) All monetary obligations owed by Franchisee to Franchisor have been fully satisfied prior to the commencement of the extension term; and

(iii) At the option of Franchisor, Franchisee shall execute Franchisor's then-current form of franchise agreement which shall waive any initial franchise fees but which may have material differences from this Agreement including the then-current royalty fees and brand fund contributions; and

(iv) Franchisee shall execute a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor, and its affiliates, officers, directors, agents and employees, arising out of or relating to this Agreement; and

(v) Franchisee agrees to bring its Box and all other indicia of the brand including but not limited to uniforms and advertising into compliance with specifications and standards then applicable under new or renewal franchises for Franchisor Businesses;

(vi) Franchisor reviews and approves or modifies the assigned Territory based on then-current demographic information; and

(vii) Franchisee pays Franchisor a renewal fee of the greater of Seventy-Five Hundred Dollars ($7,500) or twenty-five percent (25%) of Franchisor's then-current initial franchise fee before the expiration of the initial term. The calculation of the then-current initial franchise fee shall be increased as appropriate to include any territory enlargement that Franchisee elected pursuant to Section 2(b).

ARTICLE 3. PRE-OPENING FEES

3.1 Initial Franchise Fee.

(a) Initial Franchise Fee. In consideration of the grant of franchise, and of the rights and privileges relating thereto, hereinabove made, Franchisee shall pay to Franchisor a franchise fee in the amount of Thirty-Four Thousand Dollars ($34,000) Dollars, payable upon the signing of this Agreement. This fee shall be paid solely for the grant of franchise rights and privileges, shall be fully earned upon execution of this Agreement, and shall be in addition to all other fees, royalties, costs and other expenditures of any kind required of Franchisee under the terms hereof, or any sums otherwise becoming due from Franchisee for any reason. The franchise fee shall not be refundable under any circumstances.

(b) Territory Enlargement. In the event that Franchisee elects, and Franchisor agrees to provide, a larger territory, Franchisee shall increase the initial franchise fee by an additional Ten Thousand Dollars ($10,000) for each addition of roughly One Hundred Thousand (100,000) residents, pursuant to the terms of Section 2(b).

3.2 Box Purchase.

(a) Franchisee must purchase the Box containing the golf simulation bay and related technology for the operation of the Business from Franchisor's designated Box supplier ("Box Supplier"). Franchisee shall execute the Box Supplier's purchase agreement. Franchisee understands and acknowledges that Franchisor has no liability for the performance, maintenance, repair or functionality of the Box and that any and all claims regarding the Box must be made to the manufacturer.

(b) Upon execution of this Agreement, Franchisee shall execute the required purchase agreement for the Box and pay Franchisor's affiliate, Dryvebox, Inc., the sum of Fifty Thousand Dollars ($50,000), which shall be applied toward the purchase of the Box. When the Box is ready for pickup or delivery, Franchisee shall pay the affiliate the remaining balance of the

Box cost, plus additional incidentals including fees for delivery of the Box and costs to outfit the Box, as applicable.

(c) Prior to delivery of the Box to Franchisee, Franchisee shall pay to Franchisor the sum of One Thousand Eight Hundred Dollars ($1,800) and Franchisor shall arrange for required branding of the Box as required by the System.

(d) Franchisee may not lease the Box, nor may Franchisee sell, assign, transfer, or convey the Box to any third party without Franchisor's written permission, except that nothing herein shall prohibit repossession of the Box by a lender for lack of payment by Franchisee on an obligation pursuant to which the Box was financed by Franchisee.

(e) Franchisee may add another Box to the Territory by purchasing an additional Box as set forth in this Section, plus paying an additional fee to Franchisor of Five Thousand Two Hundred Dollars ($5,200) per additional Box.

3.3 Merchandise; Initial Inventory; Software Licenses.

Franchisee shall pay the sum of One Thousand Two Hundred Thirty-Six Dollars ($1,236) to Franchisor for an initial inventory of branded merchandise which Franchisee must offer for sale at the Business. In addition, Franchisee shall pay the then-current cost for certain software licenses provided by Franchisor. After opening, Franchisee shall continue to pay as required for such licenses.

3.4 Pre-Opening Support Fee.

Prior to opening, Franchisee shall pay the sum of Three Thousand Dollars ($3,000) to Franchisor for Franchisor’s visit to Franchisee’s Territory and provision of certain assistance with the launch of Franchisee’s Business.

ARTICLE 4. RECURRING FEES

4.1 Royalties.

In further consideration of the grant of franchise and related rights and privileges hereunder, and in consideration of the services to be rendered by Franchisor to Franchisee in support of Franchisee's operations as below provided, Franchisee shall pay to Franchisor throughout the term of this Agreement monthly royalties of six percent (6%) of Gross Sales (as defined in Section 4.2) derived from the Business, payable on or before the second Tuesday of the month for the preceding calendar month’s sales.

4.2 Gross Sales.

As used herein the term "Gross Sales" includes the aggregate amount of all charges (defined in accordance with accounting practices and procedures as determined by Franchisor) for goods sold or services rendered to customers in the operation of the Business, regardless of the nature and location of the giving and receiving of orders for, and of the rendition and delivery of, goods and services, and whether or not payment is received, and in cases where payment is made

by exchange of other services and goods provided by a customer, calculated on the basis of usual and ordinary charges for the services or goods rendered or supplied by the Franchisee in the exchange, and all other receipts of any kind of Franchisee derived directly or indirectly from the Business, the operation thereof, and activities in connection therewith, including, but not limited to proceeds from business interruption insurance. Provided that such deductions are properly documented according to Franchisor prescribed accounting procedures, "Gross Sales" excludes the amount of all sales, use, and other taxes collected from customers and paid to the appropriate taxing authority.

4.3 Advertising, Public Relations and Marketing.

Recognizing the value of network advertising, public relations and marketing programs, and the importance of the standardization of these programs to promote and further the goodwill and public image of the Franchisor System and Proprietary Marks, Franchisee agrees as follows:

(a) Brand Advertising Fund. Franchisor has established a marketing fund ("Brand Fund") which is a collective fund used by Franchisor solely for advertising, promotion and marketing in accordance with the provisions of subparagraphs (i) and (ii) below. As long as the Brand Fund is in effect, Franchisee shall make monthly contributions of two percent (2%) of Gross Sales, of the preceding month's Gross Sales to the collective Brand Fund. Payments to the Brand Fund shall be made on the same schedule as payment of Royalties.

(i) Administration of Brand Fund**.** Franchisee agrees that Franchisor shall have the right to direct all local, regional and national advertising, public relations and marketing programs for the System; to use in these programs the payments described in subparagraph (a) above; and that Franchisor shall have the sole discretion over the creative concepts, materials and media used and the placement and allocation thereof. Franchisee agrees and acknowledges that one of the primary intentions of the Brand Fund is to maximize public recognition and acceptance of Franchisor Proprietary Marks and that Franchisor undertakes no obligation in administering the Brand Fund to make expenditures for Franchisee's Area which are equivalent or proportionate to Franchisee's contribution, or to ensure that any particular franchisee benefits directly or pro rata from these programs. Franchisor may, without prior notice to Franchisee, delegate some or all of the administration of the Brand Fund to a third party or parties.

(ii) Brand Fund Expenditures**.** Franchisee agrees that the Brand Fund may be used to meet any and all costs of maintaining, administering, directing and preparing marketing programs, including, without limitation, the cost of preparing and conducting television, radio, magazine, newspaper, internet, direct mail, in-store signage and other types of advertising; website, search engine optimization and digital marketing efforts; public relations activities, including, without limitation, the cost of hiring agencies and Franchisor personnel to engage in public relations work; and employing advertising and public relations agencies and personnel to assist therein; and charitable promotions. Advertising and public relations agencies and personnel may be composed of employees of Franchisor or may be entities owned by or affiliated with Franchisor if use of in-house agencies is deemed best by Franchisor, in which event the methods for determining the value of services rendered by the in-house agency shall be set forth in writing and may be charged to the Brand Fund. No sums paid by Franchisee to the Brand Fund shall be

used to defray any of Franchisor general operating expenses, except for reasonable administrative costs and overhead, if any, as Franchisor may incur in activities reasonably related to the administration or direction of the Brand Fund and promotional programs, including, without limitation, conducting marketing research, preparing marketing and advertising materials and collecting and accounting for assessments for the Brand Fund. An accounting of the operation of the Brand Fund shall be prepared annually and made available to Franchisee upon request.

(c) Local Advertising. Franchisor does not represent or warrant that its Brand Fund expenditures will constitute sufficient advertising for Franchisee's local market. Beginning the first month Franchisee opens for business, Franchisee shall spend the greater of three percent (3%) of gross sales or Four Hundred Dollars ($400) on local advertising. Franchisee shall use its own vendors, unless Franchisor designates a required or approved vendor for these expenditures. All such advertising must comply with Franchisor's established brand standards in all instances, and it must be pre-approved by Franchisor in writing. Franchisee shall provide written reports to Franchisor as Franchisor deems necessary, In the event that Franchisee fails to engage in local advertising in compliance with this section, Franchisor has the right to collect the amount Franchisee is obligated to spend on local marketing and to spend that money on advertising and promotion of the brand in Franchisee's region as Franchisor deems appropriate, or retain it and require Franchisee to spend this amount appropriately and request reimbursement.

(d) Advertising Standards. Subject to Section 4.3(c) and without waiving or modifying its requirements and limitations, all advertising by Franchisee shall be completely factual and shall conform to the highest standards of ethical advertising. Franchisee agrees to refrain from any business or advertising practice that may be injurious to the Franchisor System or the goodwill associated with the Proprietary Marks. Without limiting the foregoing, Franchisee agrees that all advertising and promotions by Franchisee in any form and in any medium shall be conducted in a dignified manner and shall conform to such standards and requirements as Franchisor may from time to time designate in writing. Franchisor shall have the right, in its discretion, to prohibit the use of artificial intelligence or machine-learning in the generation of any advertising or promotional content by Franchisee. Franchisee shall use Franchisor's required or approved marketing vendor, if one is identified, for such services, and shall comply with all requirements to permit Franchisor to place such advertisements and to reimburse Franchisor for such expenses. Franchisee shall submit to Franchisor, for prior written approval, samples of all advertising and promotional plans and materials, including but not limited to social media posts, videos, photos, testimonials, influencer arrangements or other materials to be used both within the Business and online, that Franchisee desires to use and that have not been prepared or previously approved by Franchisor. If written approval thereof is not received by Franchisee, Franchisor shall be deemed not to have given the required approval. Even if Franchisor has given approval, Franchisor has the right to require discontinuation, deletion or removal of any content that appears to generate or be likely to generate harm to the brand goodwill, in Franchisor's reasonable judgment.

(e) Use of Social Media. During the term of this Agreement, Franchisor permits Franchisee to promote its business through the use of social media. Franchisee must comply with Franchisor policies on use of the Proprietary Marks in social media, which policies may be modified by Franchisor at any time. Franchisee must provide all posts and content that has not already been approved in writing to Franchisor for its prior written approval before posting it. All

Franchisee use of social media in connection with the Proprietary Marks shall be subject to Franchisor Advertising Standards as set forth in Section 4.3(d) and in its Manuals and must also comply with all applicable laws and with the terms of use of any applicable website and/or social media. Regardless of Franchisor's prior approval of any content, Franchisee shall promptly delete or remove any content upon Franchisor's written direction to do so.

4.4 Technology Fees.

If Franchisor implements this fee by giving Franchisee thirty (30) days' prior notice of intention to begin collecting this fee, Franchisee shall pay to Franchisor the greater of Three Hundred Dollars ($300) or two percent (2%) of gross sales per month, beginning no earlier than the first month Franchisor is open for business. Franchisor shall use the fees collected in its discretion to provide software licenses and access to proprietary and third party software products required or recommended by Franchisor, as well as research and development of new or existing technologies to enhance the goodwill of the brand and to implement and maintain such technologies.

4.5 Coach Approval.

In the event that Franchisee elects to employ a golf coach who is not PGA certified, Franchisee must obtain Franchisor's prior written approval of the proposed coach. Franchisee must pay the then-current review fee specified by Franchisor for Franchisor's review of the proposed coach's qualifications and experience. This fee is non-refundable even if Franchisee does not hire the coach, or if Franchisor does not approve the coach.

4.6 Other Fees and Payments; Cost Increases.

(a) Renewal, Transfer, & Relocation. Upon renewal or transfer of this Agreement, or relocation of the Business, Franchisee is obligated to pay Franchisor the fees set forth in this Agreement.

(b) Cost Increases. Items of inventory, equipment, supplies, products, material and services offered by Franchisor to and accepted by Franchisee shall be paid for at the prices currently charged by Franchisor and its affiliates or suppliers at the time of sale with payment for such items to be made by Franchisee in accordance with the terms and policies as specified by Franchisor in its Manuals (as defined in Section 5.3) or otherwise. These payments include payments for the Box, computer systems, equipment, furniture, inventory, or other required elements of the Franchisor system. Franchisor endeavors to keep all such prices and costs low, but has the right to increase costs as necessary based on vendor cost increases, increased levels of service, new technologies, and related market changes.

(c) Replacement Initial Training. Franchisee shall pay initial training fees consisting of Franchisor's then-current per diem charge per trainee for additional trainees beyond the two people Franchisor will train at no cost during Franchisee's initial training prior to opening the Business, or for any trainee requiring remedial or refresher training.

(d) Supplemental Training. In the event that Franchisee requests or Franchisor determines that Franchisee requires additional training, Franchisee shall pay to Franchisor the

then-current per fees for such training, which shall be two hundred dollars ($200) per day for up to two people being trained, if training is provided virtually, or four hundred dollars ($400) per day plus actual travel and living expenses assessed by Franchisor if Franchisor must come to Franchisee. Franchisor may charge additional fees for additional trainees.

(e) Temporary Management. In the event that Franchisee requests, or Franchisor in its discretion requires Franchisee to have, temporary management by Franchisor, Franchisee shall pay Franchisor's then-current fees for such assistance.

(f) Customer Resolution Fee. In the event that Franchisor elects to resolve a dispute between Franchisee and a customer of Franchisee's Business due to Franchisee's request for assistance or Franchisee's failure or refusal to resolve the dispute, Franchisee will reimburse Franchisor for Franchisor's actual costs, plus Two Hundred Dollars ($200).

(g) Convention Fee. Franchisee shall pay a per person fee for Franchisor's franchisee convention, if it is held, no more than once annually. Franchisee shall be solely responsible for all of Franchisee's travel and lodging costs in addition to this fee. In Franchisor's discretion, attendance may be mandatory.

(h) CPI Adjustment. All fees and amounts expressed in dollar amounts in this Agreement are subject to adjustment on January 1st of each year by the amount of any increase in the Consumer Price Index for All Urban Consumers, U.S. City Average, published by the Bureau of Labor Statistics of the United States Department of Labor since the date of this Agreement or the most recent adjustment by Franchisor, whichever is more recent. Such increase shall be calculated as a percentage increase equal to the percentage increase in the Consumer Price Index for the applicable period.

4.7 Reports, Payment Schedule and Manner of Payment.

Franchisee shall, throughout the term of this Agreement and at Franchisee's expense, submit to Franchisor complete and accurate reports and payments in such form and detail as Franchisor may require, and in the manner that Franchisor may designate, as follows:

(a) Unless otherwise required by Franchisor, on or before the second Tuesday of each calendar month, a report of all Gross Sales of the Business for the preceding month (as defined in Section 3.3), together with payment, without setoff or deduction, of the royalties required by Section 3.3, and all expenses paid by the Business for such month;

(b) On or before April 15th of each calendar year, a balance sheet for the preceding calendar year; and

(c) Upon request by Franchisor, such other data, information and supporting records for such periods as Franchisor, from time to time, requires.

(d) Franchisee will make all payments to Franchisor in the manner required by Franchisor, which may include payment by electronic funds transfer from a designated bank account of Franchisee to a designated bank account of Franchisor, or payment by some other electronic debit/credit method. Franchisee agrees to execute any forms or agreements required by

banks or financial institutions to authorize transfers, whether initiated by Franchisor or Franchisee. Franchisee is responsible for having sufficient funds on deposit to cover all checks, debits and electronic funds transfers made. All charges imposed by Franchisee's bank or financial institution to process and clear any checks, debits or transfers shall be paid by Franchisee. Franchisee will also reimburse Franchisor for any charges assessed to Franchisor due to Franchisee's account having insufficient funds to cover any check, debit or funds transfer or for any "stop payment' or other refusal to honor or pay a check, debit or funds transfer to Franchisor.

(e) Franchisee will submit all reports required hereunder in the form and using the method designated by Franchisor, which may include transmission electronically over the internet or by way of an intranet through a point of sale or computer system or using other information technology.

4.8 Late Payments; Insufficient Funds.

(a) Late Payments. Any payment not actually received by Franchisor as required by this Agreement shall be deemed overdue. If any payment is overdue, Franchisee shall pay Franchisor the overdue amount, interest on such amount accrued at the lesser of 12% per annum or the highest rate permitted by law, a late fee of One Hundred Dollars ($100) per occurrence, plus an additional fee of One Hundred Dollars ($100) per week until such amount is paid in full. Separately, each incident of insufficient funds reported by your bank shall also incur a One Hundred Dollar ($100) fee per occurrence.

(b) Non-Compliance Fees. For any material non-compliance with one or more terms of this Agreement, Franchisor may, in its sole discretion, assess a fee for non-compliance of Four Hundred Dollars ($400) per incident, plus an additional fee of Four Hundred Dollars ($400) per week until Franchisee resumes compliance.

(c) No Waiver. Franchisee acknowledges that this Section 3.7 shall not constitute an agreement by Franchisor to accept any payments after they are due, a commitment by Franchisor to extend credit to, or otherwise finance Franchisee's Business, or a waiver of breach of this Agreement. Further, Franchisee acknowledges that failure to pay all amounts when due shall constitute grounds for termination of this Agreement by Franchisor, as provided in Section 5.2, notwithstanding the provisions of this Section.

ARTICLE 5. FRANCHISEE'S OBLIGATIONS & DUTIES

5.1 Selection of Home Base; Storage Facilities; Locations.

(a) Initial Selection. If Franchisee will operate the business in a format where customers can come to Franchisee's location for goods or services, Franchisee must secure a location within the Territory ("Home Base"), through signing a lease or otherwise, prior to offering goods or services there. No site proposed by Franchisee may be acquired unless approved by Franchisor. Franchisor will not unreasonably withhold consent. If Franchisee will not operate the Business other than by taking it to customers' locations, Franchisee does not need to establish a Home Base, but the location where the Box is stored must be within the Territory.

(b) Relocation of Home Base. If Franchisee's lease or access to the Home Base space expires or is terminated for any reason, if the space or access to the space is damaged, condemned or otherwise rendered unusable, if the Franchisee otherwise wants to change the location of the Home Base, Franchisee may seek approval of a different Home Base within the Territory. Approval will be in Franchisor's sole but reasonable discretion. If, in the judgment of Franchisor, there is a change in the character of the Home Base location sufficiently detrimental to warrant its relocation, Franchisor may require Franchisee to change the Home Base. Any relocation shall be at Franchisee's sole expense and must be available for operations promptly after Franchisee moves.

5.2 Condition and Appearance of the Box, Equipment, and Environment.

(a) Maintenance of the Box and Home Base. Franchisee agrees that the Box will not be used for any purpose other than the operation of a Dryvebox Business in compliance with this Agreement. Franchisee will maintain the condition and appearance of the Box, truck used to tow it, and the Home Base area where it is used (if applicable), including maintaining the equipment, signs and decor in accordance with the specifications and standards of Franchisor and consistent with the image of a Dryvebox Business as an appealing and high-end space for golf training and events. Franchisee will perform such maintenance with respect to the Box and truck as is required from time to time to maintain such condition, appearance and efficient operation, including without limitation: (a) thorough cleaning, repainting and/or rewrapping of the Box at reasonable intervals and replacement of the Box or truck if either is damaged beyond reasonable repair; and (b) repair or replacement of damaged, worn out or obsolete, furniture, fixtures, equipment, and signs.

Franchisee will not make any material alterations to the Box, or to the appearance of the Business as originally developed, without prior approval by Franchisor. Franchisee will redecorate, re-equip and refurnish the Box and will stock new required inventory at reasonable intervals determined by Franchisor, using approved suppliers, to reflect changes in the operations of Franchisor Businesses prescribed by and required of new franchisees, all of which are subject to approval by Franchisor of equipment, inventory and signage. Franchisee will place or display at the Box (interior and exterior) only such signs, emblems, lettering, logos and displays and advertising materials that are from time to time approved by Franchisor.

Franchisee acknowledges that the maintenance and upgrade of the Business that is required under this Section 3.9 may require the expenditure of additional capital that, in some cases, may be substantial.

5.3 Operation of Business.

Promptly following the acquisition of the Box and completion of training, and in any event within twelve (12) months of the date of signing this Agreement, Franchisee shall commence operation of the Business and shall thereafter, subject only to interruption resulting from acts of God or other causes beyond the control of Franchisee and not relating to the availability of funds to Franchisee, continuously operate the Business, devoting Franchisee's best efforts, skills, and diligence to the conduct of the business of selling and providing products and services (hereinafter "Business Services") authorized or required to be provided as part of the

Franchisor System as set forth in Franchisor Confidential Operating Manuals and all supplements, addenda and amendments thereto (herein collectively called the "Manuals"), and Franchisee shall not sell or provide other products or services except ones which Franchisor, in its sole and absolute discretion, shall approve as being compatible and not interfering with the Franchisor System or Network. Specifically and without limiting the foregoing, Franchisee agrees:

(a) Follow Manuals and Standards. Franchisee shall operate the Business in all respects in accordance with all reasonable requirements of Franchisor from time to time in effect, as set forth in the Manuals and in other communications from Franchisor, maintaining the highest business standards of quality and ethical conduct, and not otherwise so that the Business shall be established and at all times operated as and constitute a business of the highest quality and appearance. With respect to the Manuals, Franchisee specifically agrees as follows:

(i) Franchisee shall treat the Manuals created and approved for use in the operation of franchised Businesses, and the information contained therein, as confidential, and shall use all reasonable efforts to maintain this information as secret and confidential; and

(ii) Franchisee agrees that the Manuals shall remain the sole property of Franchisor; that Franchisor may, from time to time, revise the contents of the Manuals; and Franchisee agrees to comply with each new or changed provision thereof; and

(iii) Franchisee agrees that the master copy of each Manual maintained by Franchisor at its principal office shall be controlling in the event of a dispute relative to the content of any Manual.

(b) Approved Products and Services. Franchisee shall sell only products and services that meet Franchisor standards of quality and have been expressly approved by Franchisor in writing for offer or sale by Franchisee. Franchisee shall refrain from any deviation from Franchisor standards and specifications for selling products and services without Franchisor's prior written consent and shall discontinue offering and selling any products and services that Franchisor may disapprove in writing from time to time, in its sole discretion. Franchisor standards extend to the qualification of coaches or staff who provide club fitting as a service.

(c) Approved Suppliers: Testing. If Franchisee desires to purchase any item or service from an unapproved supplier, or to sell products or services not previously approved by Franchisor, Franchisee shall submit a written request for approval to Franchisor. Franchisor shall have the right to require that its representatives be permitted to inspect the supplier's facilities, or that samples of unapproved products or services be delivered, at Franchisor option and without charge to Franchisor, either to Franchisor or its designee for testing. A charge constituting Franchisor's then-current product or supplier review fee shall be paid to Franchisor by Franchisee. Franchisor reserves the right, at its option, to re-inspect the facilities and products of any approved supplier and revoke its approval, if any has been granted, if the supplier fails to meet any of Franchisor then-current criteria. In no event shall Franchisor be required to evaluate or approve a different supplier where Franchisor has designated a supplier or suppliers as the source for a particular item or to approve any products or services for sale not previously approved by Franchisor.

(d) Confidential Information. Franchisor possesses and will develop and acquire certain confidential and proprietary information and trade secrets consisting of (1) business methods, techniques, standards, procedures and formats of the System; (2) policies, procedures, information, concepts, systems and knowledge of and experience in the development, operation and franchising of Businesses; (3) marketing programs for Businesses; and (4) knowledge and specifications for and suppliers of certain materials, furniture, fixtures, furnishings, equipment, signs and inventory requirements for Businesses (collectively the "Confidential Information"). Franchisor will disclose to Franchisee the Confidential Information in the Manuals and in guidance and assistance furnished to Franchisee during the term of this Agreement. Franchisee acknowledges and agrees that Franchisee will not acquire any interest in the Confidential Information and that the use of the Confidential Information in any other business would constitute an unfair method of competition with Franchisor and other Businesses. Franchisee acknowledges and agrees that the Confidential Information belongs to Franchisor, contains trade secrets belonging to Franchisor and is disclosed to Franchisee and authorized for use solely on the condition that Franchisee agrees that Franchisee: (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute secrecy and confidentiality of the Confidential Information during and after the term of this Agreement; (3) will not make unauthorized copies of any portion of the Confidential Information disclosed in written form; and (4) will adopt and implement all reasonable procedures prescribed from time to time by Franchisor to prevent unauthorized use or disclosure of or access to the Confidential Information.

Franchisee shall cause its principals and staff to execute a Confidentiality Agreement substantially in the form of Exhibit 3 attached hereto. Franchisee shall deliver such copies of all such Confidentiality Agreements to Franchisor promptly after they are signed. Franchisee agrees that the relationship with Franchisor does not vest in Franchisee any interest in any Confidential Information other than the right to use it in the development and operation of the Business under this Agreement and other than the right to utilize it in the operation of the Business during the term of this franchise and that Franchisee will maintain the confidentiality of the Confidential Information during and after the term of this Agreement.

(e) Devote Adequate Working Time. Franchisee acknowledges and agrees that it is essential to this Agreement that the franchise be operated and managed by an individual who has successfully completed the training required by Franchisor. That person can be Franchisee (or, if Franchisee is an entity, a person approved by Franchisor) or a person designated by Franchisee and approved by Franchisor in its reasonable discretion. If said individual does not throughout the term of this Agreement continue to operate and/or manage the Business without otherwise being replaced by another qualified and approved person, such event shall be a material breach of this Agreement.

(f) Attend and Satisfactorily Complete Training. Franchisee or its designee shall, at Franchisee's sole expense, attend and satisfactorily complete the initial training program provided by Franchisor. Any designated representative(s) attending the training programs and meetings shall first have entered into a nondisclosure agreement as provided in subparagraph (d) hereof. Franchisee agrees to attend or cause Franchisee's designated manager(s) to attend, all subsequent and continuing management training programs as provided for in Sections 6.2(d) and (e) hereof.

(g) Marketing Efforts; Territorial Limitations; and Major Event Review.

(i) Franchisee shall vigorously pursue and promote sales and activities leading to sales by the Business; and shall cooperate with Franchisor and other franchisees in the Franchisor Network in promoting and enhancing the Franchisor System and Network. Franchisee shall not engage in direct marketing to any customer in a territory or area reserved to Franchisor or assigned to another franchisee.

(ii) Franchisee is prohibited from closing any sale of a Major Event without engaging Franchisor to complete a process of reviewing the pricing, services, timeline and other elements of the proposed Major Event and providing advice and requirements for the operation of the proposed event (a "Major Event Review"). Franchisee understands and acknowledges that Franchisor may require Franchisee to staff the proposed Major Event with more people, more Boxes, or other changes that could require Franchisee to bring involve others in the System in order to complete the Major Event, it being Franchisor's intention to ensure that any Major Event is operated well and reflects positively on the goodwill of the brand. Franchisee shall comply with all requirements for the event established by Franchisor as a result of the Major Event Review or shall decline to book the event.

(h) Sales Quota. Starting in the 18th month of operation, and every six months thereafter, Franchisor will review Franchisee's gross sales to determine if Franchisee has met the minimum sales quota. If Franchisee fails to meet the established minimum sales quota, Franchisor has the right to modify the size of the Territory rather than terminating this Agreement, in its sole discretion. The minimum sales quota is $50,000 per trailing 12 months, based on a standard sized territory (accounting for any income or golfer density adjustments to the default of 500,000 people). If Franchisee has purchased a larger territory, the minimum sales quota is adjusted up pro rata, based on how much larger of a territory Franchisee purchased. For example, if Franchisee's Territory contains an additional 500,000 people, meaning the total Territory is 1 million people, the quota is $100,000. . Failure to achieve this minimum, as it may be adjusted by CPI index, is a material breach of this Agreement.

(i) Charitable Events. Franchisee must host at least one (1) event at no cost for charitable purposes per calendar quarter, as specified in further detail in the Manuals. Franchisee shall report to Franchisor about the qualifying event(s) it hosts.

(j) Report Issues. Franchisee must promptly report any significant issues or customer complaints, as well as any matters which are or have material possibility to become a crisis for the brand to Franchisor. Franchisee shall cooperate with commercially reasonable steps required by Franchisor in response to any such issues.

5.4 Use of Commercial Symbols.

Franchisee acknowledges that Franchisee's right to use the Proprietary Marks is derived solely from this Agreement and is limited to the operation of a Business pursuant to and in compliance with this Agreement and all applicable specifications, standards and operating procedures prescribed by Franchisor in its Manuals from time to time during the term of this Agreement. Specifically and without limiting the foregoing, Franchisee agrees:

(a) This Agreement does not confer any goodwill or interests in the Proprietary Marks upon Franchisee.

(b) Franchisee shall use only the Proprietary Marks authorized by Franchisor, and shall use the Proprietary Marks only in the manner authorized and permitted by Franchisor.

(c) Franchisee shall use the Proprietary Marks only in connection with the operation of the Business and only at the locations referred to in Section 2.1 of this Agreement.

(d) Any and all goodwill arising from Franchisee's use of the Proprietary Marks under the Franchisor System shall inure solely and exclusively to the benefit of Franchisor and upon expiration or termination of this Agreement and the license herein granted, no monetary amount shall be assigned to any goodwill associated with Franchisee's use of the Franchisor System or Proprietary Marks.

(e) The Proprietary Marks are valid and serve to identify Franchisor, the Franchisor System and those licensed under the System. Franchisee agrees not to directly or indirectly contest the validity or ownership of the Proprietary Marks. Throughout the term of this Agreement, including any extensions thereof, Franchisee shall identify himself or herself as a franchisee of Franchisor in conjunction with any use of the Proprietary Marks, displaying the Proprietary Marks in all appropriate places at the Business, on stationery and merchandise, and otherwise in the operation of the Business, as Franchisor may specify from time to time.

(f) Franchisee agrees not to use any Mark licensed under this Agreement in connection with the sale of any unauthorized product or service or in any other manner not expressly approved in writing by Franchisor.

(g) If it becomes advisable at any time, in Franchisor's sole discretion, for Franchisor or Franchisee to modify or discontinue use of any Mark or use one or more additional or substitute Proprietary Marks or commercial symbols, Franchisee agrees to comply therewith within a reasonable time after notice by Franchisor.

(h) Franchisee shall comply with Franchisor instructions in filing and maintaining fictitious or trade name registrations, and shall execute any documents deemed necessary by Franchisor to protect and maintain the continued validity of the Proprietary Marks.

(i) In the event that Franchisee is aware of any use of the Proprietary Marks or colorable imitation thereof which falsely suggests or represents an association or connection with Franchisor or any of its Proprietary Marks, or litigation involving the Proprietary Marks is instituted or threatened against Franchisee, Franchisee shall promptly notify Franchisor and cooperate fully with Franchisor in connection therewith. Franchisee agrees that Franchisor will have the right to control any litigation with respect to the Proprietary Marks.

(j) In any scenario in which Franchisee has placed third-party branding on its Box, Franchisee must remove such branding and revert solely to approved, standard Box branding within the time specified in the Manuals. Any use of third-party branding without consent of both Franchisor and the applicable third-party is prohibited.

5.5 System Improvements.

Franchisee acknowledges and agrees that Franchisor may modify, alter, add to or subtract components from the System and/or the methods, procedures and techniques which Franchisee is authorized and required hereunder to utilize in the operation of the Business, including addition to or elimination from the System of products or services or other activities constituting elements thereof. Franchisee acknowledges and agrees that Franchisor shall have sole control and discretion over all supplements, improvements, alterations and development of the System, and the programs, products and services offered thereunder; that this control and discretion is in the best interests of the Franchisor System; and that Franchisee will comply with all Franchisor requirements concerning the System and improvements thereto. In its operation of the business, Franchisee shall seek to develop and conceive such supplements, improvements and alterations, and upon doing so shall in each case promptly and fully advise Franchisor thereof. Franchisor shall have the right, but not the obligation, to make use of all supplements, improvements and alterations so conceived or developed by Franchisee, including the right to disseminate the same to all Business franchisees for their use, all without payment of royalties, fees or other compensation by Franchisor or other franchisees.

5.6 Uniform Network.

Franchisee understands and acknowledges that the Business and the business carried on there will benefit from being an integral part of a network of similar Businesses in a variety of locations, utilizing the Franchisor System in a uniform manner, providing uniform products and services with uniform equipment and with personnel of uniform skill and training. Franchisee acknowledges that the interests of the Franchisor System and Network are vital to the success of each franchisee, and that each franchisee has an obligation to promote and further the Franchisor System and Network to the fullest extent possible. Franchisee agrees to adhere to Franchisor standards, specifications and requirements concerning the Proprietary Marks, the Franchisor System and the Franchisor Network as specified by Franchisor from time to time in its Manuals including, without limitation, the offering of any new Business Services, the requirement to offer any previously optional Business Services, the elimination of any previously specified Business Services, and the operation of the Business as an integral part of the Franchisor Network, cooperating and complementing other Businesses thereof.

5.7 Responsibility for Costs and Expenses.

Franchisee will be solely responsible for and shall pay, promptly when due, all costs, expenses, obligations and indebtedness of or in any way rising out of or in connection with the Business and the establishment and operation thereof, including all amounts due to any landlord or suppliers of the Business and taxes, assessments and other levies, charges and impositions of any kind of any governmental or regulatory body. Franchisee acknowledges that failure to pay vendors or service providers to the Business constitutes a material breach of this contract.

5.8 Compliance with Law.

Franchisee shall, in the establishment and operation of the Business, comply, at Franchisee's sole expense, with all applicable statutes, ordinances, regulations, orders and other enactments or requirements of all governmental or regulatory bodies including obtaining any licenses or permits required by any law.

5.9 Indemnification.

Franchisee shall indemnify Franchisor, its affiliates, and their respective officers, directors and employees and hold them harmless from and against any liability or responsibility for any matter for which Franchisee is responsible under this Section 5.9 or otherwise under this Agreement, and from and against any loss, liability, claims, demands, damages, charges, costs or expenses of any kind whatsoever, including attorneys' fees, arising directly or indirectly out of or in connection with any such liability or responsibility, or otherwise out of or in connection with the establishment and operation by Franchisee of the Business, including but not limited to any such matters arising directly or indirectly out of or in connection with any injury to or death of persons or damage to or loss of property.

Franchisee will notify Franchisor in writing within ten (10) days of becoming aware of the filing or existence of any lawsuit, claim, arbitration or administrative proceeding by any third party (including but not limited to employees, former employees, customers, suppliers, landlords, creditors, competitors or others) against Franchisee or Franchisor relating to or arising out of the operation of the Franchised Business, regardless of the nature of the lawsuit, claim, arbitration or proceeding and regardless of whether the right to indemnification under this Section 5.9 would apply.

5.10 Insurance.

In addition to any insurance required of Franchisee by any lease or other agreement regarding the Home Base, and without limiting its obligations under Section 5.9, Franchisee shall procure and maintain in effect throughout the term of this Agreement insurance coverage issued by companies admitted and licensed to do business in the state where the Box is located; satisfactory to Franchisor; and having a Best's rating of not less than A. The policy or policies shall each include an endorsement naming Franchisor, its affiliates, and their respective officers, directors and employees as additional insureds on a primary basis, using Grantor of Franchise Form CG 20 29 04 13, or equivalent. All insurance shall provide for severability of interests so that the acts of Franchisee shall not be imputed to the Franchisor, its affiliates, and their respective officers, directors and employees, and shall include a Waiver of Subrogation in favor of the franchisor. All coverage shall be primary and not request contribution from any insurance held by the franchisor. Franchisee's insurance policy or policies shall provide at least the following coverage, subject to change by way of modified requirements in the Manual:

(a) Commercial general liability insurance with a $1 million per occurrence and $3 million aggregate limit. The total required limits can be accomplished through the purchase of an Umbrella/Excess liability policy.

(b) Auto liability coverage for scheduled vehicles with a $1 million combined single limit. Coverage for vehicles and trailers will include physical damage, with comprehensive and collision deductibles no more than $2,500.

(c) Special form property insurance on all personal property, furniture, fixtures, and equipment owned or leased by franchisee.

(d) Such other insurance as may be required by any laws, including but not limited to uninsured or underinsured motorist coverage for the auto insurance.

Franchisee shall supply Franchisor with Certificates of Insurance currently in force, which shall reflect at least the above required coverage, and shall also provide: (1) A copy of the schedule of forms and endorsements comprising the policy, and (2) Copies of the endorsements naming Franchisor and its affiliate Dryvebox, Inc. as additional insureds, with a waiver of subrogation to benefit Franchisor and Dryvebox, Inc. All Certificates of Insurance shall provide that the insurance shall not be canceled or reduced in limits or scope of coverage except after at least thirty (30) days written notice by the insurer to Franchisee and Franchisor. Any conditional language on the Certificate purporting to limit the obligation or liability of the insurer relating to this notice requirement shall be unacceptable and shall be stricken. If Franchisee fails to provide the required certificates, either initially or upon renewal, Franchisor may, but shall not be obligated to obtain such insurance and Franchisee shall reimburse Franchisor for the cost thereof upon demand, plus a fee of 20% of the cost as an administrative fee.

All required insurance policies shall be renewed annually and new Certificates of Insurance and copies of endorsements as required above shall be provided to Franchisor not less than thirty (30) days prior to expiration of each policy.

Franchisee understands and acknowledges that Franchisor may, on notice and in its sole discretion, raise, lower or otherwise change the amounts and types of insurance required under this Section 5.10 and Franchisee shall comply with such changed requirements upon expiration of the policies in force at the time Franchisor gave notice of the changes but in no event later than sixty (60) days after such notice.

5.11 Encumbrances.

During the term of this Agreement, except with the written consent of Franchisor, Franchisee shall not mortgage, pledge or otherwise assign as security, this Agreement, the Business or any part thereof, or any furniture, fixtures, furnishings, equipment, signs, decor or leasehold improvements located thereon, or any interest which Franchisee may have in any part thereof. Notwithstanding the foregoing, Franchisee may obtain financing for the Box, the truck used for the business, or the simulator used for the business, and the financed asset may be security or collateral for such loan.

5.12 Point of Sale and Computer Systems.

(a) Franchisee must record and process all sales using a point of sale ("POS") system designated or approved by Franchisor or meeting specifications issued by Franchisor, including but not limited to the capacity to record sales transactions by dollar amount, product

category and quantity, calculate applicable tax, provide daily totals, and process credit card, debit card and gift card transactions. Franchisor reserves the right to require Franchisee to use other computer systems (such as those for office and administrative functions) meeting Franchisor specifications. Franchisor has the right to require that such computer system be fully compatible with the Franchisor designated POS system, computer systems and information systems, loyalty programs, and other technology which may include Intranets or other systems as Franchisor may develop in the future. Without limiting the foregoing, Franchisor may require the use of an information interface capability through which Franchisee's POS system and other computer system communicate electronically with Franchisor designated computer or information system, and through which Franchisor could access data used or stored in Franchisee's POS or other computer systems.

(b) Franchisee must authorize third parties to grant Franchisor independent access to Franchisee's systems wherever Franchisor requests this. This may require Franchisee to acquire an additional software license, for which Franchisee shall bear all expense. On any applications where it is possible, Franchisor shall have the independent right to access Franchisee's computer systems for the Business or to obtain information regarding the Business's transactions from a third party vendor providing the POS system, and to download information without notice to Franchisee.

5.13 Audit Rights, Recordkeeping & Reporting.

(a) Recordkeeping. Franchisee shall throughout the term hereof, maintain and preserve full, complete and accurate books, records and accounts of the Business, and supporting data, all in accordance with generally accepted accounting principles and utilizing accounting records and systems as are, from time to time, approved by Franchisor. All records and reports required by this Agreement shall be in accordance with the system of accounting as contained in the Manuals, and Franchisee must use a certified public accountant to prepare and file taxes for its business each year.

(b) Audit. Franchisor shall have the right at any time during business hours, and without prior notice to Franchisee to inspect and audit, or cause to be inspected and audited, the books, records and financial statements, sales and income tax records and returns and other records of the Business and the books and records of any corporation or partnership that holds the franchise. Franchisor right to audit shall include the right to access any computer systems directly or virtually. Franchisee shall fully cooperate with representatives of Franchisor and independent accountants hired by Franchisor to conduct any such inspection or audit. In the event that any such inspection or audit shall disclose an understatement of Net Sales in any statements or reports submitted by Franchisee by two percent (2%) or more, than the cost of the audit, including without limitation, the charges for any certified public accountant(s) and the travel expenses, room, board and compensation of Franchisor employees connected with the audit shall be borne by Franchisee and the deficiency shall become immediately due and payable with interest payable as provided in Section 3.7(a) above. The foregoing remedy shall be in addition to any other rights Franchisor may have, including, but not limited to, the right to terminate this Agreement. An understatement of Net Sales in any report submitted by Franchisee to Franchisor by two percent (2%) or more shall be grounds for immediate termination of this Agreement.

(c) Third Party Information. Franchisor shall have the right to access information about Franchisee maintained by third parties such as vendors and suppliers to Franchisee.

(d) Surveys and Studies. The continuing development, improvement and success of the Franchisor Network, and of each Business, requires meaningful, timely and accurate information concerning all functions and aspects of the business. In order that the Franchisor System can be fully evaluated and improved and benefit all franchisees thereof, Franchisee agrees to prepare and forward to Franchisor, at times specified and on forms supplied by Franchisor, information that Franchisor may require for its use in preparing studies and surveys relating to the Businesses, the System and the Network, including but not limited to information regarding Franchisee's expenses, advertising information, or other data.

5.14 Right of Entry.

Franchisee shall permit Franchisor and its agents the right to enter the Box at all times during regular business hours for the purpose of conducting inspections, on-site market surveys and studies. Franchisee shall cooperate with Franchisor representatives in these examinations and inspections; and, upon notice from Franchisor or its agents, and without limiting Franchisor other rights under this Agreement, shall take all necessary steps to promptly correct any deficiency detected during the inspection, including, without limitation, immediately desisting from offering and selling any disapproved product or service, or using advertising materials that do not conform with Franchisor then-current specifications or standards.

ARTICLE 6. FRANCHISOR OBLIGATIONS

6.1 Pre-Opening Services.

Franchisor shall assist Franchisee and perform activities in connection with the establishment of the Business as follows:

(a) Site Selection Advice: Territory and Home Base. Franchisor will advise and consult with Franchisee in selecting a Territory for the Business and will review and approve or deny Franchisee's request for approval of its suggested Home Base. Franchisor makes no representations, guarantees or warranties, either express or implied, regarding the profitable operation of Franchisee's Business as a result of any site selection advice.

(b) Box Order and Setup. Franchisor will assist Franchisee with placing the Box order with the Box supplier and will pay the supplier for the Box from the payment Franchisee has made to Franchisor. Once the Box has been built, Franchisor will assist Franchisee in getting the Box wrapped with approved Dryvebox branding. Once the Box has been delivered to or picked up by Franchisee, Franchisor will provide guidance on the setup of the Box components.

(c) Initial Training. Franchisor shall provide in connection with the establishment, management and operation of the Business management training lasting approximately 22 hours and comprised of training in administration and operations of the Business. The training program shall be attended by up to two people, which may include Franchisee or be Franchisee's designees.. Franchisee shall pay all expenses of travel, room, board

and wages incurred by Franchisee and/or its trainee(s). If at any time new persons assume management of the Business and Franchisor requires that individual to undergo initial training as a condition of approval, the new manager(s) must undertake and successfully complete the initial training, and Franchisee will be responsible for the associated costs and fees.

(d) Manuals. Franchisor shall lend to Franchisee one complete copy each of Franchisor Manuals, which shall at all times remain the property of Franchisor and be handled as herein provided.

(e) Initial Forms. Franchisor will provide Franchisee with initial copies of financial reporting forms as detailed by Franchisor in its Manuals.

(f) Launch Visit and Assistance. Franchisor shall add Franchisee to the website and shall provide guidance regarding inventory, suppliers, and related information about approved vendors. Franchisor shall also provide recommendations for Franchisee's grand opening regarding initial advertising Franchisee may undertake to promote its business within the Territory. Franchisor will travel to Franchisee's territory for two days for Franchisee's grand opening. During such visit, Franchisor will provide on-the-ground training as needed, and will support the launch and collect content for promoting Franchisee's business. Franchisor will then prepare and deliver to Franchisee a video about Franchisee's business, that Franchisee can use for promotional purposes.

6.2 Support for Business Operations.

Throughout the term of this Agreement, Franchisor shall supply to Franchisee, in support and assistance of Franchisee's operations, the following:

(a) Additional Management Training; Conventions. Franchisor will provide periodic seminars for updates on new management techniques and other topics of interest to Franchisees of the Franchisor Network. In Franchisor's discretion, Franchisor may also provide in person conventions or business meetings for the Dryvebox brand. Franchisor reserves the right to require Franchisee and its managers to attend mandatory conventions or meetings in person up to one time per year, and to pay a per person fee as specified in the Manuals to attend such meetings. In addition to this training charge, which shall be payable to Franchisor by Franchisee upon demand, it will be the Franchisee's responsibility to pay all travel, room, board and other expenses incurred by Franchisee and its manager(s) while attending these seminars. Franchisor may also offer optional and mandatory remote training or check-ins, at no cost to Franchisee.

(b) Pricing Recommendations and Requirements. Franchisor shall provide Franchisee with information regarding suggested retail pricing for services and inventory items, and may provide required pricing floors, ceilings, or amounts.

(c) Updates. Franchisor will disseminate periodic supplements and amendments to its Manuals as well as bulletins and other information of general interest to all Franchisees.

(d) Supplier Assistance. From time to time, Franchisor may negotiate with new suppliers to sell Franchisee products at favorable rates; however, neither Franchisor nor its

affiliates shall be liable to Franchisee for any nonperformance by or the acts or omissions of its designated or approved suppliers. Franchisor will use reasonable commercial efforts to negotiate favorable terms with reliable suppliers, but Franchisee understands that Franchisor cannot dictate the pricing, delivery and other terms offered by its suppliers or control their performance.

(e) Advertising. Franchisor will supervise the development of advertising, website maintenance (including a page specific to Franchisee's Business), promotional messaging, search engine optimization, and other programs pursuant to the terms of Section 3.4 hereof, and will review and approve or reject advertising proposed by Franchisee.

(f) Marketing Support. Franchisor will provide guidance and recommendations for Franchisee with respect to Franchisee's promotion of the Business.

(g) New Product and Service Training. In the event that Franchisee is authorized to offer a new product or service, Franchisor may mandate training prior to Franchisee's offer or sale of such new product or service. If in person training is required for such new product or service, Franchisee shall be solely responsible for all travel, room, board and other expenses incurred in connection with such training and, if required, shall pay Franchisor's then-current per diem training costs.

6.3 Protection of Proprietary Marks.

Franchisor has taken and will continue to take all steps reasonably necessary to preserve and protect the ownership and validity of the Proprietary Marks. Franchisor will use, and permit Franchisee and other franchisees to use the Proprietary Marks only in accordance with the Franchisor System and the standards and specifications attendant thereto which underlie the goodwill associated with and symbolized by the Proprietary Marks.

6.4 Indemnification.

Franchisor shall indemnify Franchisee and its officers, directors and employees and hold them harmless from and against any liability or responsibility, claims, demands, damages, charges, costs or expenses of any kind whatsoever, including attorneys' fees in connection with (a) any claim of trademark infringement arising out of or relating to Franchisee's use of our Proprietary Marks, provided that such use was in full compliance with Franchisor's directions and authorization; or (b) any claim of patent infringement arising out of or relating to Franchisee's operation or possession of the Box, provided that Franchisee has not altered or tampered with any element of the Box except as directed by Franchisor.

Franchisee will notify Franchisor in writing within ten (10) days of becoming aware of the filing or existence of any lawsuit, claim, arbitration or administrative proceeding by any third party (including but not limited to employees, former employees, customers, suppliers, landlords, creditors, competitors or others) against Franchisee which could trigger the right to indemnification under this Section 6.4.

6.5 Payment for Trailer Leads.

In the event that Franchisee is the first to introduce a third party to Dryvebox who purchases or leases a non-franchised trailer outside of Franchisee's Territory, Franchisor will pay to Franchisee the sum of six percent (6%) of the revenue Franchisor receives from such third party as a result of such purchase or lease. Franchisor's obligation to pay under this Section 6.5 shall expire with the termination or expiration of this Agreement.

ARTICLE 7. TERMINATION

7.1 Termination by Franchisee; Opportunity to Cure.

(a) Termination Only for Franchisor Breach. If Franchisee is in substantial compliance with this Agreement and Franchisor materially breaches this Agreement, Franchisee may terminate this Agreement effective ten (10) days after delivery of notice thereof by registered or certified mail, addressed as provided in Section 9.6, if Franchisee gives written notice of such breach to Franchisor and Franchisor does not: (a) correct such failure within thirty (30) days after delivery of such notice; or (b) if such breach cannot reasonably be cured within thirty (30) days after delivery of such notice, undertake within ten (10) days after delivery of such notice, and continue until completion, efforts to cure any such breach. Any termination of this Agreement by Franchisee other than as provided in this Paragraph shall be deemed a termination by Franchisee without cause.

(b) Liquidated Damages. Except as provided in Section 7.1(a), above, Franchisee has no right of early termination of this Agreement. If Franchisor terminates this Agreement for cause, the parties agree that Franchisor will be damaged, but that damages may be difficult to quantify as they will involve the loss of future royalties, and that it will take an unknown period of time and substantial effort for Franchisor to find a qualified franchisee to take over, if one can be identified at all within the remaining term of this Agreement. Consequently, the parties agree that in the event of Franchisee's early termination of this Agreement except under Section 7.1(a), above, Franchisee shall pay Franchisor the sum of 24 multiplied by the average of Franchisee's last 12 payments of royalties. If Franchisee has operated less than 12 months, the average shall be calculated based on the average of the total months Franchisee has been open for business. If Franchisee's remaining term is less than 24 months, Franchisee shall pay the calculated average for the remaining period of the term.

7.2 Immediate Termination.

(a) Immediate Termination. This Agreement shall automatically terminate upon delivery of notice of termination to Franchisee if:

(i) Franchisee or any of its owners fails to develop the Business in accordance with plans and specifications furnished by Franchisor and to commence operation of business within the time provided in Section 5.3 of this Agreement;

(ii) Within one year of signing this agreement, Franchisee fails to complete the training program to the satisfaction of Franchisor;

(iii) Franchisee or any of its owners abandons, surrenders or transfers control of the operation of the Business without prior approval of Franchisor;

(iv) Franchisee or any of its owners has made any material misrepresentation or omission in the application for the franchise;

(v) Franchisee or any of its owners or affiliates are convicted of or plead no contest to a felony, or other crime or offense that may adversely affect the reputation of Franchisor or the Business or the goodwill associated with the Proprietary Marks;

(vi) Franchisee or any of its owners makes an unauthorized transfer of this Agreement, the franchise, the Business, or an ownership interest in Franchisee;

(vii) Franchisee or any of its owners makes any unauthorized use or disclosure of or duplicates any copy of any Confidential Information, makes any unauthorized use of the Proprietary Marks, or uses, duplicates, or discloses any portion of the Manuals;

(viii) Franchisee or its owners becomes insolvent or makes a general assignment for the benefit of creditors, or a petition in bankruptcy is filed by Franchisee, or if such petition is filed against and consented by Franchisee or if Franchisee is adjudicated a bankrupt, or if a bill of equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for the Business or its assets is filed and consented to by Franchisee, or if a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction, or if a proceeding for a competition with creditors under any state or federal law should be instituted by or against Franchisee;

(ix) Franchisee fails for a period of ten (10) days or more after notification of noncompliance, to comply with any federal, state or local law or regulation applicable to Franchisee's operation of the Business;

(x) Franchisee engages in conduct that Franchisor reasonably determines will result in an imminent danger to public health or safety if Franchisee continues to operate the Business;

(xi) Franchisee engages in conduct that Franchisor reasonably determines has or will damage the goodwill associated with the Proprietary Marks and which cannot be cured;

(xii) Franchisee is found to have engaged in a Competitive Business in violation of Section 1.5 of this Agreement; or

(xiii) Franchisee fails to comply with any requirement under this agreement on two (2) or more separate occasions within any period of twelve (12) consecutive months, whether or not any such failure to comply is corrected after notice of default is given.

(b) Termination After Notice of Default. This Agreement shall terminate without further action by Franchisor or notice to Franchisee, if Franchisee or any of its owners:

(i) fails to timely and accurately report the Gross Sales of the Business or fails to make payments of any amounts due Franchisor for royalty fees, advertising contributions, purchases from Franchisor or its affiliates, or any other amounts due to Franchisor or its affiliates, and does not correct such failure within ten (10) days after written notice of such failure is delivered to Franchisee; or

(ii) fails to comply with any other provision of this Agreement or any mandatory specification, standard, or operating procedure prescribed by Franchisor and does not: (a) correct such failure within thirty (30) days after written notice of such failure to comply is delivered to Franchisee, or a longer period if required by applicable law.

7.3 Rights and Duties on Termination.

In the event of any termination of this Agreement, whether by reason of action by Franchisee or Franchisor as above provided, or as elsewhere provided in this Agreement, or by the expiration of the term hereof, the parties shall have the following rights and duties:

(a) Cease Operation of Business under System and Proprietary Marks. All rights and privileges herein granted to Franchisee shall immediately terminate and revert to Franchisor, with all rights and goodwill of the Business pertaining thereto, and Franchisee shall surrender all such rights and privileges, shall cease operation of the Business using the Franchisor System and Proprietary Marks in all connections, including any colorable imitation thereof or in any manner or for any purpose, or utilize for any purpose any trade name, trademark, service mark, logo or other insignia which is likely to cause confusion, mistake or deception or that falsely suggests or indicates a connection or association with Franchisor. Franchisee shall take all action as may be required to cancel all fictitious or assumed name or equivalent registrations relating to Franchisee's use of any Mark.

(b) Pay Creditors. Franchisee shall immediately pay all creditors of the Business, including all sums then owing by Franchisee to Franchisor or its affiliates.

(c) Franchisor Right to Purchase the Box. Franchisee is prohibited from transferring, selling, assigning or disposing of the Box in any manner during the term of this Agreement and for a period of sixty (60) days after any expiration or termination of this Agreement, except with the prior written consent of Franchisor.

Upon termination of this Agreement by Franchisor for cause or upon expiration of this Agreement (without renewal), Franchisor shall have the option, exercisable by giving written notice thereof within sixty (60) days from the date of such expiration or termination, to purchase the Box from Franchisee. Franchisor shall have the unrestricted right to assign this option to purchase. Franchisor or its assignee shall be entitled to all customary warranties and representations in connection with the Box purchase, including, without limitation, representations and warranties as to ownership, condition and title to the Box, liens and encumbrances on the Box, and liabilities inuring to Franchisor or affecting the Box, contingent or otherwise.

The purchase price for the Box of the Business shall be the fair market value of the Box. If Franchisor and Franchisee cannot agree on the fair market value, they will agree on a

valuation expert who will assess and determine the fair market value, with the cost of such service deducted from the price Franchisor is required to pay to Franchisee for the Box.

The purchase price shall be paid in cash at the closing of the purchase, which shall take place no later than thirty (30) days after receipt by Franchisee of Franchisor notice to exercise this option to purchase, at which time Franchisee shall deliver instruments transferring to Franchisor or its assignee: (1) good and merchantable title to the Box purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to Franchisor or its assignee). In the event that Franchisee cannot deliver clear title to the Box as aforesaid, or in the event there shall be other unresolved issues, the closing of the sale shall be accomplished through an escrow. Franchisor shall have the right to set off against and reduce the purchase price by any and all amounts owed by Franchisee to Franchisor, and the amount of any encumbrances or liens against the Box.

(d) Transfer Telephone and Social Media Privileges. Franchisee shall relinquish and take all steps necessary to transfer all right, title and interest in all telephone numbers, listings, email addresses and accounts, all social media pages, accounts, usernames, websites or website pages, and advertising privileges concurrent therewith, relating to the Franchisee's Business to Franchisor. Franchisee will notify applicable telephone companies, listing agencies, web hosting and related companies of the termination or expiration of Franchisee's right to use any such numbers, email addresses, websites or social media accounts and will comply in all ways with turnover, transfer or assignment of such numbers, accounts, listings, registrations and privileges to Franchisor.

(e) Franchisor Right To Purchase the Business. Upon termination of this Agreement by Franchisor for cause or upon expiration of this Agreement (without renewal), Franchisor shall have the option, exercisable by giving written notice thereof within sixty (60) days from the date of such expiration or termination, to purchase from Franchisee all the assets of the Business. Assets shall include, without limitation, all vehicles used exclusively for the Business, furniture, fixtures, furnishings, equipment, signs, inventory, and the Box. Franchisor shall have the unrestricted right to assign this option to purchase. Franchisor or its assignee shall be entitled to all customary warranties and representations in connection with its asset purchase, including, without limitation, representations and warranties as to ownership, condition and title to assets, liens and encumbrances on the assets, validity of contracts and agreements, and liabilities inuring to Franchisor or affecting the assets, contingent or otherwise.

The purchase price for the assets of the Business shall be the price paid, minus depreciation, for all inventory, supplies, equipment, fixtures and furnishings purchased and paid for by Franchisee pursuant to this Agreement or any other Agreement between the parties; the purchase price shall not contain any factor or increment for any trademark, service mark or other commercial symbol used in connection with the operation of the Business, and further provided that Franchisor may exclude from the assets purchased hereunder any furniture, fixtures, furnishings, equipment, signs, decor and inventory that are not approved as meeting quality standards for Businesses.

The purchase price shall be paid in cash at the closing of the purchase, which shall take place no later than ninety (90) days after receipt by Franchisee of Franchisor notice to exercise

this option to purchase, at which time Franchisee shall deliver instruments transferring to Franchisor or its assignee: (1) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to Franchisor or its assignee), with all sales and other transfer taxes paid by Franchisee; and (2) all licenses and/or permits of the Business which may be assigned or transferred. In the event that Franchisee cannot deliver clear title to all of the purchased assets as aforesaid, or in the event there shall be other unresolved issues, the closing of the sale shall be accomplished through an escrow. Further, Franchisee and Franchisor shall, prior to closing, comply with the applicable Bulk Sales provisions of the Uniform Commercial Code of the state where the Business is located. Franchisor shall have the right to set off against and reduce the purchase price by any and all amounts owed by Franchisee to Franchisor, and the amount of any encumbrances or liens against the assets. If Franchisor or its assignee exercises this option to purchase, pending the closing of such purchase as hereinafter provided, Franchisor shall have the right to appoint a manager to maintain the operation of the Business. Alternatively, Franchisor may require Franchisee to close the Business during such time period without removing therefrom any assets, provided that the landlord for the Home Base (as applicable) approves of such closure. Franchisee shall maintain in force all insurance policies required by this Agreement until the date of closing.

(f) Rights Not Exclusive. The foregoing rights of Franchisor upon termination by reason of breach or default hereunder shall not be exclusive, but shall be in addition to all other rights available to Franchisor under the terms hereof or under applicable law. Termination of this Agreement under any circumstances shall not abrogate, impair, release, or extinguish any debt, obligation, or liability of Franchisee which may have accrued hereunder, including without limitation any debt, obligation, or liability which was the cause of termination. All covenants and agreements of Franchisee which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

(g) Activities Following Termination; Noncompetition. Franchisee acknowledges that the elements comprising the Franchisor System are unique, proprietary and distinctive and have been developed by Franchisor as the result of great expenditures of time, effort and money; that Franchisee has regular and continuing access to valuable trade secret and confidential information; and that Franchisee recognizes its obligation to keep this trade secret and confidential information in confidence pursuant to the provisions of this Agreement. Franchisee therefore agrees that if, prior to its expiration, this Agreement is terminated by Franchisor in accordance with the provisions of this Agreement or by Franchisee without cause, or this Agreement expires pursuant to the terms hereof, Franchisee shall (1) immediately cease to use any Confidential Information of Franchisor disclosed to, or otherwise learned or acquired by Franchisee in any business or otherwise; (2) return to Franchisor all copies of the Manuals and any other confidential materials which have been loaned or made available to him or her by Franchisor; and (3) return to Franchisor all customer lists generated and/or used by the Business. Further, for a period of two (2) years, commencing on the expiration or termination of this Agreement for any reason, Franchisee, its owners and members of the immediate family of Franchisee or each owner of Franchisee shall not hold any direct or indirect interest as a disclosed or beneficial owner in, or employee of, any Competitive Business located or operating within ten (10) miles of the Business or any other franchised business of the System, or any entity which is granting franchises or licenses or establishing joint ventures for the operation of Competitive Businesses.

ARTICLE 8. TRANSFER AND ASSIGNMENT

8.1 Prior Offering and Consent: Conditions For Approval.

Franchisee understands and acknowledges that the rights and duties created by this Agreement are personal to Franchisee and that Franchisor has granted this franchise in reliance upon the individual character, skill, aptitude, attitude, business ability and financial capacity of Franchisee. Therefore, except as hereinafter provided in Section 8.4 with respect to assignment to a corporation or partnership, neither this Agreement nor the franchise (or any interest therein), nor any part or all of the ownership of Franchisee or the Business (or any interest therein) may be transferred without the prior written approval of Franchisor, and any such transfer without approval shall constitute a breach hereof and convey no rights to or interests in this Agreement, the franchise, Franchisee or the Business. As used in this Agreement the term "transfer" shall mean and include the voluntary, involuntary, direct or indirect assignment, sale, gift or other transfer by Franchisee (or any of its owners) of any interest in: (1) this Agreement; (2) the franchise; (3) the ownership of Franchisee; or (4) the Business. An assignment, sale, or other transfer shall include the following events: (1) the transfer of any ownership interest in Franchisee or the Franchised Business, whether by transfer of capital stock, partnership interest or otherwise; (2) merger or consolidation or issuance of additional securities representing an ownership interest in Franchisee; (3) any sale of voting stock of or other ownership interest in Franchisee or the sale of any security or debt interest that is convertible to voting stock of or other ownership interest in Franchisee; (4) transfer of an interest in this Agreement, the franchise, Franchisee or the Business in a divorce, insolvency, corporate or partnership dissolution proceeding or otherwise by operation of law; or (5) transfer of an interest in this Agreement, the franchise, Franchisee or the revenues, profits, rights or assets of the Business in the event of the death of Franchisee or an owner of Franchisee, by will, declaration of or transfer in trust, or under the laws of interstate succession. If Franchisee is in full compliance with this Agreement, Franchisor shall not unreasonably withhold its approval of a transfer that meets all of the applicable requirements of this Section 8.1. A transfer of ownership of the Business may only be made in conjunction with a transfer of the franchise and this Agreement and a transfer of the franchise or this Agreement may only be made in conjunction with a transfer of the Business and all in all cases the following conditions must be met prior to, or concurrently with, the effective date of the transfer:

(a) Franchisee has complied with the provisions of Section 8.3 below and Franchisor has been given and has declined to exercise the right of first refusal as described in Section 8.3 below; and

(b) The proposed transferee meets Franchisor uniform standards of qualification then applicable with respect to all applicants for a business franchise including, but not limited to, financial strength, business experience, and other relevant business considerations; and

(c) As of the effective date of the transfer, all obligations of Franchisee under all written contracts and agreements between Franchisee and Franchisor are fully satisfied; and

(d) Franchisor is paid a transfer fee in the amount of Ten Thousand Dollars ($10,000), or, in the case of a transfer to an existing Franchisee, Seventy-Five Hundred Dollars

($7,500), by the effective date of the transfer to the transferee (except that transfer to an entity that Franchisee controls, with Franchisor's prior approval, will incur a cost of only Franchisor's actual expenses); and

(e) Prior to the commencement of training, the transferee shall, have signed and agreed to be bound by the then current form of franchise agreement and other ancillary agreements, which shall waive the initial franchise fees, provide for a term equal to the remaining term hereof and contain other provisions to clarify that it is for a transfer of an existing franchise rather than the sale of a new franchise, and which may provide for higher royalty fees, advertising contributions or expenditures, and different rights and obligations than are provided in this Agreement; and

(f) The transferee must attend and satisfactorily complete the training program provided by Franchisor as provided in Section 6.1(c) prior to the effective date of the transfer; and

(g) Franchisee assigns to the transferee any leasehold interest in the Home Base; and

(h) Except to the extent limited by applicable law, Franchisee and its owner(s) have executed a general release, in form satisfactory to Franchisor, of any and all claims against Franchisor and its affiliates, directors, officers, employees and agents; and

(i) Franchisee and its owners must execute a noncompetition agreement in favor of Franchisor and the transferee, agreeing that for a period of two (2) years, commencing on the effective date of transfer, Franchisee, its owners and members of the immediate family of Franchisee or each owner of Franchisee will not hold any direct or indirect interest as a disclosed or beneficial owner in any Competitive Business located or operating within ten (10) miles of the Business (other than other Franchisor Businesses operated under franchise agreements with Franchisor, or businesses previously approved by Franchisor), or any entity which is granting franchises or licenses or establishing joint ventures for the operation of Competitive Businesses; and

(j) Franchisor shall have approved the material terms and conditions of the assignment, which approval shall not be unreasonably withheld including, without limitation, a determination that the price and terms of payment are not so burdensome as to adversely affect the future operations of the Business by the proposed transferee in compliance with the terms and conditions of the franchise agreement; and

(k) If Franchisee finances any part of the sale price of the transferred interest, Franchisee and/or its owners must agree that all obligations of the transferee under or pursuant to any promissory note, agreements or security interests reserved by Franchisee or its owners in the assets of the Business or the Warehouse shall be subordinate to: the obligations of the transferee to pay franchise fees, royalty fees, advertising contributions and other amounts due to Franchisor, and otherwise to comply with this Agreement or the franchise agreement executed by the transferee.

If the proposed transfer is to or among owners of Franchisee, Subparagraph (d) of the above requirements shall not apply.

Subparagraphs (j) and (k) shall not apply to transfers by gift, bequest or inheritance.

8.2 Death or Disability; Management by Franchisor.

Notwithstanding the provisions of Section 8.1, in the event of the death or permanent disability of Franchisee or if Franchisee is a corporation or partnership or the owner of a majority interest therein, the executor, administrator, conservator or other personal representative of such person shall transfer Franchisee's interest within a reasonable time, not to exceed six (6) months from the date of death or permanent disability, to a third party approved by Franchisor. This transfer, including, without limitation, transfers by devise or inheritance, shall be subject to all of the terms and conditions contained in Section 8.1 hereof, and the following:

(a) Appointment of Manager. If, within ten (10) days after the death or permanent disability, Franchisee's Business is not being managed by a competent and trained manager, Franchisor is authorized, but is not obligated, to immediately appoint a manager for Franchisee's Business for a period of up to one hundred twenty (120) days, terminating when an approved Franchisee-appointed manager or approved transferee can assume the management of Franchisee's Business. Franchisor will discuss matters material to Franchisee's Business with the Franchisee, or Franchisee's representatives, at least once per quarter during any period of management. Franchisor appointment of an interim manager of the Business pursuant to this Section shall not relieve Franchisee of any obligations under this Agreement and Franchisor shall not be liable for any debts, losses, costs or expenses incurred in the operation of the Business or to any of Franchisee's creditors for any products, materials, supplies or services purchased by the Business during any period during which it is managed by a manager appointed by Franchisor. Franchisor will charge Franchisee a management fee equal to Two Thousand Dollars ($2,000) per month, plus One Hundred Fifty Dollars ($150) per hour of time spent on management activities. Franchisor may cease to provide such management services at any time and, upon Franchisee's request, shall account for revenues and expenditures of the Business during any period in which Franchisor provides such services.

(b) Franchisor, in its discretion, may agree to provide management services described in Section 8.2(a) in circumstances other than as a result of death or disability. In any such instance, the fees specified in Section 8.2(a) shall apply.

8.3 Franchisor Right of First Refusal.

In the event Franchisee desires to make any sale, assignment or other transfer referred to in Section 8.1, Franchisee shall notify Franchisor of this intention before extending any offer or making any arrangements to sell, assign or transfer. Upon receipt of any bona fide offer and before unconditionally accepting any bona fide offer for any sale, assignment or transfer, Franchisee will submit an exact copy of the written offer or writings encompassing such offer to Franchisor, or if not in writing, Franchisee will submit to Franchisor in writing all of the terms and conditions of such offer fully and accurately, including the identity of the purchaser. Franchisor shall have the right, exercisable by written notice delivered to Franchisee, to accept this offer on equal terms and price at any time within thirty (30) days following receipt by Franchisor of the offer or terms and conditions of the offer in writing as provided above. If Franchisor does not exercise its right of first refusal, Franchisee may complete the proposed sale, assignment or other

transfer pursuant to and on the terms of the offer, and in compliance with all provisions of Section 8.1. In the event the sale, assignment or other transfer is not completed within sixty (60) days after delivery of the information about the offer to Franchisor as required above, or if there is a material change in the terms of the sale, assignment or other transfer after the delivery of the required information to Franchisor, Franchisor right of first refusal and the process and time periods required above shall be initiated again.

8.4 Assignment to Franchisee Entity.

Notwithstanding Section 8.1, Franchisee may assign and delegate this Agreement and Franchisee's rights and obligations hereunder to a corporation, limited liability company or partnership ("entity") organized by Franchisee solely for the purpose of operating the Business provided that Franchisee retains ownership and control of at least fifty-one percent (51%) of the equity and voting power of the entity, and further provided that:

(a) The shareholders, members or partners are all identified to and approved by Franchisor; and

(b) The articles of incorporation, articles of partnership, limited liability formation and operating agreements, partnership agreement, bylaws or other organizational documents of the entity shall recite that the issuance and assignment of any interest therein is restricted by the terms of Sections 8.1 and 8.3 of this Agreement, and in the case of a corporation, all issued and outstanding stock certificates of the corporation shall bear a legend reflecting or referring to the restrictions of Sections 8.1 and 8.3 in a form satisfactory to counsel for Franchisor; and

(c) Each shareholder, officer, director, member or partner of Franchisee shall execute an agreement in form attached to this Agreement as Exhibit 2 undertaking to be bound jointly and severally by the provisions of this Agreement; and

(d) The parties will document the assignment by entering into a form of assignment as approved by Franchisor; and

(e) The entity shall furnish to Franchisor at any time upon request, in form as Franchisor may require, a list of all shareholders, members, directors, officers or partners of Franchisee reflecting their respective interests in and positions with Franchisee; and

(f) The entity shall at no time engage, directly or indirectly, in any Competitive Business or in any similar business activity other than those directly related to the operation of Franchisee's Business, pursuant to all terms and conditions of this Agreement, including, but not limited to Section 5.3(e); and

(g) Franchisor shall be given written notice of the assignment and delegation, and upon compliance with the foregoing, the entity shall have all of said rights and obligations, and the term "Franchisee" as used herein shall refer to the corporation, limited liability company or partnership.

8.5 Consent Does Not Constitute Waiver.

Franchisor consent to an assignment or transfer of any interest subject to the restrictions of this Article 6 shall not constitute a waiver of any claims it may have against the transferring party, nor shall it be deemed a waiver of Franchisor right to demand exact compliance with any of the terms or conditions hereof by transferee.

8.6 Transfer or Assignment By Franchisor.

This Agreement is fully assignable by Franchisor and shall inure to the benefit of any assignee or other legal successor to the interest of Franchisor herein.

ARTICLE 9. ADDITIONAL LIMITATIONS AND PROVISIONS

9.1 Independent Status.

This Agreement and the activities pursuant hereto do not and will not be deemed to create any relationship between Franchisor and Franchisee or any other party of agency, partnership, joint venture or employment, or any other relationship except that of franchisor and franchisee. Franchisee is and shall be solely an independent contractor and shall at no time act or represent itself to be acting in any other capacity. Without limiting the foregoing, Franchisee shall not incur any obligation or indebtedness on behalf of Franchisor; shall only contract or otherwise incur any obligation or indebtedness only in Franchisee's own name, which, if Franchisee is a corporation or partnership, shall at no time include Franchisor name or Proprietary Marks or any part thereof, or be so similar thereto so as to be in any way misleading; and Franchisee shall otherwise comply with the provisions of Section 5.3 hereof.

9.2 Construction; Whole Agreement; Amendments.

This Agreement contains the entire understanding of the parties, except for such additional agreements and understandings as may, concurrently herewith or hereafter be set forth in written agreements executed by both parties hereto. This Agreement shall be effective only when executed by a duly authorized representative of Franchisor, and no amendment or addition hereto shall be effective unless in writing, executed by a duly authorized representative of Franchisor and by Franchisee.

Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal entity not a party hereto. Except where this Agreement expressly obligates Franchisor to reasonably approve or not unreasonably withhold its approval of any action or request by Franchisee, Franchisor has the absolute right to refuse any request by Franchisee, or to withhold its approval of any action or omission by Franchisee. The headings of the several sections and paragraphs hereof are for convenience only and do not define, limit, or construe the contents of such sections or paragraphs. The term “attorneys’ fees” shall include, without limitation, reasonable legal fees, whether incurred prior to, in preparation for or in contemplation of the filing of any written demand or claim, action, hearing or proceeding to enforce the obligations of this Agreement. The term “member of the immediate family” as used herein refers to parents, spouses, offspring and siblings and their spouses, and the parents and siblings of spouses. References to a “controlling interest” in Franchisee shall mean more than fifty percent

(50%) of the voting control of Franchisee if Franchisee is a corporation, and any general partnership interest if Franchisee is a partnership. The term "Franchisee" as used herein is applicable to one or more persons, a corporation or a partnership, as the case may be. The singular usage includes the plural and the masculine and neuter usages include the other and the feminine. If two or more persons are at any time Franchisee hereunder, whether or not as partners or joint venturers, their obligations and liabilities to Franchisor shall be joint and several. This Agreement shall be executed in multiple copies, each of which shall be deemed an original.

Nothing in this or any related agreement, however, is intended to disclaim the representations Franchisor made in the franchise disclosure document that Franchisor furnished to Franchisee.

9.3 Limitation of Liability.

EXCEPT AS OTHERWISE PROVIDED IN SECTION 6.4, IN NO EVENT SHALL FRANCHISOR OR ANY OF ITS AFFILIATES OR REPRESENTATIVES BE LIABLE UNDER THIS AGREEMENT FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES, ARISING OUT OF OR RELATING TO THE FUNCTION OR MALFUNCTION OF THE BOX, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE, WHETHER OR NOT FRANCHISEE WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT, OR OTHERWISE) UPON WHICH THE CLAIM IS BASED.

9.4 No Warranty.

FRANCHISEE UNDERSTANDS AND ACKNOWLEDGES THAT FRANCHISOR IS NOT THE SUPPLIER OR MANUFACTURER OF THE BOX AND THAT FRANCHISOR BEARS NO RESPONSIBILITY FOR THE PERFORMANCE, MAINTENANCE, REPAIRS, OR FUNCTIONALITY OF THE BOX. FRANCHISOR MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE BOX, INCLUDING ANY WARRANTY OF MERCHANTABILITY; ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; OR WARRANTY OF TITLE; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.

FRANCHISEE'S SOLE REMEDY WITH RESPECT TO ANY CLAIMS RELATED TO PERFORMANCE OF THE BOX SHALL BE MADE AGAINST THE BOX SUPPLIER.

9.5 Severability; Additional Assurances.

Should any provision of this Agreement be for any reason held invalid, illegal or unenforceable, that provision shall be deemed restricted in application to the extent required to render it valid and the remainder hereof shall in no way be affected and shall remain valid and enforceable for all purposes, both parties hereto declaring that they would have executed this Agreement without inclusion of the invalid, illegal or unenforceable provision. If any of the provisions of this contract are inconsistent with applicable state law, then the state law shall apply.

Each party agrees to execute and deliver to the other any further documents that may be reasonably required to fully effectuate the provisions hereof. To the extent that either Sections 5.3(d) or 7.3(g) is deemed unenforceable by virtue of its scope of area, prohibited business activity or length of time, but may be made enforceable by reductions of any or all provisions thereof, Franchisee and Franchisor agree that Sections 5.3(d) and 7.3(g) shall be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction in which enforcement is sought. Although provisions of this Agreement were prepared by Franchisor, this Agreement shall not be construed either for or against Franchisor or Franchisee, but shall be construed in accord with the general tenor of the language to reach a fair and equitable result.

9.6 Notices.

All notices or demands shall be in writing and shall be served in person, by Express Mail, by certified mail, by private overnight delivery, or by email. Service shall be deemed conclusively made: (i) at the time of service, if personally served; (ii) twenty-four (24) hours (exclusive of weekends and national holidays) after deposit in the United States mail, properly addressed and postage prepaid, if served by Express Mail; (iii) upon the earlier of actual receipt or three (3) calendar days after deposit in the United States mail, properly addressed and postage prepaid, return receipt requested, if served by certified mail; (iv) twenty-four (24) hours after delivery by the party giving the notice, statement or demand if by private overnight delivery; and (v) one (1) business day after email transmission:

To Franchisor: Dryvebox Franchising, LLC
439 43rd Avenue
San Francisco, CA 94121
franchise@dryvebox.com

To Franchisee:_____
_____
_____
_____

Either party may change the address for notices by written notice to the other in accordance with the foregoing.

9.7 Costs and Attorneys' Fees.

In any legal action or arbitration proceeding between the parties arising out of or related to this Agreement, the prevailing party shall be entitled to recover its costs and expenses, including reasonable accounting and legal fees.

9.8 Successors and Assigns.

Subject to the above provisions concerning assignments and transfers by Franchisee, this Agreement shall inure to the benefit of and be binding upon the successors, assigns and legal representatives of the parties hereto.

9.9 Headings.

The subject headings of the paragraphs and subparagraphs of this Agreement are included for the purpose of convenience only, and shall not affect the construction or interpretation of any of its provisions.

9.10 Governing Law; Jurisdiction.

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other applicable state law, This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to any conflict of laws principles. If, however, any provision of this Agreement would not be enforceable under the laws of Delaware, and if Businesses are located outside of Delaware and such provision would be enforceable under the laws of the state in which Businesses are located, then such provision shall be interpreted and construed under the laws of that state. For the purposes of injunctive relief pursuant to Section 7.11(b), Franchisee irrevocably submits to jurisdiction of the Superior Court of the State of California and the Federal Court for the Northern District of California. Franchisee irrevocably agrees that venue for any action in arbitration or otherwise shall be in the county where Franchisor's headquarters then are located, currently City and County of San Francisco, State of California. Franchisee waives any objection to the jurisdiction of such courts or to venue in City and County of San Francisco.

9.11 Jury Trial and Punitive Damages Waiver.

FRANCHISOR AND FRANCHISEE KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY AND WAIVE ANY CLAIM FOR PUNITIVE, MULTIPLE, AND/OR EXEMPLARY DAMAGES, EXCEPT THAT EACH PARTY SHALL BE FREE AT ANY TIME HEREUNDER TO BRING AN ACTION FOR WILLFUL TRADEMARK INFRINGEMENT AND, IF SUCCESSFUL, TO RECEIVE AN AWARD OF MULTIPLE DAMAGES AS PROVIDED BY LAW.

9.12 Dispute Resolution.

(a) All controversies, disputes or claims arising between Franchisor and Franchisee (including any claim against Franchisor officers, directors, agents, employees, licensors, licensees, independent contractors or consultants in their capacity as such, or against the owners and guarantors of Franchisee, if applicable) in connection with, arising from, or with respect to: (1) any provision of this Agreement or any other agreement between the parties related to this Agreement; (2) the relationship of the parties hereto; (3) the validity of this Agreement or any other agreement between the parties related to this Agreement, or any provision thereof; or (4) any specification, standard or operations procedure relating to the establishment or operation of the Franchisor Business (except controversies, disputes or claims relating to the Proprietary Marks or any lease of real estate) shall be submitted for mediation to Judicial Arbitration and Mediation Services ("JAMS") or such other dispute resolution service agreed upon by the parties for mediation. If JAMS or such other dispute resolution service is unable to successfully resolve any dispute, the dispute shall be determined by arbitration administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures, and in such jurisdiction as set forth in Section

9.10. Judgment on any resulting award may be entered in any court having jurisdiction. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction, including those named in Section 9.9.

(b) Franchisor may enforce by judicial process any right Franchisor may have to possession of the Business under this Agreement or any collateral conditional assignment of lease with Franchisee. Further, Franchisor has the right to seek preliminary and permanent injunctive relief prohibiting unauthorized use or infringement of any of the Proprietary Marks or unauthorized use of any licensed software program or copyrighted material or other confidential information, in any court of competent jurisdiction under customary equity rules, without submitting the dispute to mediation. Franchisee agrees that Franchisor will have the right to seek any provisional remedy, including preliminary injunctive relief necessary to enforce this Agreement or the termination hereof or to restrain conduct by Franchisee in the operation of the Business that could materially damage the goodwill associated with the Proprietary Marks and the reputation of Franchisor Business without prior submission of the claim to mediation or pending the outcome of any mediation commenced. Franchisee agrees that Franchisor will not be required to post a bond to obtain any injunctive relief and that Franchisee's only remedy if an injunction is entered against Franchisee will be the dissolution of that injunction. It is agreed that either party may seek injunctive relief to prohibit a wrongful termination of this Agreement by the other party without first submitting the dispute to mediation.

9.13 Limitations of Actions.

Any and all claims arising out of this Agreement or the relationship of Franchisee and Franchisor in connection with Franchisee's operation of the Business must be made within one (1) year from the occurrence of the facts giving rise to such claims or one (1) year after this Agreement expires or is terminated for any reason. Franchisee agrees that any claim or action not brought within the periods required under this Section shall forever be barred as a claim, counterclaim, defense, or set off.

ARTICLE 10. ACKNOWLEDGMENTS.

10.1 General.

Franchisee, and if franchisee is not a natural person its Owners, jointly and severally acknowledge that they have carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution of this Agreement, that they have obtained the advice of counsel in connection with entering into this Agreement, that they understand the nature of this Agreement, and that they intend to comply herewith and be bound hereby. Franchisor expressly disclaims making, and Franchisee acknowledges that it or they have not received or relied on any warranty or guarantee, express or implied, as to the potential volume, profits, expenses or success of the business venture contemplated by this Agreement.

10.2 Independent Investigation.

Franchisee acknowledges that Franchisee has conducted an independent investigation of the business franchised under this Agreement, recognizes that the business venture contemplated by this Agreement involves business risks, and that its success will be largely

dependent upon the ability of Franchisee and if an Entity, its Owners, as independent businesspersons. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by this Agreement.

10.3 Copy of Agreement.

Franchisee acknowledges that it received a copy of this Agreement, the Attachments annexed to this Agreement, and agreements relating to this Agreement, if any, with all of the blank lines therein filled in prior to executing this Agreement.

10.4 Franchise Disclosure Document.

Franchisee acknowledges that it has received a copy of the complete Franchisor's Franchise Disclosure Document which contains a copy of this Agreement, at least fourteen (14) calendar days prior to the date on which this Agreement was executed. Franchisee acknowledges and agrees that Franchisor has made no promises, representations, warranties or assurances to Franchisee which are inconsistent with the terms of this Agreement or Franchisor's Franchise Disclosure Document, concerning the profitability or likelihood of success of Business at the Franchised Location, that Franchisee has been informed by Franchisor that there can be no guarantee of success in the franchised business and that Franchisee's business ability and aptitude is primary in determining success.

10.5 Anti-Terrorism Laws.

Neither Franchisee nor any of its Owners conducts any activity, or has failed to conduct any activity, if such action or inaction constitutes a money laundering crime, including any money laundering crime prohibited under the International Money Laundering Abatement and Anti-Terrorist Financing Act ("Patriot Act") and any amendments or successors thereto.

(a) Neither Franchisee, any of its Owners nor any employee of either of them is named as a "Specially Designated Nationals" or "Blocked Persons" as designated by the U.S. Department of the Treasury's Office of Foreign Assets Control. Currently, this list is published under the internet website address "www.treas.gov/offices/enforcement/ofac/sdn/". Franchisee is neither directly nor indirectly owned or controlled by the government of any country that is subject to a United States embargo. Nor does Franchisee or its Owners act directly or indirectly on behalf of the government of any country that is subject to a United States embargo. Franchisee agrees that it will notify Franchisee in writing immediately of the occurrence of any event, which renders the foregoing representations and warranties of this paragraph incorrect.

(b) Franchisee represents that it understands and has been advised by legal counsel on the requirements of the Applicable Laws referred to above, including the United States Foreign Corrupt Practices Act (currently located at www.usdoj.gov/criminal/fraud/fcpa.html), any local foreign corrupt practices laws and the Patriot Act (currently located at www.epic.org/privacy/terrorism/hr3162.html), and hereby acknowledges the importance to Franchisee, Dryvebox System and the parties' relationship of their respective compliance with any applicable auditing requirements and any requirement to report or provide access to information to Franchisor or any government, that is made part of any Applicable Law. Franchisee shall take

all reasonable steps to require its consultants, agents and employees to comply with such laws prior to engaging or employing any such persons.

10.6 Counterparts and Electronic Transmission; Electronic Signatures.

This Agreement and its Attachments may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Agreement and its Attachments with signatures that have been transmitted by email or by facsimile shall constitute and will be deemed original copies of this Agreement and its Attachments for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement and its Attachments. In addition, this Agreement and all Attachments to this Agreement may be signed electronically by the parties and electronic signatures appearing on this Agreement and the Attachments shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement and the Attachments.

[Signature page follows]

FRANCHISOR

Dryvebox Franchising, LLC ("Franchisor")

By: _____
(Signature)

Title: _____

Date: _____

FRANCHISEE

_____
(Name of Entity)

By: _____
(Signature)

Title: _____

Date: _____

FRANCHISEE

_____
(Print Name)

By: _____
(Signature)

Date: _____

EXHIBIT 1 TO FRANCHISE AGREEMENT

The Territory referred to in subparagraph (b) of Section 2.1 shall be:

_____

_____

_____

This Territory has been expanded by a total of _____ units.

FRANCHISOR

Dryvebox Franchising, LLC ("Franchisor")

By: _____
(Signature)

Title: _____

Date: _____

FRANCHISEE

_____
(Name of Entity)

By: _____
(Signature)

Title: _____

Date: _____

FRANCHISEE

_____
(Print Name)

By: _____
(Signature)

Date: _____

EXHIBIT 2 TO FRANCHISE AGREEMENT

Guaranty and Assumption of Franchisee's Obligations

In consideration of, and as required by Section 6.4(c) of the above Franchise Agreement (the "Agreement") each of the undersigned hereby personally and unconditionally:

(1) guarantees to Dryvebox Franchising, LLC ("Franchisor") and its successors and assigns, for the term of the Agreement including renewals thereof, that _____ ("Franchisee") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and

(2) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement.

Each of the undersigned waives the following:

(1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; and

(2) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; and

(3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; and

(4) any right he or she may have to require that an action be brought against Franchisee or any other person as a condition of liability; and

(5) any and all other notices and legal or equitable defenses to which he or she may be entitled, including defenses arising by reason of California Civil Code Sections 2806 through 2855.

Each of the undersigned consents and agrees that:

(1) his or her direct and immediate liability under this guaranty shall be joint and several; and

(2) he or she shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; and

(3) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and

(4) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor 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 shall in any

way modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Agreement, including renewals thereof.

WITNESS	GUARANTOR(S)	%
(Signature)	(Signature)	_____
(Print Name)	(Print Name)	
(Date)	(Date)	
(Signature)	(Signature)	_____
(Print Name)	(Print Name)	
(Date)	(Date)	
(Signature)	(Signature)	_____
(Print Name)	(Print Name)	
(Date)	(Date)	

EXHIBIT 3 TO FRANCHISE AGREEMENT

CONFIDENTIAL INFORMATION AND INVENTION ASSIGNMENT AGREEMENT

Name: **[NAME OF EMPLOYEE]**

Effective Date: **[Date of CIIAA - TBD]**

As a condition of my becoming employed (or my employment being continued) by or otherwise working with [NAME OF YOUR COMPANY], or any of its current or future subsidiaries, affiliates, successors or assigns (collectively, the "Company"), and in consideration of my relationship with the Company and my receipt of the compensation now and hereafter paid to me by the Company, the receipt of Confidential Information (as defined below) while associated with the Company, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, I agree to the following:

1. **Relationship.** This Confidential Information and Invention Assignment Agreement (this "Agreement") will apply to my employment relationship with the Company. If that relationship ends and the Company, within a year thereafter, either reemploys me or engages me as a consultant, I agree that this Agreement will also apply to such later employment or consulting relationship, unless the Company and I otherwise agree in writing. Any such employment or consulting relationship between the parties hereto, whether commenced prior to, upon or after the date of this Agreement, is referred to herein as the "Relationship."

2. **Confidential Information.**

(a) **Protection of Information.** I understand that during the Relationship, the Company intends to provide me with information, including Confidential Information (as defined below), without which I would not be able to perform my duties to the Company. I agree, at all times during the term of the Relationship and thereafter, to hold in strictest confidence, and not to use, except for the benefit of the Company to the extent necessary to perform my obligations to the Company under the Relationship, and not to disclose to any person, firm, corporation or other entity, without written authorization from the Company in each instance, any Confidential Information that I obtain, access or create during the term of the Relationship, whether or not during working hours, until such Confidential Information becomes publicly and widely known and made generally available through no wrongful act of mine or of others who were under confidentiality obligations as to the item or items involved. I further agree not to make copies of such Confidential Information except as authorized by the Company.

(b) **Confidential Information.** I understand that "Confidential Information" means information and physical material not generally known or available outside the Company and information and physical material entrusted to the Company in confidence by third parties. Confidential Information includes, without limitation: (i) Dryvebox Inventions (as defined below); and (ii) technical data, trade secrets, know-how, research, product or service ideas or plans,

software codes and designs, algorithms, developments, inventions, patent applications, laboratory notebooks, processes, formulas, techniques, biological materials, mask works, engineering designs and drawings, hardware configuration information, agreements with third parties, lists of, or information relating to, employees and consultants of the Company (including, but not limited to, the names, contact information, jobs, compensation, and expertise of such employees and consultants), lists of, or information relating to, suppliers and customers (including, but not limited to, customers of the Company on whom I called or with whom I became acquainted during the Relationship), price lists, pricing methodologies, cost data, market share data, marketing plans, licenses, contract information, business plans, financial forecasts, historical financial data, budgets or other business information disclosed to me by the Company either directly or indirectly, whether in writing, electronically, orally, or by observation.

(c) **Third Party Information.** My agreements in this Section 2 are intended to be for the benefit of the Company and any third party that has entrusted information or physical material to the Company in confidence, specifically including Dryvebox, Inc. I further agree that, during the term of the Relationship and thereafter, I will not improperly use or disclose to the Company any confidential, proprietary or secret information of my former employer(s) or any other person, and I agree not to bring any such information onto the Company's property or place of business.

(d) **Other Rights.** This Agreement is intended to supplement, and not to supersede, any rights the Company may have in law or equity with respect to the protection of trade secrets or confidential or proprietary information.

(e) **U.S. Defend Trade Secrets Act.** Notwithstanding the foregoing, the U.S. Defend Trade Secrets Act of 2016 ("DTSA") provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (iii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, DTSA provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.

3. **Ownership of Inventions.**

(a) **Inventions Retained and Licensed.** I have attached hereto, as Exhibit A, a complete list describing with particularity all Inventions (as defined below) that, as of the Effective Date: (i) I made, and/or (ii) belong solely to me or belong to me jointly with others or in which I have an interest, and that relate in any way to any of the Company's actual or proposed businesses, products, services, or research and development, and which are not assigned to the Company hereunder; or, if no such list is attached, I represent that there are no such Inventions at the time of signing this Agreement, and to the extent such Inventions do exist and are not listed on Exhibit A, I hereby forever waive any and all rights or claims of ownership to such Inventions. I understand that my listing of any Inventions on Exhibit A does not constitute an acknowledgement by the

Company of the existence or extent of such Inventions, nor of my ownership of such Inventions. I further understand that I must receive the formal approval of the Company before commencing my Relationship with the Company.

(b) **Use or Incorporation of Inventions.** If in the course of the Relationship, I use or incorporate into a product, service, process or machine any Invention not covered by Section 3(d) of this Agreement in which I have an interest, I will promptly so inform the Company in writing. Whether or not I give such notice, I hereby irrevocably grant to the Company a nonexclusive, fully paid-up, royalty-free, assumable, perpetual, worldwide license, with right to transfer and to sublicense, to practice and exploit such Invention and to make, have made, copy, modify, make derivative works of, use, sell, import, and otherwise distribute such Invention under all applicable intellectual property laws without restriction of any kind.

(c) **Inventions.** I understand that "Inventions" means discoveries, developments, concepts, designs, ideas, know how, improvements, inventions, trade secrets and/or original works of authorship, whether or not patentable, copyrightable or otherwise legally protectable. I understand this includes, but is not limited to, any new product, machine, article of manufacture, biological material, method, procedure, process, technique, use, equipment, device, apparatus, system, compound, formulation, composition of matter, design or configuration of any kind, or any improvement thereon. I understand that "Dryvebox Inventions" means any and all Inventions that I may solely or jointly author, discover, develop, conceive, or reduce to practice during the period of the Relationship, except as otherwise provided in Section 3(g) below.

(d) **Assignment of Dryvebox Inventions.** I hereby assign to Dryvebox, Inc., or its designee, and I agree that I will promptly make full written disclosure to the Company of and to hold in trust for the sole right and benefit of Dryvebox, Inc., all my right, title and interest throughout the world in and to any and all Dryvebox Inventions and all patent, copyright, trademark, trade secret and other intellectual property rights therein. I hereby waive and irrevocably quitclaim to the Dryvebox, Inc. or its designee any and all claims, of any nature whatsoever, that I now have or may hereafter have for infringement of any and all Dryvebox Inventions. I further acknowledge that all Dryvebox Inventions that are made by me (solely or jointly with others) within the scope of and during the period of the Relationship are "works made for hire" (to the greatest extent permitted by applicable law) and are compensated by my salary. Any assignment of Dryvebox Inventions includes all rights of attribution, paternity, integrity, modification, disclosure and withdrawal, and any other rights throughout the world that may be known as or referred to as "moral rights," "artist's rights," "droit moral," or the like (collectively, "Moral Rights"). To the extent that Moral Rights cannot be assigned under applicable law, I hereby waive and agree not to enforce any and all Moral Rights, including, without limitation, any limitation on subsequent modification, to the extent permitted under applicable law.

(e) **Maintenance of Records.** I agree to keep and maintain adequate and current written records of all Dryvebox Inventions made or conceived by me (solely or jointly with others) during the term of the Relationship. The records may be in the form of notes, sketches, drawings, flow charts, electronic data or recordings, laboratory notebooks, or any other format. The records will be available to and remain the sole property of Dryvebox, Inc. at all times. I agree not to remove such records from the Company's place of business except as expressly permitted by Company policy which may, from time to time, be revised at the sole election of the Company

for the purpose of furthering the Company's business. I agree to deliver all such records (including any copies thereof) to the Company at the time of termination of the Relationship as provided for in Section 4 and Section 5.

(f) **Patent and Copyright Rights.** I agree to assist Dryvebox, Inc., or its designee, at its expense, in every proper way to secure Dryvebox Inc.'s, or its designee's, rights in the Dryvebox Inventions and any copyrights, patents, trademarks, mask work rights, Moral Rights, or other intellectual property rights relating thereto in any and all countries, including the disclosure to Dryvebox, Inc. or its designee of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments, recordations, and all other instruments which Dryvebox, Inc. or its designee shall deem necessary in order to apply for, obtain, maintain and transfer such rights, or if not transferable, waive and agree never to assert such rights, and in order to assign and convey to Dryvebox, Inc. or its designee, and any successors, assigns and nominees the sole and exclusive right, title and interest in and to such Dryvebox Inventions, and any copyrights, patents, mask work rights or other intellectual property rights relating thereto. I further agree that my obligation to execute or cause to be executed, when it is in my power to do so, any such instrument or papers shall continue during and at all times after the end of the Relationship and until the expiration of the last such intellectual property right to expire in any country of the world. I hereby irrevocably designate and appoint Dryvebox, Inc. and its duly authorized officers and agents as my agent and attorney-in-fact, to act for and in my behalf and stead to execute and file any such instruments and papers and to do all other lawfully permitted acts to further the application for, prosecution, issuance, maintenance or transfer of letters patent, copyright, mask work and other registrations related to such Dryvebox Inventions. This power of attorney is coupled with an interest and shall not be affected by my subsequent incapacity.

(g) **Exception to Assignments.** Subject to the requirements of applicable state law, if any, I understand that the Dryvebox Inventions will not include, and the provisions of this Agreement requiring assignment of inventions to Dryvebox, Inc. do not apply to, any invention which qualifies fully for exclusion under the provisions of applicable state law, if any, attached hereto as Exhibit B. In order to assist in the determination of which inventions qualify for such exclusion, I will advise Dryvebox, Inc. promptly in writing, during and for a period of twelve (12) months immediately following the termination of the Relationship, of all Inventions solely or jointly conceived or developed or reduced to practice by me during the period of the Relationship.

4. **Company Property; Returning Company Documents.** I acknowledge and agree that I have no expectation of privacy with respect to the Company's telecommunications, networking or information processing systems (including, without limitation, files, e-mail messages, and voice messages) and that my activity and any files or messages on or using any of those systems may be monitored or reviewed at any time without notice. I further agree that any property situated on the Company's premises and owned by the Company, including disks and other storage media, filing cabinets or other work areas, is subject to inspection by Company personnel at any time with or without notice. I agree that, at the time of termination of the Relationship, I will deliver to the Company (and will not keep in my possession, recreate or deliver to anyone else) any and all devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, laboratory notebooks, materials, flow charts, equipment, other documents or property, or reproductions of any of the aforementioned items

developed by me pursuant to the Relationship or otherwise belonging to the Company, its successors or assigns.

5. **Termination Certification.** In the event of the termination of the Relationship, I agree to sign and deliver the "Termination Certification" attached hereto as Exhibit C; however, my failure to sign and deliver the Termination Certification shall in no way diminish my continuing obligations under this Agreement.

6. **Notice to Third Parties.** I agree that during the periods of time during which I am restricted in taking certain actions by the terms of Section 7 of this Agreement (the "Restriction Period"), I shall inform any entity or person with whom I may seek to enter into a business relationship (whether as an owner, employee, independent contractor or otherwise) of my contractual obligations under this Agreement. I also understand and agree that the Company or Dryvebox, Inc. may, with or without prior notice to me and during or after the term of the Relationship, notify third parties of my agreements and obligations under this Agreement. I further agree that, upon written request by the Company or Dryvebox, Inc., I will respond in writing regarding the status of my employment or proposed employment with any party during the Restriction Period.

7. **Solicitation of Other Parties.** As described above, I acknowledge and agree that the Company's Confidential Information includes information relating to the Company's employees, consultants, customers and others, and that I will not use or disclose such Confidential Information except as authorized by Dryvebox, Inc. I further agree that during the term of the Relationship, I will not negatively influence any of the Company's or Dryvebox, Inc.'s clients, licensors, licensees or customers from purchasing products or services or solicit or influence or attempt to influence any client, licensor, licensee, customer or other person either directly or indirectly, to direct any purchase of products and/or services to any person, firm, corporation, institution or other entity in competition with the business of the Company or Dryvebox, Inc..

8. **At-Will Relationship.** I understand and acknowledge that, except as may be otherwise explicitly provided in a separate written agreement between the Company and me, my Relationship with the Company is and shall continue to be at-will, as defined under applicable law, meaning that either I or the Company may terminate the Relationship at any time for any reason or no reason, without further obligation or liability, other than those provisions of this Agreement that explicitly continue in effect after the termination of the Relationship.

9. **Representations and Covenants.**

(a) **Facilitation of Agreement.** I agree to execute promptly, both during and after the end of the Relationship, any proper oath, and to verify any proper document, required to carry out the terms of this Agreement, upon the Company's written request to do so.

(b) **No Conflicts.** I represent that my performance of all the terms of this Agreement does not and will not breach any agreement I have entered into, or will enter into, with any third party, including without limitation any agreement to keep in confidence proprietary information or materials acquired by me in confidence or in trust prior to or during the Relationship. I will not disclose to the Company or use any inventions, confidential or non-public

proprietary information or material belonging to any previous client, employer or any other party. I will not induce the Company to use any inventions, confidential or non-public proprietary information, or material belonging to any previous client, employer or any other party. I acknowledge and agree that I have listed on Exhibit A all agreements (e.g., non-competition agreements, non-solicitation of customers agreements, non-solicitation of employees agreements, confidentiality agreements, inventions agreements, etc.), if any, with a current or former client, employer, or any other person or entity, that may restrict my ability to accept employment with the Company or my ability to recruit or engage customers or service providers on behalf of the Company, or otherwise relate to or restrict my ability to perform my duties for the Company or any obligation I may have to the Company. I agree not to enter into any written or oral agreement that conflicts with the provisions of this Agreement.

(c) **Voluntary Execution.** I certify and acknowledge that I have carefully read all of the provisions of this Agreement, that I understand and have voluntarily accepted such provisions, and that I will fully and faithfully comply with such provisions.

10. **Electronic Delivery.** Nothing herein is intended to imply a right to participate in any of the Company's equity incentive plans, however, if I do participate in such plan(s), the Company may, in its sole discretion, decide to deliver any documents related to my participation in the Company's equity incentive plan(s) by electronic means or to request my consent to participate in such plan(s) by electronic means. I hereby consent to receive such documents by electronic delivery and agree, if applicable, to participate in such plan(s) through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

11. **Miscellaneous.**

(a) **Governing Law.** The validity, interpretation, construction and performance of this Agreement, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of [GOVERNING LAW JURISDICTION] without giving effect to the principles of conflict of laws.

(b) **Entire Agreement.** This Agreement sets forth the entire agreement and understanding between the Company and me relating to its subject matter and merges all prior discussions between us. No amendment to this Agreement will be effective unless in writing signed by both parties to this Agreement. The Company shall not be deemed hereby to have waived any rights or remedies it may have in law or equity, nor to have given any authorizations or waived any of its rights under this Agreement, unless, and only to the extent, it does so by a specific writing signed by a duly authorized officer of the Company, it being understood that, even if I am an officer of the Company, I will not have authority to give any such authorizations or waivers for the Company under this Agreement without specific approval by the Board of Directors. Any subsequent change or changes in my duties, obligations, rights or compensation will not affect the validity or scope of this Agreement.

(c) **Successors and Assigns.** This Agreement will be binding upon my heirs, executors, administrators and other legal representatives, and my successors and assigns, and will be for the benefit of the Company, its successors, and its assigns.

(d) **Notices.** Any notice, demand or request required or permitted to be given under this Agreement shall be in writing and shall be deemed sufficient when delivered personally or by overnight courier or sent by email, or 48 hours after being deposited in the U.S. mail as certified or registered mail with postage prepaid, addressed to the party to be notified at such party's address as set forth on the signature page, as subsequently modified by written notice, or if no address is specified on the signature page, at the most recent address set forth in the Company's books and records.

(e) **Severability.** If one or more of the provisions in this Agreement are deemed void or unenforceable to any extent in any context, such provisions shall nevertheless be enforced to the fullest extent allowed by law in that and other contexts, and the validity and force of the remainder of this Agreement shall not be affected. The Company and I have attempted to limit my right to use, maintain and disclose the Company's Confidential Information, and to limit my right to solicit employees and customers only to the extent necessary to protect the Company from unfair competition. Should a court of competent jurisdiction determine that the scope of the covenants contained in Section 7 exceeds the maximum restrictiveness such court deems reasonable and enforceable, the parties intend that the court should reform, modify and enforce the provision to such narrower scope as it determines to be reasonable and enforceable under the circumstances existing at that time.

(f) **Remedies.** I acknowledge and agree that violation of this Agreement by me may cause the Company irreparable harm, and therefore I agree that the Company will be entitled to seek extraordinary relief in court, including, but not limited to, temporary restraining orders, preliminary injunctions and permanent injunctions without the necessity of posting a bond or other security (or, where such a bond or security is required, I agree that a $1,000 bond will be adequate), in addition to and without prejudice to any other rights or remedies that the Company may have for a breach of this Agreement.

(g) **Advice of Counsel.** I ACKNOWLEDGE THAT, IN EXECUTING THIS AGREEMENT, I HAVE HAD THE OPPORTUNITY TO SEEK THE ADVICE OF INDEPENDENT LEGAL COUNSEL, AND I HAVE READ AND UNDERSTOOD ALL OF THE TERMS AND PROVISIONS OF THIS AGREEMENT. THIS AGREEMENT SHALL NOT BE CONSTRUED AGAINST ANY PARTY BY REASON OF THE DRAFTING OR PREPARATION HEREOF.

(h) **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all of which together shall constitute one and the same agreement. Execution of a facsimile or scanned copy will have the same force and effect as execution of an original, and a facsimile or scanned signature will be deemed an original and valid signature.

[Signature Page(s) Follow]

The parties have executed this Confidential Information and Invention Assignment Agreement on the respective dates set forth below, to be effective as of the Effective Date first above written.

THE COMPANY:

[COMPANY NAME]

By: _____
[NAME, TITLE]

Date: [_____Date of Company Signature - TBD_____]

The parties have executed this Confidential Information and Invention Assignment Agreement on the respective dates set forth below, to be effective as of the Effective Date first above written.

EMPLOYEE:

[NAME OF EMPLOYEE]

_____

[ADDRESS]

Date: [_____Date of Employee Signature - TBD_____]

EXHIBIT A

LIST OF PRIOR INVENTIONS AND ORIGINAL WORKS OF AUTHORSHIP EXCLUDED UNDER SECTION 3(A)AND CONFLICTING AGREEMENTS DISCLOSED UNDER SECTION 9(B)

The following is a list of (i) all Inventions that, as of the Effective Date: (A) I made, and/or (B) belong solely to me or belong to me jointly with others or in which I have an interest, and that relate in any way to any of the Company's actual or proposed businesses, products, services, or research and development, and which are not assigned to the Company and (ii) all agreements, if any, with a current or former client, employer, or any other person or entity, that may restrict my ability to accept employment with the Company or my ability to recruit or engage customers or service providers on behalf of the Company, or otherwise relate to or restrict my ability to perform my duties for the Company or any obligation I may have to the Company:

Prior Inventions:

[EXCLUDED IP DESCRIPTION]

Prior Agreements:

[RESTRICTIVE PRIOR AGREEMENTS]

[Signature Page(s) Follow]

Except as indicated above on this Exhibit A, I have no inventions, improvements or original works to disclose pursuant to Section 3(a) of this Agreement and no agreements to disclose pursuant to Section 9(b) of this Agreement.

EMPLOYEE:

[NAME OF EMPLOYEE]

_____

[ADDRESS]

Date: [_____Date of Employee Signature - TBD_____]

EXHIBIT B

Section 2870 of the California Labor Code is as follows:

(a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

(1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or

(2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

Chapter 765, Section 1060/2 of the Illinois Compiled Statutes is as follows:

(1) A provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer does not apply to an invention for which no equipment, supplies, facilities, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer. Any provision which purports to apply to such an invention is to that extent against the public policy of this State and is to that extent void and unenforceable. The employee shall bear the burden of proof in establishing that his invention qualifies under this subsection.

(2) An employer shall not require a provision made void and unenforceable by subsection (1) of this Section as a condition of employment or continuing employment. This Act shall not preempt existing common law applicable to any shop rights of employers with respect to employees who have not signed an employment agreement.

(3) If an employment agreement entered into after January 1, 1984, contains a provision requiring the employee to assign any of the employee's rights in any invention to the

employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer.

Sections 44-130 of the Kansas Labor and Industries Code is as follows:

(a) Any provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer shall not apply to an invention for which no equipment, supplies, facilities or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless:

(1) The invention relates to the business of the employer or to the employer's actual or demonstrably anticipated research or development; or

(2) the invention results from any work performed by the employee for the employer.

(b) Any provision in an employment agreement which purports to apply to an invention which it is prohibited from applying to under subsection (a), is to that extent against the public policy of this state and is to that extent void and unenforceable. No employer shall require a provision made void and unenforceable by this section as a condition of employment or continuing employment.

(c) If an employment agreement contains a provision requiring the employee to assign any of the employee's rights in any invention to the employer, the employer shall provide, at the time the agreement is made, a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless:

(1) The invention relates directly to the business of the employer or to the employer's actual or demonstrably anticipated research or development; or

(2) the invention results from any work performed by the employee for the employer.

(d) Even though the employee meets the burden of proving the conditions specified in this section, the employee shall disclose, at the time of employment or thereafter, all inventions

being developed by the employee, for the purpose of determining employer and employee rights in an invention.

Section 181.78, Subdivision 3 of the Minnesota Labor, Industry Code is as follows:

If an employment agreement entered into after August 1, 1977 contains a provision requiring the employee to assign or offer to assign any of the employee's rights in any invention to an employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility or trade secret information of the employer was used and which was developed entirely on the employee's own time, and (1) which does not relate (a) directly to the business of the employer or (b) to the employer's actual or demonstrably anticipated research or development, or (2) which does not result from any work performed by the employee for the employer.

Section 49.44.140 of the Washington Labor Regulations is as follows:

(1) A provision in an employment agreement which provides that an employee shall assign or offer to assign any of the employee's rights in an invention to the employer does not apply to an invention for which no equipment, supplies, facilities, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) directly to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer. Any provision which purports to apply to such an invention is to that extent against the public policy of this state and is to that extent void and unenforceable.

(2) An employer shall not require a provision made void and unenforceable by subsection (1) of this section as a condition of employment or continuing employment.

(3) If an employment agreement entered into after September 1, 1979, contains a provision requiring the employee to assign any of the employee's rights in any invention to the employer, the employer must also, at the time the agreement is made, provide a written notification to the employee that the agreement does not apply to an invention for which no equipment, supplies, facility, or trade secret information of the employer was used and which was developed entirely on the employee's own time, unless (a) the invention relates (i) directly to the business of the employer, or (ii) to the employer's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by the employee for the employer.

EXHIBIT C

TERMINATION CERTIFICATION

This is to certify that I do not have in my possession, nor have I failed to return, any devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, laboratory notebooks, flow charts, materials, equipment, other documents or property, or copies or reproductions of any aforementioned items belonging to [NAME OF COMPANY] a [Delaware] corporation, its subsidiaries, affiliates, successors or assigns (collectively, the "Company") or Dryvebox, Inc. or its subsidiaries, affiliates, successors or assigns.

I further certify that I have complied with all the terms of the Company's Confidential Information and Invention Assignment Agreement signed by me, including the reporting of any Inventions (as defined therein), conceived or made by me (solely or jointly with others) covered by that agreement, and I acknowledge my continuing obligations under that agreement.

I further agree that, in compliance with the Confidential Information and Invention Assignment Agreement, I will preserve as confidential all trade secrets, confidential knowledge, data or other proprietary information relating to products, processes, know-how, designs, formulas, developmental or experimental work, computer programs, data bases, other original works of authorship, customer lists, business plans, financial information or other subject matter pertaining to any business of the Company or any of its employees, clients, consultants or licensees.

Further, I agree that I shall not use any Confidential Information of the Company to negatively influence any of the Company's clients or customers from purchasing Company products or services or to solicit or influence or attempt to influence any client, customer or other person either directly or indirectly, to direct any purchase of products and/or services to any person, firm, corporation, institution or other entity in competition with the business of the Company.

EMPLOYEE: [NAME OF EMPLOYEE]

Signature: _____ Date: _____

EXHIBIT C TO THE
DRYVEBOX FRANCHISING, LLC
DISCLOSURE DOCUMENT

FRANCHISE APPLICATION

DRYVEBOX FRANCHISE APPLICATION

Franchise candidates, prior to their purchase of a franchise, may be asked any or all of the following questions, and may be asked to certify that their answers are true to the best of their knowledge.

First name

Last name

Phone

Email

Where do you want to operate a Dryvebox?

How much in cash or otherwise liquid assets do you have available for this investment?

What's your total net worth?

Have you or your spouse ever declared personal bankruptcy?

If you were a golf club, which one would you be, and why?

Optional: Anything more you'd like to tell us?

Present
Address _____
Street City State Zip

How Long at
Present Address? _____

How long in area you wish to franchise in?

EMPLOYMENT & EDUCATION

Current Employer _____

Position _____ Date of Hire _____

Education history (schools attended, dates, degrees):

Any additional relevant prior employment experience you wish to provide?

BACKGROUND INFORMATION

(Attach additional pages if necessary)

Are you a PGA certified golf coach? ☐ Yes ☐ No

If yes, please provide information about your experience:

Have you ever been a franchisee of any other company? ☐ Yes ☐ No
If so, what company and dates?

Have you ever owned your own business or been self-employed? ☐ Yes ☐ No
If yes, please provide details:

Do you plan to be the full-time operator/manager of this business? ☐ Yes ☐ No
If not, have you identified a manager? ☐ Yes ☐ No
Is that manager a PGA certified golf coach? ☐ Yes ☐ No
If you do not intend to be the full-time operator/manager, what will you do with the majority of your time?

How did you hear about Dryvebox?

Why do you want to become a Dryvebox franchisee?

What in your background or experience qualifies you to become a Dryvebox franchisee?

BACKGROUND CHECK INFORMATION

(Please answer for yourself and all business partners and managers listed in this application)

Have you ever used any name(s) other than what appears above? ☐ Yes ☐ No
Do you have any criminal convictions (felonies or misdemeanors)? ☐ Yes ☐ No
Have you ever been evicted from either residential or commercial property? ☐ Yes ☐ No
Have you ever declared bankruptcy? ☐ Yes ☐ No
Have you ever been sued for fraud, unfair competition, breach of contract, theft or conversion? ☐ Yes ☐ No
If you answered yes to any question, please provide details

YOUR DESIRED FRANCHISE

Planned date to open franchise: _____

Source of available capital (income, savings, retirement accounts, loans, gifts, etc.):

Will you have to repay your capital investment? ☐ Yes ☐ No
If yes, please provide details

Will you have a business partner? ☐ Yes ☐ No
Name of Partner
Will your business partner be active in the business? ☐ Yes ☐ No

Will an existing business entity become the franchisee? ☐ Yes ☐ No
If yes, please provide details:

IMPORTANT: By signing, you represent that the information provided is true to the best of your knowledge. This information will be held in confidence. Providing this information does not obligate Dryvebox Franchising, LLC or the applicant to enter into a business relationship.

Signed _____ Date _____

PERSONAL FINANCIAL STATEMENT
(Complete one for each business partner)

INCOME STATEMENT

SOURCE OF INCOME		**CONTINGENT LIABILITIES**	
Salary	$	As endorser or co-maker	$
Bonus/Commissions	$	On leases or contracts	$
Real Estate Income	$	Expected tax liabilities	$
Interest and Dividends	$	Other contingent liabilities (itemize)	$
Other Income (Itemize)	$		$
	$		$
	$		$
TOTAL INCOME	$	**TOTAL CONTINGENT LIABILITIES**	$

BALANCE SHEET

ASSETS (Attach third party confirmations)		**LIABILITIES AND NET WORTH**	
LIQUID ASSETS:			
Cash on hand and in bank	$	Notes Payable	$
Publicly traded stocks/bonds	$	Accounts and bills due	$
Accounts/Notes Receivable (convertible to cash in 90 days)	$	Taxes Due	$
Life Insurance (cash surrender value)	$	Liens Payable	$
	$	Real Estate Mortgages Payable	
TOTAL LIQUID ASSETS	$		$

LIQUID ASSETS:			
Real Estate investments excluding personal residence	$ _____	Other Liabilities (itemize)	$ _____
Pensions, IRA's, etc	$ _____	_____	$ _____
Accounts/Notes Receivable	$ _____	_____	$ _____
OTHER ASSETS (Itemize)	$ _____	_____	$ _____
_____	$ _____	_____	$ _____
_____	$ _____	_____	$ _____
TOTAL ASSETS	$ _____	**TOTAL LIABILITIES**	$ _____
		NET WORTH	$ _____

EXHIBIT D TO THE
DRYVEBOX FRANCHISING, LLC
DISCLOSURE DOCUMENT

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

We intend to register this Disclosure Document as a "franchise" in some or all of the following states, in accordance with the applicable state laws. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states:

CALIFORNIA Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013–2344 (213) 876–7500 Toll free: (866) 275-2677	**MICHIGAN** Consumer Protection Div., Franchise Section Attn: Kathryn A. Barron 670 G. Mennen Williams Building Lansing, Michigan 48913 (517) 373–7117
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	**MINNESOTA** Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 500 St. Paul, Minnesota 55101 (651) 296–4026
ILLINOIS Office of the Attorney General Franchise Division 500 South Second Street Springfield, Illinois 62706 (217) 782–4465	**NEW YORK** NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st Fl New York, NY 10005 (212) 416-8222
INDIANA Secretary of State Franchise Section 302 West Washington, Room E–111 Indianapolis, Indiana 46204 (317) 232–6681	**NORTH DAKOTA** North Dakota Securities Department 600 Boulevard Avenue, State Capitol Fifth Floor, Dept. 414 Bismarck, North Dakota 58505-0510 (701) 328-4712
MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202–2020 (410) 576–6360	**RHODE ISLAND** Securities Division Department of Business Regulation John O. Pastore Center Bldg. 69, First Floor 1511 Pontiac Avenue Cranston, RI 02920 (401) 277–3048

SOUTH DAKOTA Director of Division of Securities 445 E. Capitol Avenue Pierre, South Dakota 57501–2017 (605) 773–4013	**WASHINGTON** Department of Financial Institutions General Administration Building Securities Division – 3rd Floor West 150 Israel Road S.W. Tumwater, Washington 98501 (360) 902–8760
VIRGINIA Director, Securities and Retail Franchising Div. State Corporation Commission 1300 East Main Street Richmond, Virginia 23219 (804) 371–9051	**WISCONSIN** Office of the Commissioner of Securities 345 West Washington Avenue, Fourth Floor Madison, Wisconsin 53703 (608) 261–9555

AGENTS FOR SERVICE OF PROCESS

We intend to register this Disclosure Document as a "franchise" in some or all of the following states, in accordance with the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states:

CALIFORNIA Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013–2344 (213) 576–7500 Toll free: (866) 275-2677	**MICHIGAN** Dept. of Commerce, Corp'ns & Securities Bureau 670 Law Building 525 West Ottawa Lansing, Michigan 48913 (517) 373–7117
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	**MINNESOTA** Commissioner of Commerce 85 7th Place East, Suite 500 St. Paul, Minnesota 55101 (612) 296–4026
ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782–4465	**NEW YORK** Secretary of State 99 Washington Avenue Albany, NY 12231 (518) 486-6423
INDIANA Indiana Secretary of State 201 State House Indianapolis, Indiana 46204 (317) 232–6681	**NORTH DAKOTA** North Dakota Securities Commissioner 600 Boulevard Avenue, State Capitol Fifth Floor Bismarck, North Dakota 58505-0510
MARYLAND Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202–2020 (410) 576–6360	**RHODE ISLAND** Director of Department of Business Regulation John O. Pastore Center Bldg. 69, First Floor 1511 Pontiac Avenue, Cranston, RI 02920 (401) 277–3048

SOUTH DAKOTA Director of Division of Securities 445 E. Capitol Avenue Pierre, South Dakota 57501–2017 (605) 773–4013	**WASHINGTON** Director of Department of Financial Institutions General Administration Building Securities Division – 3rd Floor West 150 Israel Road S.W. Tumwater, Washington 98501 (360) 902–8760
VIRGINIA Clerk of the State Corporation Commission 1300 East Main Street Richmond, Virginia 23219 (804) 371–9733	**WISCONSIN** Commissioner of Securities 345 West Washington Avenue, Fourth Floor Madison, Wisconsin 53703 (608) 261–9555

EXHIBIT E TO THE
DRYVEBOX FRANCHISING, LLC
DISCLOSURE DOCUMENT

STATE ADDENDA

CALIFORNIA ADDENDUM

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

2. Our website is www.dryvebox.com. It has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the content of this website may be directed to the California Department of Financial Protection and Innovation at www.dfpi.ca.gov.

3. California Business and Professions Code section 20000 through 20043 (the Franchise Relations Act) provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control. In particular, Business and Professions Code section 20010 voids a waiver of your rights under the Franchise Relations Act.

4. Section 31125 of the California Corporations Code requires us to provide you with a disclosure document before asking you to agree to a material modification of an existing franchise.

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

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

7. The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

8. The franchise agreement requires binding arbitration. The arbitration will occur in the County of San Francisco, with the costs being borne by both parties equally. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

9. The franchise agreement requires application of the laws of the State of Delaware. The provision may not be enforceable under California law. You may want to consult an attorney to understand the impact of out-of-state governing law on the franchise agreement.

10. You must sign a general release if you renew or transfer your franchise. California Corporations Code section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

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

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

MINNESOTA ADDENDUM

1. Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidate damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

2. With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

3. The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

4. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).

5. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

6. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.

7. A court will determine if a bond is required.

8. The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

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

[Remainder of page intentionally left blank – Signature page follows]

FRANCHISEE:	**FRANCHISOR:**
Individual(s)	DRYVEBOX FRANCHISING, LLC
By: _____	By: _____
Its: _____	Its: _____
Date: _____	Date: _____
Franchisee entity, if any:	
By: _____	
Its: _____	
Date: _____	

NEW YORK ADDENDUM

1. The following information is added to the cover page of the Franchise Disclosure Document:

   INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CAN NOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

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

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

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

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

   D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting

from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as

defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for a franchisee to renew or extend**," and Item 17(m), entitled "**Conditions for franchisor approval of transfer**":

> However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**": You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**," and Item 17(w), titled "**Choice of law**":

> The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York

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

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

WISCONSIN ADDENDUM

With respect to franchise agreements governed by Wisconsin law, the following shall supersede any inconsistent provision(s):

The Wisconsin Fair Dealership Law applies to most franchise agreements in the state and prohibits termination, cancellation, nonrenewal or substantial change in the competitive circumstances of a dealership agreement without good cause. The Law further provides that ninety days' prior written notice of the proposed termination, etc. must be given to the dealer. The dealer has sixty (60) days to cure the deficiency and if the deficiency is so cured the notice is void. The Franchise Disclosure Document and Franchise Agreement are hereby modified to state that the Wisconsin Fair Dealership Law, to the extent applicable, supersedes any provisions in the Franchise Agreement that are inconsistent with that Law. Wis. Stats. Ch. 135, the Wisconsin Fair Dealership Law. SEC 32.0(3), Wis. Adm. Code.

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the _____ day of _____, 20 __, and of the Franchise Disclosure Document but only state law as of the date above, prior to or at the time of execution.

DATED this _____day of _____, 20_____.

FRANCHISOR

DRYVEBOX FRANCHISING, LLC

By:_____
Its:_____
Date:_____

FRANCHISEE:

IF A PARTNERSHIP, CORPORATION OR OTHER LEGAL ENTITY

Entity Name_____

By:_____
Its:_____
Date:_____

IF FRANCHISEE IS ONE OR MORE INDIVIDUALS:

_____
[Signature]
Printed Name:_____
Date:_____

_____
[Signature]
Printed Name:_____
Date:_____

EXHIBIT F-1 TO THE
DRYVEBOX FRANCHISING, LLC
DISCLOSURE DOCUMENT

LIST OF ACTIVE FRANCHISEES

OPEN UNITS

Name	Address	Phone Number
Brian Tiyaloglu BTDB, LLC	3734 Old Lighthouse Circle Wellington, FL 33414	(516) 857-3734

SIGNED AGREEMENTS, NOT YET OPEN

Name	Email Address	Location to be Opened
Tim Gromacki	tim.gromacki@dryvebox.com	Jacksonville, FL
Daniel Hendrickson	Daniel.hendrickson@dryvebox.com	Atlanta, GA
Rob Lynn	Rob.lynn@dryvebox.com	Atlanta, GA
Brad Toth	brad.toth@dryvebox.com	Frisco, TX
Alex Baez	alex.baez@dryvebox.com	Portland, OR
Mike Dusiewicz	mike.dusiewicz@dryvebox.com	Fairfield, CT

EXHIBIT F-2 TO THE
DRYVEBOX FRANCHISING, LLC
DISCLOSURE DOCUMENT

LIST OF COMPANY OR AFFILIATE-OWNED LOCATIONS

San Francisco, CA
Palo Alto, CA
Charleston, SC
Sandy, UT
San Diego, CA
Visalia, CA
Chandler, AZ
Southeast Houston, TX

Tulare, CA (brick and mortar location)

EXHIBIT G TO THE
DRYVEBOX FRANCHISING, LLC
DISCLOSURE DOCUMENT

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

None.

EXHIBIT H TO THE
DRYVEBOX FRANCHISING, LLC
DISCLOSURE DOCUMENT

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EXHIBIT I TO THE
DRYVEBOX FRANCHISING, LLC
DISCLOSURE DOCUMENT

OWNER'S GUARANTY AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

OWNER'S GUARANTY
AND
ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

In consideration of, and as an inducement to, the execution by DRYVEBOX FRANCHISING, LLC ("FRANCHISOR") of that certain Franchise Agreement of even date herewith (the "Agreement") between FRANCHISOR and _____ ("FRANCHISEE"), or in consideration of and as an inducement to FRANCHISOR's consent to a transfer by or of FRANCHISEE under the Agreement, each of the undersigned parties including:_____
_____ ("Guarantors") hereby personally and unconditionally: (1) guarantees to FRANCHISOR and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement; and agrees to punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement, and (2) agrees to be personally bound by, and personally liable for the breach of, each and every term, condition, covenant and provision in the Agreement. Each Guarantor expressly represents and acknowledges that he or she has read the Agreement and has had the opportunity to review the same, and this Guaranty, with counsel. Each Guarantor hereby expressly waives:

(1) acceptance and notice of acceptance by FRANCHISOR, of the foregoing undertakings;
(2) notice of demand for payment of any indebtedness or non performance of any obligations hereby guaranteed;
(3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed;
(4) any right he or she may have to require that an action be brought against FRANCHISEE, Guarantor or any other person as a condition of liability;
(5) any requirement that FRANCHISOR proceed against or exhaust its remedies with respect to FRANCHISEE or any other person before demanding payment or performance by Guarantor; and
(6) any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each Guarantor consents and agrees that:

(1) his or her direct and immediate liability under this guaranty shall be joint and several;
(2) he or she shall render any payment or performance required under the Agreement upon demand if FRANCHISEE fails or refuses to do so punctually;
(3) such liability shall not be contingent or conditioned upon pursuit by FRANCHISOR of any remedies against FRANCHISEE or any other person;
(4) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which FRANCHISOR 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 shall in any way modify or amend this guaranty, which shall be irrevocable during the term of the Agreement; and
(5) the liability and obligations under this Guaranty and Assumption shall not be diminished, relieved or otherwise affected by any modification by FRANCHISEE and FRANCHISOR of the terms or conditions of the Agreement.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his signature on the same day and year as the Agreement was executed.

GUARANTOR(S)

Name:_____

Signature:_____

Date:_____

Name:_____

Signature:_____

Date:_____

EXHIBIT J TO THE
DRYVEBOX FRANCHISING, LLC
DISCLOSURE DOCUMENT

SPOUSAL CONSENT

SPOUSAL CONSENT AND WAIVER

The undersigned _____ ("Spouse") hereby represents that he/she is a _____ [state] resident and is the spouse of _____ ("Franchise Owner"). Spouse acknowledges and understands that, contemporaneously herewith, Franchise Owner, or a corporation, partnership or limited liability company in which Franchise Owner is a principal owner (the "Franchisee"), will be entering into a Franchise Agreement with Dryvebox Franchising, LLC ("Franchisor") to acquire and operate a Dryvebox Franchise. Spouse hereby consents to this transaction and waives any right, now or in the future, to assert a community property or quasi community property interest in the franchise, the Franchise Agreement, the Dryvebox Franchise or in the Franchisee. Spouse understands that in the absence of this Spousal Consent and Waiver, Franchisor, as a condition of granting the Dryvebox franchise to Franchise Owner, would have required Spouse to personally enter into the Franchise Agreement or to execute a personal guaranty of all of Franchisee's obligations under the Franchise Agreement. Spouse represents and agrees that the waiver of this condition by Franchisor is sufficient consideration for this Spousal Consent and Waiver. Spouse understands that if Spouse did not wish to provide this Spousal Consent and Waiver, Spouse could have agreed to personally execute the Franchise Agreement or the personal guaranty. Spouse hereby represents and acknowledges that Spouse knowingly and deliberately elected not to do so and to instead provide this Spousal Consent and Waiver. If notwithstanding this Spousal Consent and Waiver, Spouse claims or is awarded in a legal action a community property interest, quasi community property interest or other ownership interest in the franchise, the Franchise Agreement, the Dryvebox Franchise or in Franchisee, other than by way of a transfer approved in writing by Franchisor as provided in the Franchise Agreement, Spouse hereby agrees, without further action or execution of further instruments, to be personally bound by all of the terms of the Franchise Agreement and to be liable for the performance of all obligations thereunder.

Spouse

_____ Dated: _____

EXHIBIT K TO THE
DRYVEBOX FRANCHISING, LLC
DISCLOSURE DOCUMENT

ELECTRONIC DEBIT AUTHORIZATION

AUTOMATIC PAYMENT PLAN

We require you to pay fees via automatic ACH payments. Such payments are made directly from your checking or savings account, and you don't have to change your present banking relationship.

The Automatic Payment plan will help you in several ways:

- It saves time and saves checks
- It will help you meet your billing commitments– even when you're on vacation or out of town
- It's easy to get started, easy to change, and easy to cancel
- It's convenient, timely, and gives peace of mind

How the Automatic Payment plan works:
You authorize regularly scheduled payments to be made from your checking or savings account. Your payments will be made electronically on the specified day. Proof of payment will appear with your statement.

The authority you give to debit your account will remain in effect until you notify us in writing to terminate the authorization. You can change your payment at any time by notifying us 5 days prior to any regularly scheduled payments.

The Automatic Payment Plan is worry free, convenient, and easy. To participate in this service, complete the authorization form (part A), select the fund and dollar amount of your payment, and return to us.

A. I authorize _____ to initiate debit entries, and in case of error credit entries, to my checking/savings (circle one) account. This authority will remain in effect until I notify you in writing to cancel in such time as to afford the business a reasonable opportunity to act on it. I can stop payment of any entry by written notification 3 days before my account is charged.*

Name of Financial Institution_____

City_____State_____Zip_____

Signature_____Email_____

Name (Please print) _____

Address _____

Account Number _____ Checking Savings

Financial Institution Routing Number _____

B. Select Payment fund, regularity, and dollar amount:

General Billing $_____ Amount
(Payment date): Second Tuesday of Each Month Frequency _____

Other Billing $_____ Amount Project Name _____
(Payment date): Second Tuesday of Each Month Frequency _____

Special Bill $_____ Amount Billing Name _____
(Payment due date): Second Tuesday of Each Month Frequency _____

*If you are currently enrolled in the Automatic Payment plan and wish to update your billing information or pay a specific bill no bank information is required. Please provide written information and authorize by signing below:

Signature_____ OFAC Compliance

EXHIBIT L TO THE
DRYVEBOX FRANCHISING, LLC
DISCLOSURE DOCUMENT

PURCHASE AGREEMENT FOR DRYVEBOX TRAILERS

Purchase Agreement

This Purchase Agreement (this "***Purchase Agreement***") is effective as of _____ (the "***Effective Date***"), by and between _____**,** with its legal address at _____ ("***Customer***"), and **Dryvebox, Inc.,** with its legal address at **439 43rd Ave., San Francisco, CA** ("***Seller***"). Customer and Seller are each referred to as a "***Party***" and are collectively referred to as the "***Parties***."

1. Product. A mobile-golf-enabled Trailer ("***Trailer***"), built to the Dryvebox mobile trailer specification and detailed further in the description attached hereto as Exhibit A. The trailer will be marked with a US VIN to be provided prior to pickup/delivery.

2. Other deliverables.

2.1 Unless it is possible for Customer and Seller to, and Customer and Seller do, arrange for registration and titling to be performed by Seller, the manufacturer's certificate of origin for the Trailer.

2.2 Any product manuals or documentation Seller has for the Trailer.

3. Pickup and Inspection.

3.1 Pickup Date: _____. The pickup date may be extended by Seller for the following reasons:

(a) For any cause that is the responsibility of Customer, for example, delays in making the initial deposit or changes in any options ordered by Customer, provided that Seller gives Customer notice of any such impact caused by Customer.

(b) Due to natural disasters, war, terrorism, utilities failures, general strikes, new health emergencies, riot or any other cause of force majeure, provided that Seller gives Customer notice of the impact and its duration, and evidence supporting it.

3.2 Pickup / Delivery

(a) Customer can pick up the Trailer at the manufacturer's facility located at _____.

(b) ☐ If checked, Customer will pay for delivery for a total of _____, shipped by a licensed and insured carrier to Customer's address at _____.

3.3 Inspection and acceptance of Trailer to occur upon or prior to pickup or, in the case of delivery, upon or prior to delivery.

3.4 Customer will use reasonable efforts promptly to test and inspect the Products and notify Seller of any defects in material or workmanship; or, in cases where a Product was shipped, damage occurring as result of delivery.

4. Purchase price and payment terms.

4.1 Price. $_____ plus applicable taxes. Depending on the state where the Trailer will be used, taxes may be charged and remitted by Seller, or Customer may be responsible for taxes independently.

4.2 Schedule.

(a) $50,000 shall be payable upon the parties' execution of this Purchase Agreement.

(b) The remainder of the price due upon Customer receipt of the Trailer. This amount shall be invoiced by and payable to Seller.

5. Warranties.

5.1 Seller may lawfully sell Trailer.

5.2 Manufacturer warranties. Warranty obligations are the responsibility of and will be fulfilled by the manufacturer.

(a) Trailer will comply with United States Department of Transportation and any applicable state regulations, including tire selection, certification labels, weight, and visibility requirements.

(b) Product, starting from acceptance of Trailer:

- □ 1-year workmanship, body, electrical, paint, and manufacturer-fabricated parts; supplier-term warranty for third party parts. In the event third party parts are deemed non-functional or defective, Seller will provide the necessary information for Customer to connect with third party for warranty or repair. Replacement Products will be warranted for the rest of the warranty period.

- □ 2-years workmanship, body, electrical, paint, and manufacturer-fabricated parts; supplier-term warranty for third party parts. In the event third party parts are deemed non-functional or defective, Seller will provide the necessary information for Customer to connect with third party for warranty or repair. Replacement Products will be warranted for the rest of the warranty period.

(c) EXCEPT FOR THE EXPRESS WARRANTIES STATED IN THIS SECTION, SELLER DISCLAIMS ALL WARRANTIES ON PRODUCTS FURNISHED UNDER THIS PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

6. LIMITATION OF LIABILITY. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS PURCHASE AGREEMENT, NO PARTY WILL BE LIABLE TO THE OTHER FOR ANY SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING, WITHOUT LIMITATION, LOST PROFITS) ARISING OUT OF OR RELATING TO THIS PURCHASE AGREEMENT, EVEN IF SUCH PARTY HAS BEEN ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES.

7. Confidentiality.

7.1 Definition. "***Confidential Information***" means: (a) all information related to the Products, including, without limitation, documentation, drawings, designs and specifications; (b) any non-public information of a Party, including, without limitation, any information relating to a Party's technology, techniques, know-how, research, engineering, designs, finances, accounts, procurement requirements, manufacturing, customer lists, business forecasts and marketing plans; (c) any other information of a Party that is disclosed in writing and is conspicuously designated as "Confidential" at the time of disclosure or that is disclosed orally, is identified as "Confidential" at the time of disclosure, and is summarized in a writing sent by the disclosing Party to the receiving Party within thirty (30) days of any such disclosure; and (d) the specific terms and pricing set forth in this Agreement.

7.2 Exclusions. The obligations in this Section will not apply to the extent that any Confidential Information: (a) is or becomes generally known to the public through no fault of or breach of this Agreement by the receiving Party; (b) was rightfully in the receiving Party's possession at the time of disclosure, without an obligation of confidentiality; (c) is independently developed by the receiving Party without use of the disclosing Party's Confidential Information; or (d) is rightfully obtained by the receiving Party from a third party without restriction on use or disclosure.

7.3 Obligations. Each Party will not use the other Party's Confidential Information, except as necessary for the performance of this Agreement, and will not disclose such Confidential Information to any third party, except to those of its employees and subcontractors that need to know such Confidential Information for the performance of this Agreement, provided that each such employee and subcontractor is subject to an agreement that includes

binding use and disclosure restrictions that are at least as protective as those set forth herein. Each Party will use all reasonable efforts to maintain the confidentiality of the other Party's Confidential Information in its possession or control, but in no event less than the efforts that it ordinarily uses with respect to its own confidential information of similar nature and importance. The foregoing obligations will not restrict either Party from disclosing Confidential Information: (a) pursuant to the order or requirement of a court, administrative agency, or other governmental body, provided that the Party required to make such a disclosure gives reasonable notice to the other Party to enable it to contest such order or requirement; (b) on a confidential basis to its legal or professional financial advisors (including insurance underwriters); or (c) as required under applicable securities regulations.

8. General.

8.1 Assignment. Neither Party may assign or transfer this Purchase Agreement, in whole or in part, by operation of law or otherwise, without the prior written consent of the other Party, except that no consent will be required for an assignment, in whole or in part, in connection with a merger, acquisition, corporate reorganization, sale of a majority of a Party's stock, or sale of all, or substantially all, of a Party's assets to which this Purchase Agreement relates. Any attempted assignment in violation of this Section will be null and void and of no force or effect. Subject to the foregoing, this Purchase Agreement will bind and inure to the benefit of each Party's permitted successors and assigns.

8.2 Governing Law. This Purchase Agreement will be governed by and construed in accordance with the laws of the State in which the Trailer is available for pickup, excluding that body of laws known as conflicts of law. The United Nations Convention on Contracts for the International Sale of Goods will not apply to this Purchase Agreement.

8.3 Severability. If any provision of this Purchase Agreement is held invalid or unenforceable by a court of competent jurisdiction, then such provision will automatically be adjusted to the minimum extent necessary in order to comply with the requirements for validity or enforceability, and as so adjusted, will be deemed a provision of this Purchase Agreement as though originally included herein. In the event that the provision held invalid or unenforceable is of such a nature that it cannot be so adjusted, such provision will be deemed deleted from this Purchase Agreement as though such provision had never been included herein. In either case, the remaining provisions of this Purchase Agreement will remain in full force and effect.

8.4 Non-Waiver. The failure by either Party to enforce any provision of this Purchase Agreement will not constitute a waiver of future enforcement of that or any other provision. The waiver of any provision of this Purchase Agreement will only be effective if in writing and signed by the Party waiving such provision.

8.5 Notices. All notices to effect the exercise of a Party's legal rights or obligations (e.g., termination, indemnification) required or permitted under this Purchase Agreement will be in writing and will be delivered in person, by nationally recognized courier service, by facsimile or by registered or certified mail (postage prepaid, return receipt requested) and, in all cases, will be deemed to have been given upon receipt. All such notices will be delivered to the Parties at the addresses set forth on the first page of this Purchase Agreement (or at such other address for a Party as will be specified by like notice).

8.6 Force Majeure. Neither Party will be responsible or liable to the other Party for any failure or delay in its performance under this Purchase Agreement due to natural disasters, war, terrorism, utilities failures, general strikes, health emergencies or riot (each a "***Force Majeure***"). In the event of a Force Majeure, the Party who is unable to perform or whose performance is delayed will promptly notify the other Party of the Force Majeure and will use its best efforts to resume performance. Performance will be excused for a period of time equal to the duration of such Force Majeure, but in no event longer than sixty (60) days.

8.7 Attorneys' Fees. In any suit or proceeding relating to this Purchase Agreement, each Party will pay its own costs, as well as the fees and expenses of

attorneys, accountants, and other professionals incurred in connection with the suit or proceeding; provided, however that an arbitrator may award fees, expenses, and costs as part of an award in a manner consistent with applicable law.

8.8 Remedies. Except as expressly set forth in this Purchase Agreement, the exercise by either Party of any of its remedies under this Purchase Agreement will be without prejudice to its other remedies under this Purchase Agreement or otherwise.

8.9 Entire Agreement. This Purchase Agreement, including its exhibits and attachments, constitutes the entire and exclusive understanding and agreement between the Parties regarding its subject matter and supersedes any and all previous understandings and agreements, whether written or oral, regarding such subject matter.

Any modification or amendment of any provision of this Purchase Agreement will be effective only if in writing and signed by duly authorized representatives of both Parties.

8.10 Counterparts. This Purchase Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

* * * * *

IN WITNESS WHEREOF, the Parties have executed this Purchase Agreement as of the Effective Date by their duly authorized representatives.

Customer:	**Seller:**
By:	By:
Name:	Name:
Title:	Title:

Exhibit A: Trailer Description

Dryvebox Trailer v.3.5, inclusive of:

- Mini-split (heat and air conditioning) unit
- 2 internal televisions
- Projector
- Driver side TV-box slideout with enclosed external television
- Passenger side TV-box slideout with enclosed external television
- Impact screen, turf, and interior padding and carpeting enabling golf play
- Backup camera
- __ Driver side awning
- __ Passenger side awning
- __ Hitch

Does not include computer and peripherals, Trackman or other simulator unit, clubs or training aids, or any consumables such as balls or tees.

Via a separate contract, you may also procure a battery, solar, and electrical system that can be installed on the trailer prior to your pickup / delivery. That system will be covered by the contract with and warranted by a party other than the trailer manufacturer.

Similarly, outside of this purchase agreement, paid for and warranted separately, Dryvebox will also procure branding to be placed on the trailer prior to your pickup / delivery.

EXHIBIT M TO THE
DRYVEBOX FRANCHISING, LLC
DISCLOSURE DOCUMENT

STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

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

State	Effective Date
California	Pending
Illinois	Pending
Indiana	Pending
Minnesota	Pending
New York	Pending
Wisconsin	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT N TO THE
DRYVEBOX FRANCHISING, LLC
DISCLOSURE DOCUMENT

RECEIPTS

RECEIPT
(YOUR COPY)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully.

If DRYVEBOX FRANCHISING, LLC offers you a franchise, DRYVEBOX FRANCHISING, LLC must provide this disclosure document to you fourteen (14) calendar days before you sign a binding agreement or make a payment to us or an affiliate in connection with the proposed franchise sale except:

If DRYVEBOX FRANCHISING, LLC offers you a franchise subject to the franchise laws of Indiana or Michigan, DRYVEBOX FRANCHISING, LLC must provide this disclosure document to you by the earliest of:

1. Ten business days before signing of a binding agreement; or
2. Ten business days before payment to us; or
3. Fourteen calendar days before signing a binding agreement or making a payment to us.

If DRYVEBOX FRANCHISING, LLC offers you a franchise subject to the franchise laws of New York or Oklahoma, DRYVEBOX FRANCHISING, LLC must provide this disclosure document to you by the earliest of:

1. The first personal meeting to discuss our franchise; or
2. Ten business days before signing of a binding agreement; or
3. Ten business days before payment to us; or
4. Fourteen calendar days before signing a binding agreement or making a payment to us.

If DRYVEBOX FRANCHISING, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and your state agency.

The name, principal address and telephone number of each franchise seller offering the franchise:

Matt Gipple	Adeel Yang
439 43rd Ave., San Francisco, CA 94121	439 43rd Ave., San Francisco, CA 94121
415-273-9267	415-273-9267

Issuance Date: April 19, 2024	
Effective Dates	See Exhibit L

Our agents for service of process are listed in Exhibit D of the Disclosure Document.

This Disclosure Document includes the following exhibits:

Exhibit A	Financial Statements
Exhibit B	Franchise Agreement
Exhibit C	Franchise Application
Exhibit D	List of State Administrators and Agents for Service of Process
Exhibit E	State Addenda
Exhibit F-1	List of Active Franchisees
Exhibit F-2	List of Company-Owned Franchisees
Exhibit G	List of Franchisees Who Have Left the System
Exhibit H	Table of Contents of Operations Manual
Exhibit I	Owner's Guaranty and Assumption of Franchisee's Obligations
Exhibit J	Spousal Consent
Exhibit K	Electronic Debit Authorization
Exhibit L	Purchase Agreement for Dryvebox Trailers
Exhibit M	State Effective Dates
Exhibit N	Receipts

Date: _____ Signature: _____ Printed Name:_____

Date: _____ Signature: _____ Printed Name:_____

KEEP THIS COPY FOR YOUR RECORDS.

ITEM 23
RECEIPT
(OUR COPY)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully.

If DRYVEBOX FRANCHISING, LLC offers you a franchise, DRYVEBOX FRANCHISING, LLC must provide this disclosure document to you fourteen (14) calendar days before you sign a binding agreement or make a payment to us or an affiliate in connection with the proposed franchise sale except:

If DRYVEBOX FRANCHISING, LLC offers you a franchise subject to the franchise laws of Indiana or Michigan, DRYVEBOX FRANCHISING, LLC must provide this disclosure document to you by the earliest of:

1. Ten business days before signing of a binding agreement; or
2. Ten business days before payment to us; or
3. Fourteen calendar days before signing a binding agreement or making a payment to us.

If DRYVEBOX FRANCHISING, LLC offers you a franchise subject to the franchise laws of New York or Oklahoma, DRYVEBOX FRANCHISING, LLC must provide this disclosure document to you by the earliest of:

1. The first personal meeting to discuss our franchise; or
2. Ten business days before signing of a binding agreement; or
3. Ten business days before payment to us; or
4. Fourteen calendar days before signing a binding agreement or making a payment to us.

If DRYVEBOX FRANCHISING, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and your state agency.

The name, principal address and telephone number of each franchise seller offering the franchise:

Matt Gipple	Adeel Yang
439 43rd Ave., San Francisco, CA 94121	439 43rd Ave., San Francisco, CA 94121
415-273-9267	415-273-9267

Issuance Date: April 19, 2024	
Effective Dates	See Exhibit L

Our agents for service of process are listed in Exhibit D of the Disclosure Document.

This Disclosure Document includes the following exhibits:

Exhibit A	Financial Statements
Exhibit B	Franchise Agreement
Exhibit C	Franchise Application
Exhibit D	List of State Administrators and Agents for Service of Process
Exhibit E	State Addenda
Exhibit F-1	List of Active Franchisees
Exhibit F-2	List of Company-Owned Franchisees
Exhibit G	List of Franchisees Who Have Left the System
Exhibit H	Table of Contents of Operations Manual
Exhibit I	Owner's Guaranty and Assumption of Franchisee's Obligations
Exhibit J	Spousal Consent
Exhibit K	Electronic Debit Authorization
Exhibit L	Purchase Agreement for Dryvebox Trailers
Exhibit M	State Effective Dates
Exhibit N	Receipts

Date: _____ Signature: _____ Printed Name:_____

Date: _____ Signature: _____ Printed Name:_____

Please sign this copy of the receipt, date your signature, and return it to:
Name:_____
Address: _____
Telephone Number: _____