FRANCHISE DISCLOSURE DOCUMENT

MEDI-WEIGHTLOSS FRANCHISING USA, LLC
a Florida limited liability company
302 Knights Run Avenue, Suite 1010
Tampa, Florida 33602
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ctrebon@mediweightloss.com
www.mediweightloss.com
www.mediweightlossfranchising.com

Medi-Weightloss businesses sell proprietary weight loss, wellness, nutritional and weight loss products and services ("Medi-Weightloss Businesses").

The total investment necessary to begin operation of a Medi-Weightloss Business is between $257,750 and $490,860. This includes between $139,000 and $162,650 that must be paid to the franchisor or its affiliates.

Medi-Weightloss area developers acquire the right to develop multiple Medi-Weightloss franchises in a designated development area. The total investment necessary to begin operation as an area developer with two franchised businesses is between $505,500 and $983,720. This includes between $268,000 and $315,300 that must be paid to the franchisor or its affiliate(s). The total investment necessary to begin operation as an area developer with ten franchised businesses is between $2,327,500 and $4,718,600. This includes between $1,140,000 and $1,376,500 that must be paid to the franchisor or its affiliate(s).

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 or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Franchise Administration Department, Attn: Colette Trebon, Esq., General Counsel, 302 Knights Run Avenue, Suite 1010, Tampa, Florida, (813) 228-6334.

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 from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, 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 30, 2026

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 E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit B 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 Medi-Weightloss business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Medi-Weightloss franchisee?	Item 20 or Exhibit E lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

2) **<u>Mandatory Minimum Payments</u>**. You must make minimum royalty, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

3) **<u>Supplier Control</u>**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

4) **<u>Financial Condition</u>**. 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.

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

NOTICE REQUIRED BY
STATE OF MICHIGAN

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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EXHIBITS:

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

To simplify the language in this Franchise Disclosure Document, "MWF," "we," "us" and "our" means Medi-Weightloss Franchising USA, LLC, the franchisor. "You," "your" and "Franchisee" means the person, and its owners if the Franchisee is a business entity, who buys the franchise from MWF.

The Franchisor

MWF is a Florida limited liability company formed on January 24, 2008. We operate under our corporate name and the names Medi-Weightloss Businesses and Medi-Weightloss Franchising. Our principal business address is 302 Knights Run Avenue, Suite 1010, Tampa, Florida 33602. We offer franchises ("Medi-Weightloss Franchise(s)" or "Franchise(s)") for Medi-Weightloss Businesses and have done so since February 2008. We are the sole supplier of branded products and services and the only approved supplier for certain other products. In addition, we may and do sell products and services to the public ourselves (through e-commerce). We do not conduct business under any other name or in any other line of business.

Parents, Affiliates and Predecessors

Our parents are Medi-Weightloss Buyer, Inc. ("MWBI"), Medi-Weightloss Intermediate Holdings, Inc. ("MWIH") and Medi-Weightloss Group Holdings, L.P. ("MGH", and collectively with MWBI and MWIH, our "Parents"). Our Parents share our principal business address. Our Parents do not offer franchises in any line of business or provide products or services to our franchisees.

Our affiliate, Medi IP, LLC ("Medi IP"), owns and controls all of the intellectual property utilized by the Medi-Weightloss Franchises and licenses it to us. Our affiliate, Physician's Health Management, LLC ("PHM"), is a holding company for our affiliate-owned businesses and also previously licensed the Medi-Weightloss trademarks and intellectual property to businesses that offered similar products and services as Medi-Weightloss Businesses.

Our affiliate, Medi-Weightloss Clinics LLC ("MWLC") is also a holding company for our affiliate-owned businesses. From July 2005 through February 2008, MWLC also entered into six exclusive sales agent agreements with businesses operating under the Medi-Weightloss trademarks that were granted rights similar to Area Representatives (the "Exclusive Sales Representative Businesses"). In February 2008, MWLC ceased offering opportunities to obtain Exclusive Sales Representative Businesses. There are currently no operating Exclusive Sales Representative Businesses.

July 2005 through February 2008, PHM and MWLC granted licenses to businesses that operated in a similar manner to the Franchises ("Licensed Businesses") but which included limited support. As of December 31, 2023, there were two total Licensed Businesses currently in operation in Florida.

On October 28, 2022, MWBI acquired all of the underlying membership interests in us, Medi IP, PHM, and MWLC (the "Transaction"). As of the closing of the Transaction, MWBI became our parent company. MWBI is an affiliate of Audax Management Company, LLC ("Audax"), a Boston-based private equity company, with its principal business address at 101 Huntington Avenue, Boston, Massachusetts 02199.

Our affiliate, MediDirect Newco, LLC ("MDN") contracted with a third-party to provide virtual care medical services and provider staffing to Medi-Weightloss Businesses under the name

"GoMediDirect." We have piloted some services by marketing this virtual care to aged, unconverted leads affiliated with corporate-owned Medi-Weightloss Business and have no immediate plans to offer the services to franchisees as of the Issuance Date of this Franchise Disclosure Document. However, we may decide to offer GoMediDirect services as an add-on to franchised Medi-Weightloss Clinics, including as a pilot program. MDN has never offered franchises in any line of business or conducted any other business than as described above.

We also have several affiliates that operate businesses substantially similar to the business you will operate. Each of these affiliates share our principal business address. None of these affiliates have offered or currently offer franchises in any line of business. We do not have a predecessor.

Our agent for service of process in Florida is Colette Trebon, 302 Knights Run Ave., Ste. 1010, Tampa, FL 33602. Our agents for service of process for other states are identified by state in Exhibit A. If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed above in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

The Franchise System

Medi-Weightloss Businesses sells proprietary medically-supervised weight loss, wellness, nutritional and weight management products and services (the "Required Services") and may also offer additional ancillary products and services (together, the "Program"). Under the Program, you may also offer products and services to be provided by a physician, depending on applicable law ("Medical Products and Services"). Medi-Weightloss Businesses work with adults as well as minors between 12 years and 18 years of age under our "Adolescent Program."

Our Medi-Weightloss Franchise operating system includes recognizable design, décor and color scheme; uniform standards, specifications, rules and procedures of operation; techniques; and procedures ("System"). You will operate the Medi-Weightloss Franchise using the System and our trade names, trademarks, service marks, emblems, logos, slogans and copyrights ("Marks") as authorized by us from an approved location. Medi-Weightloss Businesses are operated out of health clinics ("Medi-Weightloss Clinic(s)" or "Clinics") in compliance with all relevant laws and regulations. You must sign our standard franchise agreement attached to this Franchise Disclosure Document as Exhibit C ("Franchise Agreement"). You may operate one Medi-Weightloss Franchise for each Franchise Agreement you sign.

We may permit you to provide certain ancillary products and services (the "Ancillary Products and Services") under the terms of a "MediLiving Addendum" attached to this Franchise Disclosure Document in Exhibit H. The Ancillary Products and Services may include vitamin and nutrient injections and other services related to preventative medicine. The Ancillary Products and Services may also include additional medical and wellness services provided by a physician related to the treatment of obesity or weight loss.

We may also permit you to offer intravenous therapy drips under an "IV Therapy Addendum" and hormone replacement therapy under an "HRT Addendum," both attached to this Franchise Disclosure Document in Exhibit H.

We may also permit you to offer "Competitive Services" under an Existing Business Addendum ("EB Addendum") attached to this Franchise Disclosure Document in Exhibit H if you are a prospective franchisee whose owners operate a medical business out of a shared space, or an Outside Business Addendum ("Outside Business Addendum") attached to this Franchise Disclosure Document in Exhibit H if you are a current franchisee. Otherwise, your Clinic must be dedicated to only the operation of the Required Services.

Existing franchisees also may have the option to offer additional services ("Pilot Products and Services") under a pilot program ("Pilot Program"). We may also permit you to offer the Pilot Services under a "Test Services Pilot Program Amendment" attached to this Franchise Disclosure Document in Exhibit H. If a Franchisee does opt to participate in a Pilot Program (for example, GoMediDirect), all disclosures in this Franchise Disclosure Document that apply to standard services will also apply to the Pilot Program (including royalty calculation and compliance with the Franchise Agreement). Currently, participation in Pilot Programs is not mandatory and can only be purchased after your Medi-Weightloss Clinic is established. You will not be required to pay an additional fee to participate, but you may be required to purchase some of the Pilot Products and Services from us, our affiliates, or approved third-party vendors. You may only participate in a Pilot Program and offer the Pilot Products and Services in your Territory and in accordance with the territorial rights granted to you under your Franchise Agreement.

Area Developers

We also offer to select qualified persons ("Area Developers") the opportunity to sign our area development agreement attached to this Franchise Disclosure Document as Exhibit D ("Area Development Agreement") and acquire the right to develop multiple Medi-Weightloss Franchises in a designated development area ("Development Territory") in accordance with a specified development schedule ("Development Schedule"). The Development Territory will be established based on the consumer demographics of the Development Territory, geographical area, city, county and other boundaries. If you enter into an Area Development Agreement, you must sign a Franchise Agreement for your first Medi-Weightloss Franchise ("Initial Franchise Agreement") at the same time you sign the Area Development Agreement. Area Developers must open a minimum of two Medi-Weightloss Businesses. Unless otherwise stated, any reference in this Franchise Disclosure Document to "you" or "franchisee" includes you both as an Area Developer under an Area Development Agreement and as a franchisee under a Franchise Agreement. Area Developers and franchisees will sign a separate franchise agreement for each Medi-Weightloss Franchise on the then-current form used by us at the time, which may differ from the current Franchise Agreement included with this Franchise Disclosure Document.

Business Structure

Certain states have laws restricting ownership and control of medical practices by lay persons or entities, commonly referred to as the corporate practice of medicine doctrine ("CPOM"). The idea behind CPOM is to prevent financial and business interests from interfering with independent medical judgment. A state's CPOM doctrine can include a wide range of restrictions such as prohibiting lay persons or entities from employing a physician to practice medicine and collecting the professional fees, restricting the ownership percentage of a practice that can be owned by a physician or non-physician provider such as a nurse practitioner, or lay person, and who can serve in management positions of a practice. These ownership and control restrictions within the state your Medi-Weightloss Franchise is located can serve as a determining factor as to whether you can own and operate a Healthcare Business or a Management Business (both described below). Whether your Medi-Weightloss Franchise is operated as a Healthcare Business or as a Management Business, our goal and intent is for our franchise system to be structured so that we do not practice medicine. Both Management Businesses and Healthcare Businesses will be referred to as "Medi-Weightloss Businesses."

If you are a medical professional or if your Medi-Weightloss Business will be in a state that does not limit the ownership and operation of medical practices to licensed professionals, we may permit you to both manage and operate your Medi-Weightloss Business under a Healthcare Business structure.

Currently, these states may allow the operation of a Healthcare Business structure Medi-Weightloss Business: Alabama, Alaska, Connecticut, Delaware, Florida, Hawaii, Idaho, Indiana, Kentucky, Louisiana, Maine, Mississippi, Missouri, Nebraska, New Hampshire, New Mexico, North Dakota, Ohio, Oklahoma, Rhode Island, Utah, Vermont, Virginia, and Wyoming. You will need to hire your own attorney to independently evaluate, review and advise you on what practices you may or may not engage in, in respect to the operation and management of the Medi-Weightloss Business.

Management Business

If your Medi-Weightloss Business is in a state that limits the ownership and operation of medical practices to licensed professionals, and you are not a licensed professional or do not otherwise qualify to directly operate a medical practice, your Medi-Weightloss Business will be operated as a management business ("Management Business") that provides management, marketing and clinic facility based services ("Management Services") to a physician-owned professional medical entity authorized to operate the Clinic and offer and provide approved products and services to patients ("Authorized Medical Provider(s)"). The Authorized Medical Provider will have responsibility for providing, overseeing and supervising the delivery of medical products and services provided by the Clinic, as well as all other matters requiring clinical oversight. We will enter into Medical Practice Management Addendum ("MPMA") with you and the Authorized Medical Provider which describes the services and obligations that the Authorized Medical Provider will provide. You will enter into a management agreement with the Authorized Medical Provider ("Management Agreement"), which must be approved by us, where you will provide the Authorized Medical Provider with non-clinical Management Services. Although we provide a sample management agreement in Exhibit H of this Franchise Disclosure Document, you must hire your own attorney to independently review and evaluate the Management Agreement to ensure it complies with all applicable laws, rules and regulations. Some states may prohibit you from charging a management fee based on a percentage of the gross revenues earned by the Authorized Medical Provider, in which case you will need to modify your Management Agreement to incorporate a flat management fee. We must approve the final version of your Management Agreement.

The Authorized Medical Provider will employ, oversee, supervise, and control all medical personnel who will provide the services to the patients of the Medi-Weightloss Business. Under the Management Business structure, you will not provide any medical services and will not supervise, direct, control or suggest to the Authorized Medical Provider or its physicians or medical personnel the manner in which the Authorized Medical Provider provides or may provide medical services to its patients. Under this model, to ensure compliance with applicable laws, it is critical that you do not engage in practices that are, or may appear to be, the practice of medicine. As the provider of Management Services, you may not represent yourself to be the "owner" of the medical practice. You may not operate your Clinic without Authorized Medical Providers. If we allow your Medi-Weightloss Business to provide Ancillary Products and Services or Competitive Services, you must hire your own attorney to independently review and evaluate these services, as applicable, and ensure compliance with all laws and regulations.

Healthcare Business

If your Medi-Weightloss Business is in a state that does not limit the ownership and operation of medical practices to licensed professionals, or if you are a licensed professional or otherwise qualify to directly operate a medical practice, we may waive the requirement that you enter into an MPMA and Management Agreement, and permit you to both manage and operate your Medi-Weightloss Business ("Healthcare Business"). You will operate the Healthcare Business, including performing all responsibilities and obligations an Authorized Medical Provider would provide under the Management

Agreement, and manage the Healthcare Business as required in the Franchise Agreement by performing all the responsibilities and obligations of the "Practice" under the Management Agreement.

We developed the System, Program and the standards and specifications associated with the System, to create a framework that enables Clinics to operate in compliance with our brand standards and maintain a uniform experience for patients. However, we understand that the practice of medicine is a licensed profession requiring independent judgment, skill and training. We do not practice medicine, and we are not authorized to provide medical services. Our franchise training and support programs do not include any training or support regarding the method or manner by which medical services are provided to patients. We do not (a) control or influence, (b) reserve the right to control or influence, or (c) intend to control or influence the Professional Judgment (as described below) exercised by the Authorized Medical Provider or any medical staff. So we acknowledge and agree that if any terms of the Franchise Agreement (or any related agreement) and/or the Franchise Operations Manual conflict with your Professional Judgment or of the Authorized Medical Provider and any medical staff, then: (a) the Professional Judgment of the Authorized Medical Provider and any medical staff, will control; and (b) the Authorized Medical Provider and any medical staff will be authorized to act in a manner consistent with their Professional Judgment without being deemed in breach of the Franchise Agreement.

For purposes of this Franchise Disclosure Document, the term "Professional Judgment" means the independent medical judgment exercised by an Authorized Medical Provider and any medical staff regarding the methods and manner by which medical services are provided to patients, including: (a) determining what diagnostic tests are appropriate; (b) determining the need for referrals to or consultation with another medical professional or specialist; (c) responsibility for the ultimate overall care of the patient, including treatment options available to the patient; (d) determining how many patients to see in a given period of time or how many hours licensed medical professionals must work; (e) determining the medical equipment and supplies used in rendering healthcare services; (f) managing, and determining the contents of, patient medical records; (g) selecting, hiring and firing any licensed medical professional staff; and (h) establishing coding and billing procedures for patient care services.

Market and Competition

The primary market for the products and services offered by the Medi-Weightloss Businesses are individuals needing or desiring weight loss, weight management and nutritional products and services. The products and services offered by Medi-Weightloss Business Businesses are not seasonal. The weight loss market is well-developed and highly competitive. You may have to compete with numerous other independent and chain-affiliated businesses, some of which may be franchised.

Industry-Specific Laws

State laws and regulations will vary greatly from state-to-state, so it is critical that each Medi-Weightloss Franchise owner evaluate the specific laws and regulations applicable to the geographic area where it operates. In conducting this evaluation, there are five foundational areas that should be focused on and understood: (a) ownership; (b) diagnosis and treatment; (c) delegation and supervision, (d) marketing, and (e) privacy and data security. These regulations apply both to a Medi-Weightloss Franchise being operated as a Healthcare Business and a Management Business.

You will need to comply with all local and federal laws, rules and regulations related to your Medi-Weightloss Business. Because many aspects of our Program are associated with the practice of medicine, you will need to closely monitor legal developments in the laws relating to the medical and pharmaceutical professions. Laws and regulations adding reimbursement, like the Affordable Care Act (Obamacare) may impact your Medi-Weightloss Business.

Ownership – As described above, many states have CPOM laws restricting ownership, and control of medical practices by lay persons or entities.

Diagnosis and Treatment - A variety of medical professionals can be employed by the Medi-Weightloss Franchise, such as physicians, nurse practitioners, physician assistants, and/or registered nurses. However, state regulations and oversight boards determine how much power and ability each license grants the holder regarding certain procedures. It is critical that state law be determined for which Authorized Medical Provider can conduct a primary patient evaluation and diagnosis, develop the treatment plan, as well as who can perform the procedure. Generally, only a physician, nurse practitioner (subject to proper supervision), or physician assistant (subject to proper supervision) may conduct the initial evaluation and diagnosis. Varying power and practice scopes are granted to non-physician providers, such as nurse practitioners, depending on the state the licensed is issued and services performed in. State laws, medical boards, nursing boards, and other regulatory agencies will need to be analyzed to determine what procedures and policies need to be implemented through the creation of standard operating procedures for the Medi-Weightloss Business. The concept of form and substance will be vital to compliance as the operations of the Medi-Weightloss Franchise need to follow and adhere to the standard operating procedures as written.

Delegation and Supervision - Following the primary consultation of a patient, analysis will need to be conducted regarding which Authorized Medical Providers can be delegated procedures and administer the treatment plan. States will vary on regulations such as medical director qualifications, nurse practitioner and physician assistant ability to practice independently, nurse supervision and medical records review. Further distinctions will need to be made between medical and non-medical treatments. Based on the applicable delegation heeded and requirements of the jurisdiction, delegation and supervision agreements may need to be prepared and entered into between the physician and non-physician providers, or other supervisor roles as outlined by the state. These agreements often are required in instances where prescriptive authority is being delegated by one party to another, which can be integral to the operation of the Medi-Weightloss Business.

Marketing and Fraud and Abuse Laws – There are extensive federal, state and local laws rules and regulations that regulate the type of marketing that you may or may not make as to the products and services offered by a Medi-Weightloss Business, the results that a Medi-Weightloss Business customer may or may not achieve, and whether or not the approved products or services offered by Medi-Weightloss Businesses are authorized, cleared and/or approved by any government agency or authority, and the Authorized Medical Provider(s) that may or may not be administering, supervising and/or performing the services.

Both federal and state law impose restrictions upon certain marketing activity, including prohibitions on giving or receiving certain financial incentives for referrals. These include the federal "Stark" physician self-referral prohibition (42 U.S.C. § 1395nn) on financial arrangements between a physician (or immediate family member) and entity furnishing Designated Health Services and the federal Anti-Kickback Statute (42 U.S.C. 1320a-7b), which prohibits knowingly and willfully soliciting, receiving, offering, or paying any remuneration (including any kickback, bribe, or rebate) directly or indirectly, overtly or covertly, in cash or in kind, to any person, in return for or to induce such person to refer a person for the furnishing or arranging for the furnishing of an item or service for which payment may be made in whole or in part under Medicare, Medicaid, TRICARE or other Federal healthcare programs (as defined by 42 U.S.C. § 1320a-7b(f)); or (ii) purchase, lease, order or arrange for or recommend the purchasing, leasing or ordering of any good, facility, service, or item for which payment may be made in whole or in part under any Medicare, Medicaid, TRICARE or other Federal healthcare programs (as defined by 42 U.S.C. § 1320a-7b(f)). While the absence of federal reimbursement prevents the applicability of the foregoing laws and regulations to a Medi-Weightloss Franchise and the Medi-Weightloss Business operated in connection with your Medi-Weightloss Franchise, certain states have enacted parallel restrictions ("State Anti-Kickback Laws") that apply to all healthcare services, without regard to whether the payer is the patient, a private health plan, or a government program. A federal law enacted in 2018, the Eliminating Kickbacks in Recovery Act, 18 U.S.C. § 220, also prohibits the payment of remuneration in return for referring a patient to medical clinics and applies to payments from commercial and employer-sponsored health plans.

Another important aspect of compliance with State Anti-Kickback Laws may involve review of the financial terms of the Management Agreement used in a Management Business to ensure that the arrangement comports with relevant state law, including considerations of fair market value or commercial reasonableness in the payment for services. In addition, many states require that physicians make a proper disclosure to their patients regarding their affiliation with a person or entity if they will receive, directly or indirectly, remuneration for securing or soliciting the patient. Because of this, you will need to structure your marketing and financial arrangements carefully to ensure compliance. It is important to have a healthcare attorney evaluate these laws and regulations applicable to your Medi-Weightloss Franchise.

Privacy and Data Security – Federal and state law impose privacy and data security requirements to the handling of patient records and communications of health information. The federal Health Insurance Portability and Accountability Act ("HIPAA") laws, rules and regulations impose strict requirements as to safeguarding and maintaining the privacy of personal information and data collected and stored in medical records. You must assume that the operations of a Medi-Weightloss Business, and the offer, sale, and performance of the Approved Clinic Products and Services are subject to HIPAA's stringent privacy requirements. State laws may provide additional restrictions on privacy and data security practices. Although we provide a sample HIPAA business associate agreement (the "HIPAA Associate Agreement") in Exhibit H of this Disclosure Document, to ensure the privacy and security of patient healthcare information you share with any business associate as defined by HIPAA, such as service providers, attorneys, or third-party billing companies, you should consult with your own healthcare attorney to ensure that this agreement complies with HIPAA and other applicable laws, rules and regulations. You should also consult with your healthcare attorney to determine whether the activities, safeguards and measures of your Medi-Weightloss Franchise comply with HIPAA requirements.

The Payment Card Industry Data Security Standard ("PCI") requires that all companies that process, store, or transmit credit or debit card information maintain a secure environment. PCI applies to all organizations or merchants, regardless of size or number of transactions, that accepts, transmits or stores any cardholder data. You must also be sure to comply with applicable federal and state laws regulating the privacy and security of sensitive consumer and employee information.

If we grant you the right to operate a Medi-Weightloss Business, we are not engaging in the practice of medicine, nursing or any other profession that requires specialized training or certification. You must not engage in the practice of medicine, nursing or any other profession that requires specialized training or certification, with the exception of those franchisees for whom we waive the requirement that they enter into an MPMA and Management Agreement, and permit them to both manage and operate the Medi-Weightloss Business. The Franchise Agreement, MPMA and Management Agreement will not interfere, affect or limit the independent exercise of medical judgment by you or your medical staff (if you operate a Healthcare Business) or by the Authorized Medical Provider and its medical staff (if you operate a Management Business).

You are responsible for investigating, understanding and complying with all applicable laws, rules, regulations, ordinances and requirements applicable to you and your Medi-Weightloss Franchise. You should consult with a legal advisor about whether these and/or other requirements apply to your Medi-

Weightloss Franchise. Failure to comply with laws and regulations is a material breach of the Franchise Agreement.

ITEM 2
BUSINESS EXPERIENCE

Brian Petranick: Chief Executive Officer

Mr. Petranick has served as our Chief Executive Officer since February 2025 in Tampa, Florida. Previously, Mr. Petranick was Group President of Neighborly in Waco, Texas from March 2022 to February 2025. Prior to that, he was the Chief Executive Officer and President of Right at Home/RiseMark Holdings in Omaha, Nebraska from February 2000 to March 2022.

Colette Trebon: Senior Vice President and General Counsel

Ms. Trebon has served as Senior Vice President and General Counsel for us, MWLC, PHM and Medi IP since December 2023 in Tampa, Florida. Ms. Trebon served as Assistant General Counsel to MWLC, PHM and Medi IP from January 2009 to November 2023 in Tampa, Florida.

Sharla Cook: Chief Financial Officer

Ms. Cook has served as our Chief Financial Officer since April 2023 in Tampa, Florida. From October 2020 to April 2023, Ms. Cook was the Chief Financial Officer at Better Choice Company Inc. in Tampa, Florida.

Macklin Guzman, D.H.Sc., MPH: Chief Scientific Officer

Dr. Guzman has served as our Chief Scientific Officer since March 2017 in Tampa, Florida.

Charolette Obringer: Chief Operating Officer

Ms. Obringer has served as our Chief Operating Officer since February 2024 in Tampa, Florida. From September 2023 to January 2024, Ms. Obringer served as our Senior Vice President of Franchise Operations in Tampa, Florida. From October 2016 to February 2023, Ms. Obringer was the Group Vice President of Stores, Vice President of Operations and Regional Vice President of Belk Department Stores in Charlotte, North Carolina.

Rhandi Emanouil: Senior Vice President, Marketing, Aligned Communications, & Events

Ms. Emanouil has served as our Senior Vice President of Marketing, Aligned Communications & Events since April 2016 and as our First Vice President of Marketing and Public Relations since October 2014, in Tampa, Florida.

Andrew Demas: Senior Vice President of Information

Mr. Demas has served as our Senior Vice President of Information since March 2015 in Tampa, Florida.

Vinita Tandon: Medical Director

Ms. Tandon has served as our Medical Director since November 2025 in Tampa, Florida. Previously, she was the Medical Director of Lifeforce Medical from December 2021 to November 2025 in Santa Monica, California. Prior to that, she was the Medical Director of JumpstartMD in from June 2016 to December 2021 in Burlingame, California.

Christine Garcia: Regional Educator/Lead Nurse Practitioner

Ms. Garcia has served as our Regional Educator/Lead Nurse Practitioner in Tampa, Florida since June 2023. Previously, she was the Program Director and Assistant Professor of the Family Nurse Practitioner Program of Nova Southeastern University in Palm Beach Gardens, Florida from November 2022 to May 2023. Prior to that, she was the Clinical Coordinator and Assistant Professor of the Graduate Nursing Program at Nova Southeastern University in Palm Beach Gardens, Florida from August 2020 to November 2022.

Melissa Amponsah: Chief Marketing Officer

Ms. Amponsah has been our Chief Marketing Officer since January 2026 in Tampa, Florida. Previously, she was the Chief Marketing Officer of Ellie Mental Health in Minneapolis, Minnesota from May 2023 to May 2025. Prior to that, she was the Chief Marketing Officer of Steele Brands LLC in Minneapolis, Minnesota from September 2022 to April 2023. From April 2022 to September 2022, she took time off to spend with her family. Prior to that, she held roles from Director to Vice President of Marketing of Regis Corporation in Minneapolis, Minnesota from March 2018 to April 2022.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Initial Fees for a Single Medi-Weightloss Business	Amount	
	Low	High
Initial Franchise Fee(1)	$60,000	$60,000
Initial Package Fee(2)	$49,000	$54,000
Training Fee(3)	$15,000	$15,000
Malpractice Insurance(4)	$0	$4,300
Optional IV Therapy Program(5)	$0	$11,500
Optional HRT Program(6)	$0	$2,010
Optional Contact Center(7)	$0	$2,850

Initial Fees for a Single Medi-Weightloss Business	Amount	
	Low	High
Grand Opening Program(8)	$15,000	$15,000
TOTAL	**$139,000**	**$164,660**

Notes:

We do not offer direct or indirect financing for these items. All expenditures paid to us or our affiliates are uniform and non-refundable under any circumstances once paid. Certain states have imposed a requirement that we provide financial assurances to our prospective franchisees as they establish their Medi-Weightloss Businesses. See Exhibit G for the State Addendum.

1. Initial Franchise Fee. The "Initial Franchise Fee" for a single Medi-Weightloss Franchise is $60,000. The Initial Franchise Fee is uniform, fully earned by us once paid and is non-refundable under any circumstances. The Initial Franchise Fee is payable when you sign your Franchise Agreement. During our last fiscal year ended December 31, 2025, we received Franchise Fees ranging from $5,000 to $60,000. The low end includes a discounted Initial Franchise Fee for some existing franchisees.

2. Initial Package Fee. You must purchase an initial package of equipment and supplies from us for your Medi-Weightloss Business ("Initial Package"). The Initial Package varies, but may include touchscreens, printers, labels, cameras, office supplies, medical supplies, testing supplies, posters and various branded materials, certain supplement supplies/inventory, Adolescent Program supplies, educational DVD, certain text messaging services, cooler bags, stationery, water bottles and other items. You will pay us a non-refundable payment between $49,000 and $54,000 at the earlier of: (1) the date you order the Initial Package; or (2) six weeks prior to your scheduled opening date.

3. Training Fee. You will pay us a "Training Fee" of $15,000 when you sign your Franchise Agreement. The Training Fee is payment for the opening team training services we provide to you for the development and operation of your Medi-Weightloss Franchise, as well as your attendance at the initial training program (you are responsible for travel-related expenses for your attendees). The Training Fee is uniform, fully earned by us once paid and is non-refundable under any circumstances.

4. Malpractice Insurance. If you choose to participate in our group policy and purchase malpractice insurance through us or MWLC, you will pay approximately $4,300 per year. If you purchase malpractice insurance through us, the premium is due within 15 days of invoicing, prior to opening. The premium is uniform, fully earned by us once paid and is non-refundable under any circumstances.

5. IV Therapy Program. If you choose, or are required, to offer the IV nutritional therapy through your Medi-Weightloss Business, you must pay us a $3,500 IV program implementation and training fee ("IV Program Training Fee") plus an initial package fee ("IV Initial Package Fee") of $8,000 for equipment and supplies). The IV Program Training Fee and IV Initial Package Fee are due when you sign the IV Program Addendum, are uniform, fully earned by us once paid and are non-refundable under any circumstances.

6. HRT Program. If you offer hormone replacement therapy ("HRT") through your Medi-Weightloss Business, you must pay our approved third party provider a $2,010 HRT training fee ("HRT Program Training Fee") when you sign the HRT Program Addendum in Exhibit H. This fee is not paid to us or an affiliate.

7. Optional Contact Center Services. If you choose to utilize our "Contact Center Services" for lead management-related calls for your Medi-Weightloss Business you will pay us a monthly fee, up to $950 per month, beginning when you sign our Contact Center Services Agreement in Exhibit H.

8. Grand Opening Marketing Campaign. You must pay us a one-time fee of $15,000 for your grand opening marketing campaign ("Grand Opening Marketing Campaign Fee"). The Grand Opening Marketing Campaign Fee is non-refundable under any circumstances and due when you pay the Initial Package Fee.

Development Fee

Franchisees may purchase the rights to open additional Medi-Weightloss Franchises by signing our Area Development Agreement and paying a development fee ("Development Fee"). The Development Fee is calculated based on the chart below:

Number of Medi-Weightloss Business	Development Fee
2	$110,000 ($55,000 each)
3	$135,000 ($45,000 each)
4	$180,000 ($45,000 each)
5	$225,000 ($45,000 each)
6	$240,000 ($40,000 each)
7	$280,000 ($40,000 each)
8	$320,000 ($40,000 each)
9	$360,000 ($40,000 each)
10+	$350,000 ($35,000 each)

Area Developers must open a minimum of two Medi-Weightloss Businesses. The Development Fee is uniform, payable when you sign your Area Development Agreement and is non-refundable under any circumstances, even if you fail to open any Medi-Weightloss Franchises. You will sign the Initial Franchise Agreement for your first Medi-Weightloss Franchise when you sign the Area Development Agreement and pay the Development Fee. You will develop additional Medi-Weightloss Franchises according the to the Development Schedule included in the Area Development Agreement. You will sign an individual franchise agreement for each Medi-Weightloss Franchise you open under the Area Development Agreement, except you will not be required to pay an Initial Franchise Fee. If you form an entity to open any of the Medi-Weightloss Franchise within the Development Territory, you must own at least 51% of each entity. You must provide us with necessary documentation to show your ownership interest. During our last fiscal year ended December 31, 2025, we collected Development Fees ranging from $45,000 to $55,000 for each franchise.

If you request, and we approve (in our sole discretion), an extension of a development period under the Development Schedule, the development period will be extended for a one-month period. At the time you request each extension, you must prepay a non-refundable development extension fee of $500 for each month that each development period is extended. Under no circumstances will we grant extensions for a development period totaling more than 12 months.

Initial Fees Under an Area Development Agreement

(a) For the Development of Two Medi-Weightloss Businesses

Initial Fees for Two Medi-Weightloss Businesses Opened Under an Area Development Agreement	Amount	
	Low	High
Development Fee[1]	$110,000	$110,000
Other Initial Fees[2] – First Franchise	$79,000	$104,660
Other Initial Fees[2] – Second Franchise	$79,000	$104,660
Total	$268,000	$319,320

(b) For the Development of Ten Medi-Weightloss Businesses

Initial Fees for Two Medi-Weightloss Businesses Opened Under an Area Development Agreement	Amount	
	Low	High
Development Fee[1]	$350,000	$350,000
Other Initial Fees[2] – First Franchise	$79,000	$104,660
Other Initial Fees[2] – Second Franchise	$79,000	$104,660
Other Initial Fees[2] – Third Franchise	$79,000	$104,660
Other Initial Fees[2] – Fourth Franchise	$79,000	$104,660
Other Initial Fees[2] – Fifth Franchise	$79,000	$104,660
Other Initial Fees[2] – Sixth Franchise	$79,000	$104,660
Other Initial Fees[2] – Seventh Franchise	$79,000	$104,660
Other Initial Fees[2] – Eighth Franchise	$79,000	$104,660
Other Initial Fees[2] – Ninth Franchise	$79,000	$104,660
Other Initial Fees[2] – Tenth Franchise	$79,000	$104,660
Total	$1,140,000	$1,396,600

Notes:

We do not offer direct or indirect financing for these items. All expenditures paid to us or our affiliates are uniform and non-refundable under any circumstances once paid. Certain states have imposed a requirement that we provide financial assurances to our prospective franchisees as they establish their Medi-Weightloss Businesses. See Exhibit G for the State Addendum.

1. Development Fee. Franchisees may purchase the rights to open additional Medi-Weightloss Franchises by signing our Area Development Agreement and paying a Development Fee.

2. Other Initial Fees. This is the combined cost of the Initial Package Fee, Training Fee, Malpractice Insurance, Optional IV Therapy Program, Optional HRT Program, Optional Contact Center Services, and the development schedule extension fee.

ITEM 6
OTHER FEES

Type of Fee(1)	Amount	Due Date	Remarks
Royalty Fee(2)(3)	Greater of \$2,250 per month ("Minimum Royalty") or 10% of monthly Gross Sales(3)	Monthly currently the 15th day of each month) beginning the earlier of the month you open your Medi-Weightloss Business or the 12th month after you sign the Franchise Agreement	The "Royalty Fee" is based on "Gross Sales" during the previous month. Your Royalty Fee is an ongoing payment that allows you to use the Marks and the intellectual property of the System and pays for our ongoing support and assistance. We reserve the right to charge additional royalties for Pilot Products and Services.
System Branding Contribution	Greater of \$250 per month, or 1% of monthly Gross Sales	Same as Royalty Fee	This "System Branding Contribution" is used for a system-wide "System Development Fund" for our use in promoting and building the Medi-Weightloss brand. We reserve the right to increase the System Branding Contribution to up to 2% upon written notice to you.
Technology Fee	The then-current fee, currently \$500 per month (currently not charged)	Same as Royalty	This "Technology Fee" covers certain technologies used in the operation of your Medi-Weightloss Business, website hosting and other services. This fee may include fees paid to third-party vendors and it may be adjusted to reflect their price increases. We reserve the right to increase this fee up to \$1,500 per month in the event we offer updated or additional software or technology for use in the Medi-Weightloss Business upon 30 days' written notice to you. You will also be responsible for any increase in fees that result from any third party vendor price increases upgrades, modifications or additional software. You will begin pay the Technology Fee or upon 30 days' written notice.

Type of Fee[1]	Amount	Due Date	Remarks
Conference Fee	The then-current fee (plus any travel and accommodation expenses)	Upon receipt of written notice that such conference is being held	The conference is intended to supplement your ongoing training and provide you with a forum to meet and discuss best practices with other franchisees and company executives. The fee is due whether or not you attend a conference.
Website Optimization/ Optional Marketing Services/ Applicant Tracking & Recruiting Services/ E-Signature Services	Our then-current fees. Varies; current monthly fees: phone number tracking is $75 to $500 for setup, with a monthly fee of $25 to $500 per month: (currently $25 per month); mailing lists are $.07 to $.25 per name; recruiting services are $500 per month; E-signature service is $1.25 per signature	On the payment day of each Accounting Period.	The first payment for this ad words campaign is due prior to commencement of the campaign. We or our designee set up an ad words campaign and other optimization with Google or other providers in the amount you commit to the campaign.
Template and Marketing Services Automation Option	The then-current fee (currently $0 to $500 per year)	As incurred	Due if you choose optional Template and Automation Services. Template and Automation Services refer to a service where we or our vendor provides advertisers access to a portal that allows for on-demand local customization to marketing templates and/or automated marketing campaigns.
Marketing Automation Fee	Between $100 - $500 per month, depending on the number of contacts you choose to market to. Franchisees will start at $100 per month and increase based on patient volume	Same as Royalty	We require you pay to us a marketing automation fee for automated operational messaging via text message to patients, beginning the first month of operations.
Malpractice Insurance	Varies based on coverage needs and State law: approximately $4,300 per year payable to us or MWLC if you participate in our group malpractice policy (which may include an administration fee)	Within 15 days after invoice	Payable to us if you participate in our group policy and purchase insurance through us or MWLC. If you choose, or are required by state law, to purchase your own malpractice insurance policy, you will pay the insurance company directly.

Type of Fee[(1)]	Amount	Due Date	Remarks
Insurance	We may charge an administration fee of up to 15% if we have to pay any insurance costs on your behalf	Within 15 days after invoice	If you fail to pay any insurance costs to an insurance company and we pay the costs on your behalf, we may charge you costs plus an administration fee of up to 15%.
Interest	The lesser of 18% per year or highest contract rate of interest allowed by law	Within 15 days after invoice	Payable on all overdue amounts.
Late Payment Fee	$100 per occurrence, plus the lesser of the daily equivalent of 18% per year simple interest or the highest rate allowed by law	As incurred	Payable if any payment due to us or our affiliate is not made by the due date. Interest accrues from the original due date until payment is received in full.
Failure to Submit Required Report Fee	$100 per occurrence and $100 per week	Your bank account will be debited for failure to submit any requested report or financial statement when due	Payable if you fail to submit any required report or financial statement when due. You will continue to incur this fee until you submit the required report.
Non-Sufficient Funds Fee	$100 per occurrence, plus the lesser of the daily equivalent of 18% per year simple interest or the highest rate allowed by law	As incurred	Payable if any check or electronic payment is not successful due to insufficient funds, stop payment or any similar event.
Professional Fees and Expenses	Will vary under circumstances	As incurred	You must reimburse us for any legal, accounting or other professional fees, including all reasonable attorneys' fees, ("Professional Fees") that we incur as a result of any breach or termination of your Franchise Agreement or as a result of your indemnity obligations. You must reimburse us if we are required to incur any expenses in enforcing our rights against you under the Franchise Agreement.
Indemnification	Will vary under circumstances	As incurred	You must indemnify and reimburse us for any expenses or losses, including Professional Fees, that we or our representatives incur related in any way to your Medi-Weightloss Franchise.

Type of Fee[1]	Amount	Due Date	Remarks
Audit Expenses	Cost of audit and inspection, any understated amounts, and any related accounting, legal and travel expenses	Within 15 days after invoice	You will be required to pay this if an audit reveals that you understated Gross Sales by more than 2% or you fail to submit required reports.
Management Fee	$500 per day, plus costs and expenses	As incurred	Payable if we manage your Medi-Weightloss Business after: (1) you cease to perform your responsibilities (whether due to retirement, death, disability, or for any other reason) and you fail to find an adequate replacement Responsible Owner (defined in Item 15) within 30 days; (2) you are in material breach of the Franchise Agreement; or (3) upon a crisis management event.
Liquidated Damages	Will vary under the circumstances	Within 15 days after termination of the Franchise Agreement	Due only if we terminate the Franchise Agreement before the end of the term because of your material breach, or you terminate the Franchise Agreement without legal cause. Liquidated damages are determined by multiplying the combined monthly average of Royalty Fee and System Branding Contributions (without regard to any fee waivers or other reductions) that are owed by you to us, beginning with the date you open your Medi-Weightloss Business through the date of early termination, multiplied by the lesser of: (i) 36; or (ii) the number of months remaining in the term of the Franchise Agreement, except that liquidated damages will not, under any circumstances, be less than $30,000. This is separate from, and in addition to, the Physician Liquidated Damages described above.
Local Marketing Requirement	The difference between the approved local marketing amount you spent on local marketing each month and your required local marketing expenditure (currently $5,000 per month measured on a rolling six-month basis); paid semi-annually)	As incurred	If you fail to meet your required local advertising requirement, you must pay the difference between the amount you spent and the required advertising expenditure, which will be contributed to the System Development Fund.

Type of Fee[1]	Amount	Due Date	Remarks
Local and Regional Advertising Cooperatives	Established by cooperative members but not to exceed $20,000 per year	Established by cooperative members and any governing documents	We currently do not have a cooperative but reserve the right to require one to be established in the future. Each Medi-Weightloss Business we own that exists within the cooperative's area will contribute to the cooperative on the same basis as franchisees. We anticipate that each Medi-Weightloss franchisee and each Medi-Weightloss Business that we own will have one vote for each Medi-Weightloss operated in the designated market. Item 11 contains more information about advertising cooperatives.
Relocation Fee	Our actual costs	Upon relocation	If we permit you to relocate your Medi-Weightloss Franchise, you must reimburse us for our actual costs incurred in effectuating the relocation of Medi-Weightloss Clinic.
Successor Franchise Fee	$5,000	At the time you sign the successor franchise agreement	Payable if you qualify to renew your Franchise Agreement and choose to enter into a successor franchise agreement.
Transfer Fee	$18,750	At time of transfer	Payable in connection with the transfer of your Medi-Weightloss Business, a transfer of ownership of your legal entity, or the Franchise Agreement. There are various other conditions you must meet for us to approve your transfer request.
Transfer to Entity Fee	Our actual costs	On demand	If you are transferring the Franchise Agreement to an entity that you control, you will not be required to pay a transfer fee, but you must pay our actual costs. Transfer fees are subject to state law.
Broker Fees	Our actual cost of the brokerage commissions, finder's fees, or similar charges	As incurred	If you transfer your Medi-Weightloss Business to a third party or purchaser, you must reimburse all of our actual costs for commissions, finder's fees and similar charges.
Contact Center Service Fee	Varies based on services selected, up to $950 per month	Monthly	You will pay us this fee if you choose to utilize our Contact Center Services for lead management-related calls for your Medi-Weightloss Business.

Notes:

1. Fees. All fees paid to us or our affiliates are uniform and not refundable under any circumstances once paid. Fees paid to vendors or other suppliers may be refundable depending on the vendors

and suppliers. We currently require you to pay fees and other amounts due to us or our affiliates via electronic funds transfer ("EFT") or other similar means. You are required to complete the ACH authorization (in the form attached to this Franchise Disclosure Document in Exhibit H). We can require an alternative payment method or payment frequency for any fees or amounts owed to us or our affiliates under the Franchise Agreement. All fees are current as of the Issuance Date of this Franchise Disclosure Document. Certain fees that we have indicated may increase over the term of the Franchise Agreement. All fees are current as of the Issuance Date of this Franchise Disclosure Document. Certain fees that we have indicated may increase over the term of the Franchise Agreement. Also, any fee expressed as a fixed dollar amount is subject to adjustment based on changes to the Consumer Price Index ("CPI") in the United States. We may periodically review and increase these fees based on changes to the CPI (in addition to any other increase), but only if the increase to the CPI is more than 5% higher than the corresponding CPI in effect on: (a) the effective date of your Franchise Agreement (for the initial fee adjustments); or (b) the date we implemented the last fee adjustment (for subsequent fee adjustments). We will notify you of any CPI adjustment at least 60 days before the fee adjustment becomes effective. We will implement no more than one CPI-related fee adjustment during any calendar year. If you enter into an Area Development Agreement to operate multiple Medi-Weightloss Businesses, the fees indicated in the chart above are the fees charged and/or incurred for each Medi-Weightloss Businesses.

2. Royalty. All Royalties collected must comply with federal, state, and/or local government laws, rules or regulations. Your Royalties are based on your Gross Sales, which are determined differently depending on whether you operate a Healthcare Center Business or Management Business.

3. "Gross Sales" means the total of all of your revenue, sales and other income and consideration of the Medi-Weightloss Clinic (whether operated by you or an Authorized Medical Provider), including the revenue generated from the sale of all products, and services offered at or from the Medi-Weightloss Clinic, and all other income or revenue of every kind and nature related to, derived from, or originating from the Medi-Weightloss Clinic, whether at retail or wholesale, including off-premises services, mobile clinics, and temporary locations (whether these sales are permitted or not), and proceeds of any business interruption insurance policies, whether any of the products or services are sold for cash, check, or credit, and regardless of collection in the case of check or credit. You may deduct from Gross Sales for purposes of this computation (but only to the extent they have been included) the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to patients, if the taxes are separately stated when the patient is charged and if the taxes are paid to the appropriate taxing authority. You may also deduct from Gross Sales the amount of any charged tips collected and remitted to your employees. You may also deduct documented refunds, chargebacks, credits, and allowances you give in good faith to your patients; however, we reserve the right to include in Gross Sales any such amounts that we determine, in our reasonable business judgment, to be materially disproportionate to the standard operating procedures, or historical performance of the System. All barter or exchange transactions in which you furnish products or services in exchange for products or services provided to you by a vendor, supplier or patient will, for the purpose of determining Gross Sales, be valued at the full retail value of the products or services so provided to you. We reserve the right to institute policies in the Franchise Operations Manual or otherwise in writing and from time to time, regarding the inclusion in Gross Sales of any pre-paid goods or services (including, without limitation, gift cards and gift certificates) and their delivery and redemption.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Medi-Weightloss Franchise

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Initial Franchise Fee(1)	$60,000	$60,000	Lump Sum	When You Sign the Franchise Agreement	Us
Initial Package(1)	$49,000	$54,000	Lump Sum	Before Opening	Us
Training Fee(1)	$15,000	$15,000	Lump Sum	When You Sign the Franchise Agreement	Us
Furniture, Fixtures Equipment and Supplies(2)	$15,000	$35,000	As Incurred	As Incurred	Third Parties
3 Months' Lease Payments(3)	$10,000	$18,000	As Incurred	As Incurred	Landlord
Leasehold Improvements(4)	$30,000	$125,000	As Incurred	As Incurred	Landlord and Approved Contractors
Architecture Fees and Permits (5)	$1,000	$4,500	As Incurred	As Incurred	Architect, Government Agencies
Computer System(6)	$3,000	$5,000	As Incurred	As Incurred	Third Parties
Security Deposits(7)	$3,500	$10,000	As Incurred	Before Opening	Third Parties, including Utility Companies
Additional Inventory and Supplies(8)	$1,000	$5,000	As Incurred	As Incurred	Us and Third Parties
Signage(9)	$8,000	$12,000	As Incurred	As Incurred	Third Parties
Licenses and Permits(10)	$500	$1,500	As Incurred	As Incurred	Appropriate State/Local Authorities or Third Party
Insurance(11)	$5,000	$15,000	As Incurred	As Incurred	Insurance Company or us or our affiliate

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Professional Fees[12]	$2,000	$10,000	As Incurred	As Incurred	Your Attorneys, Advisors, CPAs and Other Professionals
Training Travel Expenses[13]	$4,000	$8,000	As Incurred	As Incurred	Providers of Travel, Lodging, and Food Services
Grand Opening Marketing Campaign[14]	$15,000	$15,000	Lump Sum	Before Opening	Us
Local Advertising-3 Months[15]	$15,000	$20,000	As Incurred	As Incurred	Third Parties
Optional IV Therapy Program[16]	$0	$11,500	When You Sign the Addendum	When You Sign the Addendum	Us
Optional HRT Program	$0	$2,010	When you Sign the Addendum	When you Sign the Addendum	Third Parties
Bookkeeper[17]	$750	$1,500	As Incurred	As Incurred	Third Parties
Optional Contact Center Services[18]	$0	$2,850	As Incurred	As Incurred	Us
Additional Funds – 3 Months[19]	$20,000	$60,000	As Incurred	As Incurred	Third Parties, Us
TOTAL ESTIMATED INITIAL INVESTMENT[20]	$257,750	$490,860			

Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your Medi-Weightloss Franchise. The start-up phase is estimated to be three months from the date your Medi-Weightloss Franchise opens for business. We do not offer direct or indirect financing for these items. All expenditures paid to us or our affiliates are uniform and non-refundable under any circumstances once paid. All expenses payable to third parties are non-refundable, except as you may arrange for utility deposits and other payments.

1. Initial Franchise Fee, Initial Package Fee and Training Fee. See Item 5 for additional information.

2. Furniture, Fixtures, Equipment and Supplies. This estimate involves the furniture, fixtures, equipment and supplies you will need to open a Medi-Weightloss Business, such as front and back office furniture, weigh station and exam room equipment and other fixtures and decor. Some of these expenses will depend on Medi-Weightloss Clinic size, shipping distances, supplier chosen and your credit history.

3. 3 Months' Lease Payments. This estimate covers three months of lease payments for your Clinic. Your actual rent payments may vary depending upon your location and your market's retail lease rates. Medi-Weightloss Businesses will typically be 1,500 to 2,000 square feet in size. Medi-Weightloss Businesses are typically located in a professional office environment, including office buildings, business parks, and other commercial real estate locations, but may be located in certain standalone buildings. If you purchase instead of leasing the premises for your Medi-Weightloss Clinic, then the purchase price, down payment, interest rates and other financing terms will determine your monthly mortgage payments.

4. Leasehold Improvements. This estimate assumes construction allowances that may be offered by your landlord. This estimate includes setup expenses you will incur in building out your Medi-Weightloss Clinic, including all costs required to set up the equipment. Building and construction costs will vary depending upon the condition and size of the premises for your Medi-Weightloss Clinic and local construction costs. We encourage you to open your Medi-Weightloss Clinic in a building that has been previously occupied by tenants. If you open your Medi-Weightloss Clinic in a building that has not been previously occupied or is in "grey shell" condition, your leasehold improvement cost may be substantially higher.

5. Architecture Fees and Permits. We provide you with prototype design plans, specifications, décor and layouts for your Clinic. You will hire an architect and engineer to develop complete architectural plans and drawings and engineering plans. Some states may require you to hire a medical architect. The high end of this estimate assumes you will consult a medical architect.

6. Computer System. This estimate includes one desktop and two laptop computers, a router and printer, which is the portion of the Computer System that is not included in the Initial Package. The low range assumes you already have an acceptable Computer System. The high end of the range assumes that all new equipment is purchased. See Item 11 for additional information about the required hardware and software.

7. Security Deposits. This estimate includes security deposits required by the landlord, cable and utility companies.

8. Additional Inventory and Supplies. This estimate includes items in the Initial Package that may need to be restocked and miscellaneous supplies.

9. Signage. The type and size of the signage you install will be based upon the zoning and property use requirements and restrictions. There could be an occasion where certain signage is not permitted because of zoning or use restrictions.

10. Licenses and Permits. You may be required to obtain business licenses from the local government agencies to operate your Medi-Weightloss Business.

11. Insurance. You must obtain and maintain, at your own expense, the insurance coverage we require, and satisfy other insurance-related obligations. If you have had prior issues or claims from previous operations unrelated to the operation of a Medi-Weightloss Business, your rates may be significantly higher than those estimated above. This estimate assumes insurance premiums incurred prior to opening and for the initial 3-month Initial start-up phase The low end assumes you participate in our group policy and purchase malpractice insurance through us or MWLC, which is approximately $4,300 per year. The high estimate assumes you choose, or are required by state law, to purchase your own malpractice insurance policy and pay the

insurance company directly. If you purchase malpractice insurance through us, the premium is due within 15 days of invoicing.

12. Professional Fees. We recommend that you hire a lawyer, accountant or other professional to advise you on this Franchise offering and to assist you in setting up your Medi-Weightloss Franchise. Additionally, we recommend that you specifically hire healthcare counsel to ensure your Medi-Weightloss Franchise will comply with all applicable healthcare laws and to review any Management Agreement. Rates for professionals can vary significantly based on area and experience.

13. Training Travel Expenses. We provide training at our training center in Tampa, Florida or at another location designated by us. You must pay for airfare, meals, transportation costs, lodging and incidental expenses for all initial training program attendees. This item includes our estimate of travel related training expenses for up to five people to attend initial training.

14. Grand Opening Marketing Campaign. You must pay us $15,000 to conduct your Grand Opening Marketing Campaign.

15. Local Advertising. You must spend at least $5,000 per month on local advertising, but you are encouraged to spend more. This estimate includes three months of local advertising after your Medi-Weightloss Business opens.

16. Optional IV Therapy Program. If you choose to offer IV nutritional therapy through your Medi-Weightloss Business, you must pay us a $3,500 IV program Training Fee plus an Initial Package Fee of $8,000 for equipment and supplies, including equipment for two IV stations, an AED (Defibrillator), marketing, and other supplies.

17. Optional Contact Center Services. If you choose to utilize our Contact Center Services for lead management-related calls for your Medi-Weightloss Business pay us a monthly fee, up to $950 per month, beginning when you sign our Contact Center Services Agreement. The low estimate assumes you do not utilize this service and the high estimate assumes three month of a monthly $950 fee.

18. Bookkeeper. You are required to work with one of our approved bookkeeping services. The bookkeeping provider will set up and maintain your financial records, including preparation of standard financial reports and other services we may require from time to time. The low number represents three months of fees at $500 per month for the minimum service, and the high number represents this fee at an additional amount per month for the purchase of additional services such as data input. Your cost will depend on the size of your Clinic or MSO, the amount of bookkeeping you complete on your own, and other factors. The approved vendor may increase their monthly fee at any time. We have no control over this and cannot provide such information or costs here.

19. Additional Funds. These amounts represent our estimate of the amount needed to cover your expenses for the initial three-month start-up phase of your Medi-Weightloss Franchise. They include payroll, administrative, maintenance, utilities, software fees, optional Team Tailor applicant tracking and recruiting set-up and service fee, working capital and other items. These figures do not include standard pre-opening expenses, Royalties, or advertising fees payable under the Franchise Agreement or debt service, and assume that none of your expenses are offset by any sales generated during the start-up phase. For purposes of this disclosure, we estimated the start-up phase to be three months from the date your Medi-Weightloss Clinic

opens for business. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting your Medi-Weightloss Franchise.

Our estimates are based on our experience, the experience of our affiliates, and our current requirements for Medi-Weightloss Franchises.

20. This is an estimate of your initial start-up expenses for one Medi-Weightloss Franchise.

Area Development Agreement

(a) For the Development of Two Medi-Weightloss Franchises

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Made
	Low	High			
Development Fee(1)	$110,000	$110,000	Lump sum	At the Time You Sign your Area Development Agreement	Us
Initial Investment for the First Medi-Weightloss Franchise Opened Under an Area Development Agreement(2)	$197,750	$430,860	Per Table Above	Per Table Above	Per Table Above
Initial Investment for the Second Medi-Weightloss Franchise Opened Under an Area Development Agreement(2)	$197,750	$430,860	Per Table Above	Per Table Above	Per Table Above
Development Schedule Extension Fee(3)	$0	$12,000	As incurred	As incurred	Us
TOTAL ESTIMATED INITIAL INVESTMENT FOR UP TO TWO MEDI-WEIGHTLOSS FRANCHISES(4)	$505,500	$983,720			

(b) For the Development of Ten Medi-Weightloss Franchises

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Made
	Low	High			
Development Fee[1]	$350,000	$350,000	Lump sum	At the Time You Sign your Area Development Agreement	Us
Initial Investment for the First Medi-Weightloss Franchise Opened Under an Area Development Agreement[2]	$197,750	$430,860	Per Table Above	Per Table Above	Per Table Above
Initial Investment for the Second Medi-Weightloss Franchise Opened Under an Area Development Agreement[2]	$197,750	$430,860	Per Table Above	Per Table Above	Per Table Above
Initial Investment for the Third Medi-Weightloss Franchise Opened Under an Area Development Agreement[2]	$197,750	$430,860	Per Table Above	Per Table Above	Per Table Above
Initial Investment for the Fourth Medi-Weightloss Franchise Opened Under an Area Development Agreement[2]	$197,750	$430,860	Per Table Above	Per Table Above	Per Table Above
Initial Investment for the Fifth Medi-Weightloss Franchise Opened Under an Area Development Agreement[2]	$197,750	$430,860	Per Table Above	Per Table Above	Per Table Above
Initial Investment for the Sixth Medi-Weightloss Franchise Opened Under an Area Development Agreement[2]	$197,750	$430,860	Per Table Above	Per Table Above	Per Table Above

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Made
	Low	High			
Initial Investment for the Seventh Medi-Weightloss Franchise Opened Under an Area Development Agreement(2)	$197,750	$430,860	Per Table Above	Per Table Above	Per Table Above
Initial Investment for the Eighth Medi-Weightloss Franchise Opened Under an Area Development Agreement(2)	$197,750	$430,860	Per Table Above	Per Table Above	Per Table Above
Initial Investment for the Ninth Medi-Weightloss Franchise Opened Under an Area Development Agreement(2)	$197,750	$430,860	Per Table Above	Per Table Above	Per Table Above
Initial Investment for the Tenth Medi-Weightloss Franchise Opened Under an Area Development Agreement(2)	$197,750	$430,860	Per Table Above	Per Table Above	Per Table Above
Development Schedule Extension Fee(3)	$0	$60,000	As incurred	As incurred	Us
TOTAL ESTIMATED INITIAL INVESTMENT FOR UP TO TEN MEDI-WEIGHTLOSS FRANCHISES(4)	$2,327,500	$4,718,600			

Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating multiple Medi-Weightloss Franchises under an Area Development Agreement. We do not offer direct or indirect financing for these items. The factors underlying our estimates may vary depending on several variables, and the actual investment you make in developing and opening your Area Development Franchise may be greater or less than the estimates given depending upon the locations of your Medi-Weightloss Franchises and current relevant market conditions. All expenses payable to the parties are non-refundable, except as you may otherwise arrange.

1. <u>Development Fee.</u> Area Developers must open a minimum of two Medi-Weightloss Businesses. The low estimate covers the Development Fee for opening up to two Medi-Weightloss Franchises. The high estimate covers the Development Fee for opening up to nine Medi-Weightloss Franchises. The

Development Fee for opening ten Medi-Weightloss Franchises is $350,000. The estimates in this table are the estimates to open ten Medi-Weightloss Franchisees, so the Development Fee is $350,000. The Development Fee is payable when you sign your Area Development Agreement, fully earned immediately upon receipt and is non-refundable, even if you do not open any Medi-Weightloss Franchises. See Item 5 for additional information on your Development Fee.

2. Initial Investment for First Medi-Weightloss Franchise. These estimates are based on the total cost of the components described in the first table in Item 7 for a single Medi-Weightloss Business, except for the Initial Franchise Fee which is replaced by the Development Fee. Costs associated with starting additional Medi-Weightloss Franchises are subject to factors that we cannot estimate or control, such as inflation, increased labor costs or increased materials costs and will depend on when the additional Medi-Weightloss Franchises are opened.

3. If you request, and we approve (in our sole discretion), an extension of a development period under the Development Schedule, the development period will be extended for a one-month period per extension. At the time you request each extension, you must prepay a non-refundable development extension fee of $500 for each month that each development period is extended. Under no circumstances will we grant extensions for a development period totaling more than 12 months. The low end of this estimate assumes you do not extend any development periods, and the high end assumes you obtain 12 extensions for each Medi-Weightloss Business.

4. If you purchase multiple franchised businesses under the Area Development Agreement, you will incur all of the costs listed in the first table for each Medi-Weightloss Franchise you open except that you will pay a Development Fee, not an Initial Franchise Fee. This is only an estimate of your initial investment and is based on our estimate of domestic costs and market conditions prevailing as of the Issuance Date of this Franchise Disclosure Document. Review these figures carefully with a business advisor and/or legal counsel before deciding to enter into an Area Development Agreement. The availability and terms of financing depend on several factors, including the availability of financing, your creditworthiness, collateral you may have, and lending policies of financial institutions. You should review these figures with a business advisor, financial consultant or other professional before deciding to sign an Area Development Agreement.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must operate your Medi-Weightloss Business according to our System and specifications. This includes purchasing or leasing all products, services, supplies, fixtures, equipment, inventory, computer hardware and software, and real estate related to establishing and operating the Medi-Weightloss Business under our specifications, which may include purchasing these items from: (i) our designees; (ii) approved suppliers; and/or (iii) us or our affiliates. You must not deviate from these methods, standards and specifications without our prior written consent, or otherwise operate in any manner which reflects adversely on our Marks or the System.

Our confidential operations manuals ("Franchise Operations Manual") state our standards, specifications and guidelines for all products and services we require you to obtain in establishing and operating your Medi-Weightloss Business and approved vendors for these products and services. We will notify you of new or modified standards, specifications and guidelines through periodic amendments or supplements to the Franchise Operations Manual or through other written communication (including electronic communication such as email or through a system-wide intranet).

You must purchase, install, maintain in sufficient supply and only use fixtures, furnishings, equipment, signs and supplies that conform to the standards and specifications described in the Franchise Operations Manual or otherwise in writing.

We are currently the only approved supplier of the following categories of items: Initial Package items, accessories, flavor mist, salad dressings, meal items, interactive exercise accessories, pedometers, the vitamins and supplements that bear our Marks, and any other products we offer via shop.mediweightloss.com. Certain products and supplements are optional purchases, but must be purchased from us or our affiliate if you choose to offer them in your Medi-Weightloss Business. You may be required to purchase some Pilot Products and Services that may be offered through a Pilot Program from us, our affiliates, or approved third-party suppliers. Other than these items, you currently do not have to purchase any goods or services from us, any parent, our predecessors, or our affiliates relating to the establishment of your Medi-Weightloss Business. We are a supplier of optional Contact Center Services. Some of our officers own an interest in Medi-Weightloss USA Franchising, LLC, an approved supplier.

The corporate practice of medicine doctrine restricts layperson-franchisees from determining the medical equipment and supplies to be used in the operation of the franchised business. If you operate as a Management Business, you and we acknowledge and agree that the selection and use of any equipment and products used in connection with medical services provided by the Authorized Medical Provider to its patients will be subject to the Authorized Medical Provider's approval based on the professional opinion of the Authorized Medical Provider's physicians or comparable licensed medical personnel. If you or the Authorized Medical Provider wish to use any medical equipment or medical related product other than items that we have previously approved, you must first submit a written request for our approval, which we will not unreasonably withhold if the proposed medical equipment or medical product meets our standards and specifications, and any applicable rules or regulations, as determined by the Authorized Medical Provider's physician(s).

You must use the computer hardware and software that we periodically designate to operate your Medi-Weightloss Franchise. You must obtain the computer hardware, software licenses, maintenance and support services and other related services that meet our specifications from the suppliers we specify. You may be required to use approved suppliers for certain technology business solutions at your expense that will support your business efficiencies, which may include phone systems, security systems, scheduling software, employee shift/task management software, inventory solutions and any other solutions we may require from time to time in the Franchise Operations Manual.

You must obtain the insurance coverage required under the Franchise Agreement, as follows:

Type of Insurance	Amount
General Liability	$1,000,000 (with coverage for sexual misconduct)
Vehicles	$100,000/$300,000
Business Property	$50,000
Business Interruption	$100,000
Umbrella	$1,000,000
Health Care/Professional Liability	As required by law.
Other	As required by us, the law or your landlord.

The insurance company must be authorized to do business in the state where your Medi-Weightloss Franchise is located, and must be approved by us. It must also be rated "A" or better by A.M. Best & Company, Inc. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage at any time. All insurance policies must name us and any affiliates we designate as additional named insured parties.

We review and must approve all aspects of the location for your Medi-Weightloss Business. We also must approve the lease or sublease for the Site of your Medi-Weightloss Business.

We will provide you with a list of our designated and approved suppliers in the Franchise Operations Manual. If you want to use or sell a product or service that we have not yet evaluated, or if you want to purchase or lease a product or service from a supplier or provider that we have not yet approved (for products and services that require supplier approval), you must notify us and submit to us the information, specifications and samples we request. Our specific criteria for approving suppliers is not generally shared with our franchisees; however, in some instances, we may share these criteria with you by placing it in the Franchise Operations Manual or communicating it directly to you. We can revoke our approval of a supplier at any time upon immediate notice to you. We do not charge you a fee for reviewing or evaluating a proposed supplier, but we also are not obligated to consider or evaluate a proposed supplier.

We estimate that approximately 40% to 70% of purchases required to open your Medi-Weightloss Franchise will be from us or from other approved suppliers or under our specifications. We estimate that approximately 70% to 85% of purchases required to operate your Medi-Weightloss Franchise will be from us or from other approved suppliers or under our specifications. During our last fiscal year ending December 31, 2025, our revenue from franchisee required purchases and leases were $12,832,697 which was approximately 46% of our total revenue of $28,158,702.

We may negotiate purchase arrangements with suppliers and distributors for the benefit of our franchisees. We currently do not have any purchasing or distribution cooperatives. We and our affiliates may receive rebates from some suppliers based on your purchase of products and services and we have no obligation to pass them on to our franchisees or use them in any particular manner. During our last fiscal year ending December 31, 2025, our Parent MWIH, received $180,236 in revenue from approved suppliers of optional franchisee purchases.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Franchise Agreement ("FA")/ Area Development Agreement ("ADA")	Disclosure Document Item
a. Site selection and acquisition/lease	FA Section 7 ADA Section 6	Items 7 and 11
b. Pre-opening purchases/leases	FA Sections 7 and 19 ADA Not applicable	Items 7, 8 and 11
c. Site development and other pre-opening requirements	FA Sections 7 and 19 ADA Section 7	Items 7 and 11
d. Initial and ongoing training	FA Section 8 ADA Not applicable	Items 6, 7 and 11
e. Opening	FA Sections 7 and 12 ADA Section 7	Items 6, 7, 9 and 11
f. Fees	FA Sections 5, 6, 7, 8, 10, 12, 14, 16 and 20 ADA Section 3	Items 5, 6 and 7

Obligation	Section in Franchise Agreement ("FA")/ Area Development Agreement ("ADA")	Disclosure Document Item
g. Compliance with standards and policies/operating manual	FA Sections 9, 12 and 13 ADA Section 12	Items 8, 11, 12, 14 and Exhibit H
h. Trademarks and proprietary information	FA Sections 9, 14 and 17 ADA Section 1	Items 13 and 14
i. Restrictions on products/services offered	FA Section 13 ADA Not applicable	Items 8 and 16
j. Warranty and customer service requirements	FA Section 13 ADA Not applicable	Items 1 and 11
k. Territorial development and sales quotas	FA Section 4 ADA Section 5	Items 1, 11 and 12
l. Ongoing product/service purchases	FA Section 13 ADA Not applicable	Items 8 and 16
m. Maintenance, appearance and remodeling requirements	FA Section 13 ADA Not applicable	Items 7, 8 and 11
n. Insurance	FA Section 19 ADA Not applicable	Items 6, 7 and 8
o. Advertising	FA Section 12 ADA Not applicable	Items 11, 13 and 14
p. Indemnification	FA Section 22 ADA Section 13	Not Applicable
q. Owner's participation/management and staffing	FA Section 10 ADA Section 12	Items 11, 15 and 17
r. Records and reports	FA Section 20 ADA Not applicable	Item 11
s. Inspections and audits	FA Section 21 ADA Not applicable	Items 6 and 11
t. Transfer	FA Sections 15 and 16 ADA Section 9	Item 17
u. Renewal	FA Section 5 ADA Not applicable	Item 17
v. Post-termination obligations	FA Sections 18 and 26 ADA Section 8	Item 17
w. Non-competition covenants	FA Section 18 ADA Section 2	Item 17 and Exhibit H
x. Dispute resolution	FA Section 28 ADA Section 17	Item 17

ITEM 10
FINANCING

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

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

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

Pre-opening Obligations

Before you open your Medi-Weightloss Franchise, we (or our designee) will provide the following assistance and services to you:

1. Provide an initial training program (See Franchise Agreement - Section 8.1). We will not provide general business or operations training to your employees or independent contractors. We may provide limited training on the System and brand standards to your key employees. You will be responsible for hiring, training, directing, scheduling and supervising your employees and independent contractors in the day-to-day operations of the Medi-Weightloss Franchise.

2. Deliver the Initial Package (See Franchise Agreement – Section 6.11).

3. Loan you one copy of, or allow you digital access to, the Franchise Operations Manual. If printed, the Franchise Operations Manual contains approximately 811 pages. The table of contents for the Franchise Operations Manual is attached to this Franchise Disclosure Document as Exhibit F (See Franchise Agreement - Section 9.1).

4. Provide you with advice in identifying a suitable location for your Medi-Weightloss Clinic if you request assistance (See Franchise Agreement - Section 7). We do not require that you use a specific vendor you must use in locating the site for your Medi-Weightloss Clinic. We must approve the site before you sign the lease.

In evaluating a proposed premises, we consider such factors as general location and neighborhood, traffic patterns, parking, size, lease terms, income per capita, existence of competitors, and other physical characteristics. Before leasing or purchasing the site for your Medi-Weightloss Clinic, you must submit to us, in the form we specify, a description of the site, with other information and materials we may reasonably require. We will have 30 days after we receive the information and materials to evaluate the proposed site. If we disapprove of the proposed site, you must select another site, subject to our consent. You must purchase or lease the site for your Medi-Weightloss Clinic within 90 days after signing the Franchise Agreement. You and your landlord are required to sign the Lease Addendum, which is attached to this Franchise Disclosure Document in Exhibit H, contemporaneous with the lease. We generally do not own the premises for the Medi-Weightloss Clinic and lease it to you. If you do not locate a site that is acceptable to us within 90 days of signing the Franchise Agreement, we may extend the deadline, require you to engage the services of a professional real estate broker of our choosing, or terminate the Franchise Agreement.

5. Review your lease agreement for the premises of your Medi-Weightloss Business to ensure that its terms contain our required provisions and otherwise meet our minimum standards (See Franchise Agreement - Section 7.3).

6. Once you have an approved premises for your Medi-Weightloss Business, we will designate a territory. If you sign an Area Development Agreement, we will designate the Development Territory before you sign the Area Development Agreement.

7. We will provide a copy of our basic specifications for the design and layout for the premises of the Medi-Weightloss Business. You are responsible for the costs of preparing architectural, engineering and construction drawings and site plans, which you must submit to us for our review and approval before you begin construction of the premises for your Medi-Weightloss Business. You are responsible for the costs of construction and remodeling. We do not assist you in conforming the premises to local ordinances and building codes nor do we assist you in obtaining any required permits. We do not assist you in remodeling or decorating your Medi-Weightloss Business (Franchise Agreement - Section 7.4).

8. Conduct a start-up marketing campaign for your Medi-Weightloss Business (See Franchise Agreement - Section 12.1).

9. We will provide you with a list of furniture, fixtures, equipment, products and services (or specifications for such items) you must purchase for the development and operation of Medi-Weightloss Business and a list of any designated or approved suppliers for such items. Most items are included in the Initial Package. You are responsible for the cost of installation of all equipment, furniture and fixtures (See Franchise Agreement – Section 6.11).

We do not provide the above services to renewal franchisees, and may not provide all of the above services to franchisees that purchase an additional or existing Medi-Weightloss Business.

Schedule for Opening

The typical length of time between signing the Franchise Agreement or the payment of any fees and the opening of your Medi-Weightloss Business can range from one to 12 months, with the typical length of time being six months. Some factors which may affect this timing are your ability to acquire a location through lease or purchase negotiations; your ability to secure any necessary financing; your ability to comply with local zoning and other ordinances; your ability to obtain any necessary permits and certifications; the timing of the delivery of equipment, tools and inventory; and the time to convert, renovate or build out the premises for your Medi-Weightloss Business.

You may not open your Medi-Weightloss Business until: (1) we notify you in writing that all of your pre-opening obligations have been fulfilled; (2) you have completed the initial training program to our satisfaction; (3) all amounts due to us have been paid; (4) we have been furnished with copies of all insurance policies and certificates required by the Franchise Agreement, or other documentation of insurance coverage and payment of premiums we request; (5) you notify us that all approvals and conditions stated in the Franchise Agreement have been met; (6) you have received all required permits and licenses; and (7) you have ordered, received, and installed your fixtures, equipment, supplies, inventory, and related materials. You must be prepared to open and operate your Medi-Weightloss Business immediately after we state your Medi-Weightloss Business is ready for opening, but no later than 12 months after you sign the Franchise Agreement.

If you are an Area Developer, you must sign the Initial Franchise Agreement at the same time you sign the Area Development Agreement. The typical length of time between the signing of the Franchise Agreement and the opening of your first Medi-Weightloss Business under an Area Development Agreement is the same as for a single Medi-Weightloss Business. Each additional Medi-Weightloss Business you develop must be opened according to the terms of your Development Schedule. The determination of the territory and the site selection and acceptance process for each Medi-Weightloss Business under an Area Development Agreement is the same as that for a single Medi-Weightloss Business and will be governed by the Franchise Agreement signed for that location.

Continuing Obligations

During the operation of your Medi-Weightloss Franchise, we (or our designee) will provide the following assistance and services to you:

1. Inform you of mandatory standards, specifications and procedures for the operation of your Medi-Weightloss Business (See Franchise Agreement – Section 13.1).

2. Provide advice regarding your Medi-Weightloss Business's operation based on reports or inspections. Advice will be given during our regular business hours and through written materials, electronic media, telephone or other methods in our discretion (See Franchise Agreement – Section 9.2).

3. Provide additional training to you for newly hired personnel on the Medi-Weightloss Business and System guidelines, refresher training courses and additional training or assistance that you request or we determine, in our discretion, you need. You may be required to pay additional fees for this training or assistance (See Franchise Agreement – Section 8.3).

4. Allow you to continue to use confidential materials, the Franchise Operations Manual and the Marks (See Franchise Agreement – Section 17.1).

Optional Assistance

During the term of the Franchise Agreement, we (or our designee) may, but are not required to, provide the following assistance and services to you:

1. Modify, update or change the System, including the adoption and use of new or modified trade names, trademarks, service marks or copyrighted materials, new products, new equipment or new techniques.

2. Make periodic visits to the Medi-Weightloss Business for the purpose of assisting in all aspects of the operation and management of the Medi-Weightloss Franchise, prepare written reports concerning these visits outlining any suggested changes or improvements in the operation of the Medi-Weightloss Franchise, and detailing any problems in the operations which become evident as a result of any visit.

3. Maintain and administer a System Development Fund. We may dissolve the System Development Fund upon written notice (See Franchise Agreement - Section 11).

4. Set minimum or maximum prices on products or services, as allowed by law.

5. If we agree to do so, assist you with guidance in locating and establishing a relationship with a physician and other professionals who may be necessary for the operation of your Medi-Weightloss Businesses. (See Franchise Agreement Section 9.2).

6. Perform optional "Optimization" services if you choose and pay for optional Optimization Services described in Item 6. (See Franchise Agreement Section 9.3).

7. If you participate in an Optional Marketing Services Agreement, provide the services you choose under it in return for our fees described in it.

8. If you participate in the Optional E-Signature Services Agreement, provide the service you choose under it in return for our fees described in it.

9. If you participate in the Optional Contact Center Services Agreement, provide the service you choose under it in return for our fees described in it. (See Franchise Agreement Section 6.12).

Advertising

System Development Fund

The "System Development Fund" is for marketing, developing, and promoting the System, the Marks and Medi-Weightloss Franchises. You must pay 1% of your monthly Gross Sales to the System Development Fund ("System Development Fund Contribution"). We reserve the right to increase the System Development Fund Contribution up to 2% upon 30 days' written notice. Your System Development Fund Contribution will be in addition to all other advertising requirements set out in this Item 11. Each franchisee will be required to contribute to the System Development Fund, but certain franchisees may contribute on a different basis depending on when they signed their Franchise Agreement. Medi-Weightloss Businesses owned by us will contribute to the System Development Fund on the same basis as franchisees, which may also differ based on when each Medi-Weightloss Businesses owned by us opened for business.

The System Development Fund will be administered by us, or our affiliate or designees, at our discretion, and we may use a professional advertising agency or media buyer to assist us. We may keep the System Development Fund in a separate operating, commercial, or savings account, or we may keep it in our general operating account.

We have complete discretion on how the System Development Fund will be utilized. We may use the System Development Fund for any expenditure that we, in our sole discretion, deem necessary or appropriate to promote or improve the System or the Medi-Weightloss brand. For example, we may use the System Development Fund for: (i) developing, maintaining, administering, directing, preparing or reviewing advertising and marketing materials, promotions and programs, including social media management; (ii) raising public awareness of any of the Marks; (iii) improving public and consumer relations and publicity; (iv) brand development; (v) research and development of technology, products and services; (vi) website development (including social media) and search engine optimization; (vii) development and implementation of quality control programs; (viii) conducting market research; (ix) changes and improvements to the System; (x) covering the fees and expenses of any advertising agency we engage to assist in producing or conducting advertising or marketing efforts; (xi) collecting and accounting for System Development Fund Contributions; (xii) preparing and distributing financial accountings of the System Development Fund; (xiii) conducting quality assurance programs and other reputation management functions; (xiv) local consumer marketing specifically intended to drive traffic to one or more locations, whether opened by us or a franchisee; and (xv) paying our and our affiliates' expenses associated with direct or indirect labor, administrative, overhead, or other expenses incurred in relation to any of these activities. We may use national and/or regional advertising agencies as the source for our advertising materials, or we may prepare them in-house.

We do not guarantee that advertising expenditures from the System Development Fund will benefit you or any other franchisee directly, on a pro rata basis, or at all. We are not obligated to spend any amount on advertising in the geographical area where you are or will be located. We may use the System Development Fund Contributions for advertising that is principally a solicitation for the sale of Franchises, but we reserve the right to include a notation in any advertisement or website indicating "Franchises Available" or similar phrasing.

We assume no fiduciary duty to you or other direct or indirect liability or obligation to collect amounts due to the System Development Fund or to maintain, direct or administer the System Development Fund. Any unused funds that were collected in any calendar year will be applied to the following year's funds, and we reserve the right to contribute or loan additional funds to the System Development Fund on any terms we deem reasonable. If the System Development Fund is terminated, all unspent monies on the date of termination will be distributed to franchisees in proportion to their respective contributions to the System Development Fund (System Branding Fees) during the preceding 12-month period.

The System Development Fund is not audited. Upon your written request, we will make available an annual accounting for the System Development Fund that shows how the System Development Fund proceeds have been spent for the previous year. For the fiscal year ending December 31, 2025, the System Development Fund was spent as follows: 14% on production, 32% on media placement/advertising, and 42% on marketing technology, and 12% on other miscellaneous uses (such as certifications or public relations).

Local Advertising

You must pay us $15,000 to conduct your Grand Opening Marketing Campaign to support the opening of your Medi-Weightloss Franchise. In addition to this start-up marketing campaign and the System Development Fund Contributions, you must spend at least $5,000 per month on local advertising for your Medi-Weightloss Business ("Local Advertising Requirement"). We will measure your compliance with this requirement on a rolling six-month basis, meaning that as long as your average monthly expenditure on local advertising over the six-month period equals or exceeds the minimum monthly amount that we specify, you will be deemed in compliance even if your expenditure in any given month is less than the minimum monthly amount that we specify. If you fail to spend the Local Advertising Requirement, we may spend any shortfall on your behalf and you must promptly reimburse us for such expenditures, or you will be required to pay the difference to the System Development Fund or us. Your Local Advertising Requirement must be spent in compliance with the applicable requirements provided in our Franchise Operations Manual, if any.

Additionally, we require you pay us a marketing automation fee for automated operational messaging via text message to patients. The marketing automation fee will range from $100 to $500 per month, depending on the number of people you choose to market to ("Marketing Automation Fee").

If you wish to advertise online, you must follow our online policy which is contained in the Franchise Operations Manual. Our online policy may change as technology and the internet changes. We may restrict your use of social media. We may not allow you to independently market on the internet, or use any domain name, address, locator, link, metatag or search technique with words or symbols similar to the Marks. We intend that any franchisee website will be accessed only through our System Website (defined below).

We may require you to order sales and marketing material from us or our designated suppliers. You may not use other marketing material without obtaining our prior written approval. If you desire to use your own advertising materials, including your own website, you must obtain our prior approval, which may be granted or denied in our sole discretion. We will review your request and we will respond in writing within 14 days from the date we receive all requested information. Our failure to notify you in the specified time frame will be deemed an approval of your request. Use of logos, Marks and other name identification materials must follow our approved standards. You may not use our logos, Marks and other name identification materials on items to be sold or services to be provided without our prior written approval. We can terminate the Franchise Agreement if you use unapproved or disapproved local advertising and promotional materials.

You may be required to participate in any local or regional advertising cooperatives for Medi-Weightloss Franchises that are established. The area of each local and regional advertising cooperative will be defined by us. Franchisees in each cooperative will contribute an amount to the cooperative for each Medi-Weightloss Franchise that the franchisee owns that exists within the cooperative's area. Each Medi-Weightloss Franchise we own that exists within the cooperative's area will contribute to the cooperative on the same basis as franchisees. Members of the cooperative will be responsible for administering the cooperative, including determining the amount of contributions from each member, however all members will be required to contribute equally, and contributions will not exceed $20,000 per year. We may require that each cooperative operate with governing documents and prepare annual unaudited financial statements. We reserve the right to form, change, dissolve or merge any advertising cooperative formed in the future. If we elect to form such cooperatives, or if such cooperatives already exist near your territory, you will be required to participate in compliance with the provisions of the Franchise Operations Manual, which we may periodically modify at our discretion.

System Website

We have established a website for Medi-Weightloss Franchises ("System Website"). We intend that any franchisee website will be accessed only through our System Website. We have the right to use the System Development Fund's assets to develop, maintain and update the System Website. We may update and modify the System Website from time to time. You must promptly notify us whenever any information on your listing changes or is not accurate. We have final approval rights of all information on the System Website. We may modify, update or add to the System Website at any time. We are only required to reference your Medi-Weightloss Franchise on the System Website while you are in full compliance with your Franchise Agreement and all System standards.

Advisory Council

We have established a National Advisory Council ("NAC") composed of franchisees who advise us on, among other things, advertising issues and policies. It is currently comprised of 11 members, each of whom are from different Franchises. In order to be selected to serve on the NAC, a franchisee must be in compliance with all of its agreements with us. The NAC is governed by bylaws and serves in an advisory capacity only. We have the right to have one representative on the NAC. If our franchise system grows to a point where we believe it is sufficient to allow elections to our NAC, we may do so. We will have the power to form, change or dissolve the NAC, in our sole discretion.

Computer System

Required Computer System

You must purchase, install, and maintain a computer system hardware and software and related technology, (the "Computer System") that meets our then-current standards and specifications in the Franchise Operations Manual, which we may update periodically. At a minimum, your Computer System must include:

(a) Required equipment and peripherals.

One printer/label maker, one USB cable, one SECA Body Composition machine, two (2) Android Tablet, and two (2) touchscreen monitors (currently included in the Initial Package), and any other peripherals or medical/office equipment we require from time to time.

(b) Computing devices.

One (1) desktop computer and two (2) laptop computers (or other configurations/brands we designate) with sufficient processing power, memory, storage, and security capabilities to run the software and services we require, including Microsoft 365 (or a successor platform we designate). All devices must meet our minimum specifications, including operating system version requirements, endpoint security requirements, and compatibility standards.

(c) Required software and platforms.

You must use QuickBooks (or a successor we designate) and Advantage, and any other software platforms and services we require, which may include point-of-sale or payment-enabled software and associated terminal hardware.

We currently estimate the cost of Computer System components not included in the Initial Package will be between $3,000 and $5,000, but your actual costs may vary based on vendor pricing, your location, and technology requirements.

Required Functions and Use

You must purchase or license and use the software and services we require (including Advantage and any designated point-of-sale/payment or similar systems), which must be capable of performing required business functions, including: capturing and maintaining customer/patient information; recording orders and transactions; tracking inventory; generating invoices, accounts receivable, and accounts payable; and producing periodic financial and operational reports in the format we require.

We provide access to our designated EMR software and our Advantage website features as part of our system standards, subject to our policies and any applicable terms of use.

Connectivity and Security Standards

You must maintain reliable high-speed internet with a static IP and a secure network environment that meets our minimum technology and security standards, which may include (without limitation): secure Wi-Fi configuration, firewall/router requirements, multi-factor authentication, device password/lock standards, encryption where required, updates/patching, backups, and other cybersecurity controls we specify. You are responsible for obtaining and paying for internet service, networking equipment, and any required security solutions.

Technology Fee

If implemented, and upon at least 30 days' prior written notice, you must pay us our then-current technology fee (the "Technology Fee"), which is currently $500 per month, throughout the Term. The Technology Fee is an ongoing fee for access to and use of certain technology and technology-enabled services designated by us for operation of the Franchised Business, which may include proprietary and/or third-party platforms, hosting, licensing, security tools, updates, integrations, data services, and related support.

We may change the technology, software, platforms, and standards that must be used in the Franchised Business, and changes in required technology or third-party vendor fees may result in changes to the Technology Fee. You are responsible for any increased costs resulting from upgrades, modifications, replacements, or additional software/services required by us or third-party vendors.

We may modify the Technology Fee upon written notice; however, we will not increase the Technology Fee by more than 10% in a calendar year, and the Technology Fee will not exceed $1,500 per month.

Maintenance, Support, and Upgrades

We may, but are not required to, provide ongoing maintenance, repairs, upgrades, updates, or support for the Computer System. You are responsible, at your expense, for installation, maintenance, repair, replacement, upgrades, and support necessary to keep your Computer System compliant with System standards and compatible with required software and services. There is no contractual limitation on the costs you may incur for such support, maintenance, repairs, or upgrades or the frequency that we require you to make any upgrades, updates or replacements.

We estimate the annual cost of maintaining, updating, or upgrading the Computer System may be approximately $1,000 to $2,000, but actual costs will vary

Required Technology Solutions (Third-Party and Other)

In addition to the Computer System and Technology Fee, you may be required to obtain and pay for additional technology-related business solutions from us, our affiliates, or approved suppliers at your expense ("Technology Solutions"). These may include, without limitation: phone/communications systems, security and surveillance systems, scheduling software, employee shift/task management tools, music subscriptions, inventory solutions, payment processing solutions, and other technology solutions we require in the Franchise Operations Manual or otherwise in writing.

We reserve the right to upgrade, modify, replace, or add new Technology Solutions, which may result in additional initial and ongoing expenses that you will be responsible for, including increases in third-party vendor fees. We may include certain third-party fees within the Technology Fee and pay suppliers directly on your behalf, or we may require you to contract and pay suppliers directly, as we designate.

Applicant Tracking System

Use of the Team Tailor (or a successor we designate) applicant tracking system (or another applicant tracking solution we designate) is optional. If you elect to use Team Tailor, you must pay us a one-time setup fee of $500 at the same time as your first Royalty Fee payment, and you are responsible for any ongoing subscription fees charged by the provider (if applicable).

Contact Center Services

You may choose to utilize our "Contact Center Services" for lead management-related calls for your Medi-Weightloss Business. You will pay us a monthly fee, up to $950 per month depending on the level of service you select, beginning when you sign our Contact Center Services Agreement.

Data Access and Use

We (or our designee) have the right to access, retrieve, and use electronic information and data relating to your Franchised Business, including data stored in or transmitted through required systems, for System administration, support, compliance, analytics, benchmarking, and other System-related purposes, including promoting the System and franchise sales. Subject to applicable privacy laws (including HIPAA, as applicable), there is no contractual limitation on our right to receive, access, or use such data through our proprietary systems, integrations, or intranet tools. We may access such data remotely, on-site at your clinic, or from other locations.

Training

Initial Training

We provide initial training at no additional cost above and beyond the Training Fee. You or your Responsible Owner and Franchise Managers (defined in Item 15) or representative that we require must complete the "Owner/Manager Training" to our reasonable satisfaction, as determined by the specific program instructors, before you open your Medi-Weightloss Franchise. The Owner/Manager Training lasts between two and five days and will be conducted at our training facility (currently in Tampa, Florida), through e-learning, and/or at an operating Medi-Weightloss Business.

We provide an initial medical training program ("Professional Training") for up to two physicians or medical professionals and other employees or independent contractors that we require. The Professional Training lasts up to five days and will be conducted at our training facility (currently in Tampa, Florida or at an operating Medi-Weightloss Business. At least one physician and at least one other medical professional is required to complete the Professional Training to our satisfaction.

We also provide an "Opening Team" (at least one team member) for approximately two to four days to provide training ("Opening Team Training") and assist you with the opening of your Medi-Weightloss Business. We may provide additional Opening Team members or additional days upon request in our discretion. We are not required to provide Opening Team or other on-site training to you if you are a transferee of an existing Medi-Weightloss Franchise. However, transferees must attend the Owner/Manager Training and Professional Training.

Initial training classes are held whenever necessary to train new franchisees. You will not receive any compensation or reimbursement for services or expenses for participation in the initial training program. You are responsible for all your expenses to attend any training program, including lodging, transportation, food and similar expenses. We plan to provide the training listed in the tables below.

TRAINING PROGRAM

OWNER/MANAGER TRAINING			
Subject	**Hours of Classroom Training**	**Hours of On-The-Job Training**	**Location**
MWL Program – Various Dietary Programs	5-10	5-10	Tampa, Florida or another location designated by us
Operating Systems – Advantage, Public Website, Signature Patient Website, and Leads	2-4	2-4	Tampa, Florida or another location designated by us
EMR	5-10	5-10	Tampa, Florida or another location designated by us
Sales Training	2-5	3-5	Tampa, Florida or another location designated by us
Medical Guidelines	1-3	1-2	Tampa, Florida or another location designated by us
Compliance & Pharmacy Management	1-2	1-2	Tampa, Florida or another location designated by us
Supplements	1-2	2-7	Tampa, Florida or another location designated by us
Marketing	1-3	1-3	Tampa, Florida or another location designated by us

Business Operations & Financial Training	3-5	3-5	Tampa, Florida or another location designated by us
Interactive Exercise	1-2	1-2	Tampa, Florida or another location designated by us
TOTAL TRAINING HOURS	22-46	24-50	

PROFESSIONAL TRAINING			
Subject	**Hours of Classroom Training**	**Hours of On-The-Job Training**	**Location**
Medical Guidelines	1-3	1-3	Our headquarters in Tampa, Florida, or a location we designate
TOTAL TRAINING HOURS	1-3	1-3	

OPENING TEAM TRAINING PROGRAM			
Subject	**Hours of Classroom Training**	**Hours of On-The-Job Training**	**Location**
Program	0	16-48	Your Clinic
Inventory	0	1-2	Your Clinic
Compliance	0	1-2	Your Clinic
Customer Service	0	16-48	Your Clinic
Marketing	0	1-2	Your Clinic
Sales	0	8-16	Your Clinic
Supplements	0	2-6	Your Clinic
Office Procedures	0	8-16	Your Clinic
Equipment & EMR	0	16-48	Your Clinic
TOTAL TRAINING HOURS	0	69-188	

Notes:

1. We reserve the right to vary the length and content of the initial training program based upon the experience and skill level of the individual attending the initial training program. Though we intend to conduct training in-person, we reserve the right to move some training to online modules, either live or through pre-recorded sessions, for expediency, and also to move most or all of the training online if, due to extensive travel or gathering restrictions, conducting in-person training is not feasible for an extended period of time. We will use the Franchise Operations Manual as the primary instruction materials during the initial training program.

2. Dr. Guzman, Charolette Obringer, Chandler Hedgepath, Janelle Morgan, Casey Robinson, and Christy Garcia direct, implement, and support our initial training program. Dr. Guzman has approximately 16 years' experience in operating medical health care clinics. Ms. Obringer has approximately 24 years' experience as a multi-unit operations executive in healthcare and retail settings. Mr. Hedgepath has over 7 years' experience in training and onboarding health industry franchise clinics. Ms. Morgan has approximately 14 years or elementary education and teacher training experience. Ms. Robinson has over seven years' experience with us and prior experience as a franchisee in health and wellness and as a licensed mental health professional. Ms. Garcia has three years of experience with us and prior experience as an Assistant Professor in both graduate nursing and family practitioner programs. Our trainers will be assisted by various individuals employed by us or our affiliates. All trainers will have at least one year of experience in the subject(s) they are training you in.

3. Training for unlicensed franchisees will focus exclusively on the operation of the business, retail, and back-office functions, and will avoid training that could be considered the practice of medicine.

IV Therapy Training/Certification

If we allow you to offer the optional IV Therapy program, we will provide related training and certification at your Medi-Weightloss Business to two qualifying staff members. These individuals must have any required licenses and/or necessary IV insertion training and experience. All service providers must undergo a two hour didactic training, followed by a half-day, hands-on training in Tampa, Florida. You will pay us a $3,500 IV program Training Fee when you sign the IV Therapy Addendum.

HRT Therapy Training.

If we allow you to offer the optional HRT Therapy program, you must have a trained provider for these services. If you do not have a trained HRT provider, you will need to pay for training from a third party. We estimate that these expenses will be $2,010.

Ongoing Training

From time to time, we may require that you or your Responsible Owner, Franchise Managers and other employees attend system-wide refresher or additional training courses. Some of these courses may be optional, while others may be required. If you appoint a new Responsible Owner or transfer ownership, or if you hire a new Franchise Manager, that person must attend and successfully complete our initial training program before assuming responsibility for the management of your Medi-Weightloss Franchise. You may also request that we provide additional training (either at corporate headquarters or at your Medi-Weightloss Clinic). You must pay for airfare, meals, transportation costs, lodging and incidental expenses for all of your training program attendees. If we determine that you are not operating your Medi-Weightloss Franchise in compliance with the Franchise Agreement or the Franchise Operations Manual, we may require that your Responsible Owner, Franchise Managers and other employees attend remedial training. We currently do not charge a fee for such training.

In addition to participating in ongoing training, you will be required to attend any national or regional meeting or conference of franchisees. You are responsible for any conference fees and all travel and expenses for your attendees. We also reserve the right to restrict franchisees from attending based on past performance, previous defaults and other factors in our sole discretion.

We may also offer the Dale Carnegie "Trusted Partner Program" for franchisees at no charge, which includes periodic regional meetings and trainings. You are responsible for any travel-related expenses.

ITEM 12
TERRITORY

You may operate your Medi-Weightloss Business only at the approved location. The approved location for your Medi-Weightloss Clinic will be listed in the Franchise Agreement. If you have not identified an approved location for your Medi-Weightloss Clinic when you sign the Franchise Agreement, as is typically the case, you and we will agree on the approved location in writing and amend the Franchise Agreement after you select and we approve the approved location. You are not guaranteed any specific approved location, and you may not be able to obtain your top choice as your approved location. You may not conduct your Medi-Weightloss Business from any other location. 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.

We will grant you a protected territory ("Territory") that is determined based on the geographic area and populations properties within that area and other relevant demographic characteristics and will typically be determined by zip codes and contain a population of approximately 125,000 persons, with a minimum population of at least 100,000 persons. During the term of the Franchise Agreement, we will not establish or franchise others to establish another Medi-Weightloss Business within your designated Territory. You are not prohibited from directly marketing to or soliciting customers whose principal residence is outside of your Territory. If you renew your Franchise, your Territory may be modified depending on the then-current demographics of the Territory, and on our then-current standards for territories.

We retain all territory rights (for ourselves and our affiliates) not expressly granted to you. We may use the Marks or the System to sell any products or services similar to those which you will sell through any alternate channels of distribution within or outside of the Territory. We and our affiliates have the right to operate, and to license others to operate, Medi-Weightloss Franchises at any location outside the Territory, even if doing so will or might affect your operation of your Medi-Weightloss Franchise. You are not granted any rights to use alternative channels of distribution, such as wholesale, internet or mail order sales and may not independently market on the internet or conduct e-commerce unless we have expressly allowed you to do so under our online policy in the Franchise Operations Manual.

We may use trademarks other than the Marks to sell any products or services similar to those which you will sell within or outside of the Territory. We may purchase, be purchased by, merge or otherwise acquire competitive businesses within and outside the Territory. If such a situation occurs, the newly acquired businesses may not operate under the Marks in the Territory but may operate under the System. We may implement multi-area marketing programs which may allow us or others to solicit or sell to customers anywhere. We have the right to issue mandatory policies to coordinate such multi-area marketing programs. Although we reserve the rights described, neither we nor any affiliate, operates, franchises or has plans to operate or franchise a business under a different trademark that sells or will sell goods or services similar to those offered by you or our other Franchises.

We are not required to pay you if we exercise any of our rights within your Territory. The continuation of the Territory is not dependent upon your achievement of a certain sales volume, market penetration or other contingency (other than complying with the terms of the Franchise Agreement). We will not be required to pay any compensation for soliciting or accepting orders inside your Territory.

You may not relocate your Medi-Weightloss Business without our prior written approval. We may approve a request to relocate your Medi-Weightloss Business in accordance with the provisions of the Franchise Agreement that provide for the relocation of your Medi-Weightloss Clinic, and our then-current site selection policies and procedures. If you want to relocate your Medi-Weightloss Clinic within your Territory, you must provide us with at least 90 days' notice of your desire to relocate. If you find a suitable location, we will have 30 days to review the proposed relocation site and lease, if applicable. You must also pay us the relocation fee described in Item 6.

We reserve the right to sell, or license others to sell, competitive or identical goods or services (including under our Marks) to national accounts, regardless of location. A "National Account" is a business that has multiple outlets or offices, one or more of which may be located in your Territory. Sales to National Accounts are excluded from your territorial protections. This means that your territorial protections do not limit our ability to sell or license others to sell competitive or identical goods or services to National Accounts within your Territory. You are not entitled to any compensation for sales that take place to National Accounts. We may allow you to work with National Accounts if you satisfy our then-current qualifications as contained in our Franchise Operations Manual. We may require that you serve National Accounts under special pricing structures designated by us. We are not obligated to solicit National

Accounts for you and you do not have the right to provide products or services to any particular National Accounts, even if the National Accounts are located within your Territory.

You do not receive the right to acquire additional Medi-Weightloss Franchises unless you purchase the right in your Area Development Agreement. You are not given a right of first refusal on the sale of existing Medi-Weightloss Franchises. If you wish to purchase an additional Medi-Weightloss Franchise, you must apply to us, and we may, at our discretion, offer an additional Medi-Weightloss Franchise to you. We consider a variety of factors when determining whether to grant additional Medi-Weightloss Franchises to existing franchisees. Among the factors we consider, in addition to the then-current requirements for new Medi-Weightloss franchisees, are whether or not the franchisee is in compliance with the requirements under their current Franchise Agreement, and the overall performance of your Medi-Weightloss Franchise.

Area Development Agreement

You are assigned a Development Territory in the Area Development Agreement. You must develop a designated number of Medi-Weightloss Franchises in the Development Territory. The size of the Development Territory will depend on the number of Medi-Weightloss Franchises to be developed, the demographics of the territory, the population and other factors. The size of the Development Territory may be a single or multi-city area, single county area or some other area, and will be described in Attachment A of your Area Development Agreement. We will determine the Development Territory before you sign the Area Development Agreement based on various market and economic factors. In certain densely-populated metropolitan areas, a Development Territory may be small if it has a high population density, while Development Territories in less densely-populated urban areas may have significantly larger areas. The determination of the territory and the site selection and acceptance process for each Medi-Weightloss Clinic under an Area Development Agreement is the same as that for a single Medi-Weightloss Clinic and will be governed by the Franchise Agreement signed for that location, with each clinic developed under the Area Development Agreement being assigned a territory containing a minimum population of at least 100,000 persons.

The Development Territory will be an exclusive territory for the development of Medi-Weightloss Franchises during the term of the Area Development Agreement so long as you are in compliance with the Area Development Agreement. This exclusivity grants you the exclusive rights to open a certain number of Franchises in the Development Territory. The rights granted under the Area Development Agreement relate only to the development of the Medi-Weightloss Franchises identified in the Area Development Agreement. So long as you are in compliance with the Area Development Agreement, we will not establish or franchise others to establish another Medi-Weightloss Franchise within your Development Territory during the term of the Area Development Agreement. You do not receive the right to acquire additional Franchises unless you purchase the right in your Area Development Agreement.

We may conduct any other type of activities within your Development Territory that we are permitted to conduct under the Franchise Agreement. The Development Territory will terminate upon the earlier of completion of the Development Schedule or the termination of the Area Development Agreement, provided however that if you are at all times in full compliance with the Development Schedule and Area Development Agreement, the Development Territory and associated territorial protections you receive in the Area Development Agreement will not expire any earlier than the end of the initial term of the first franchise agreement signed under the Area Development Agreement. After the termination or expiration of the Area Development Agreement, the only territorial protections that you will receive upon termination will be those under each individual franchise agreement.

We may approve, in our sole discretion, a request for an extension of a development period under the Development Schedule. In such case, the development period will be extended for a one-month period ("Extension Date"). The Extension Date will only extend the development period for the single Medi-Weightloss Business requested. You must request an extension in writing no later than 90 days prior to the end of the applicable development period. No extension of any development period shall affect the duration of any other development period or any of your other development obligations. You must prepay a non-refundable development extension fee of $500 for each month that each development period is extended. Under no circumstances will we grant extensions for a development period totaling more than 12 months. Approval of any extension request is at our sole discretion.

Upon your first failure to adhere to the Development Schedule (or extension, if granted), you will lose the exclusivity granted for the Development Territory. Any second or additional failures to adhere to the Development Schedule (or any extension not renewed)) will constitute a material event of default under the Area Development Agreement and we may: (i) terminate the Area Development Agreement; (ii) reduce the area of the Development Territory; (iii) permit you to extend the Development Schedule; or (iv) pursue any other remedy we may have at law or in equity, including, but not limited to, a suit for non-performance.

ITEM 13
TRADEMARKS

The Marks and the System are owned by Medi IP and are licensed to us. Medi IP has granted us, a license ("Trademark License") to use the Marks to franchise the System around the world. The initial term of the Trademark License extends through January 31, 2058. It will automatically renew for five subsequent 10-year periods so long as we are not in default or do not materially breach the Trademark License. If the Trademark License is terminated, it will not materially affect franchisees, as our right to continue licensing the Marks to franchisees survives the termination of the Trademark License. Medi IP also licenses the Marks to our affiliates PHM and MWLC in connection with the two remaining Licensed Businesses, Except for the Trademark License, no agreement significantly limits our right to use or license the Marks in any manner material to the Medi-Weightloss Franchise. Medi IP owns the following trademarks that are registered with the United States Patent and Trademark Office ("USPTO"):

Mark	Registration Number	Registration Date	Register
MEDI WEIGHTLOSS	4,391,501	August 27, 2013	Principal
MEDI WEIGHTLOSS	4,391,494	August 27, 2013	Principal
THE ONE THAT WORKS!	3,384,764	February 19, 2008	Principal

Mark	Registration Number	Registration Date	Register
INTERACTIVE EXERCISE	4,092,005	January 24, 2012	Principal
MEDILIVING	5,356,715	December 12, 2017	Principal
MEDI-WEIGHTLOSS	4,384,086	August 13, 2013	Principal
MEDI WEIGHTLOSS CLINICS	3,634,815	June 9, 2009	Principal
MEDI WEIGHTLOSS	4,641,762	November 18, 2014	Principal
MEDILIVING	5,618,006	November 27, 2018	Principal
MEDI-WEIGHTLOSS CLINICS	3,326,228	October 30, 2007	Principal
MEDI WEIGHTLOSS CLINICS	3,634,854	June 9, 2009	Principal Register

Mark	Registration Number	Registration Date	Register
	3,404,655	April 1, 2008	Principal
WHOLE LOTTA LOVE	3,617,270	May 5, 2009	Principal
VITA NUTRITIONALS	3,728,249	December 22, 2009	Principal
SCIENCE FOR LIFE	3,991,081	July 5, 2011	Principal
	3,728,305	December 22, 2009	Principal

We have applied for registrations for the following trademarks with the USPTO:

Mark	Serial No.	Filing Date	Status
MEDI-WELLNESS	98,405,066	February 14, 2024	Pending on the Principal Register

We do not have federal registrations for the principal trademark in the table above (serial number 98,405,066). Therefore, this trademark does not have the same legal benefits and rights as a federally registered trademark. If our right to use this Mark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

There are no effective adverse material determinations of the USPTO, the Trademark Trial and Appeal Board or the trademark administrator of any state, or any court, and no pending infringement, opposition or cancellation proceedings or material litigation involving the Marks. All required affidavits and renewals have been filed.

We do not know of any superior prior rights or infringing uses that could materially affect your use of the trademarks. You must follow our rules when using the Marks. You cannot use our name or Marks as part of a corporate name or with modifying words, designs or symbols unless you receive our prior written consent. You must indicate to the public in any contract, advertisement and with a conspicuous sign in the premises of your Medi-Weightloss Business that you are an independently-owned and operated licensed franchisee of Medi-Weightloss. You may not use the Marks in the sale of unauthorized products or services or in any manner we do not authorize. You may not use the Marks in any advertising for the transfer, sale or other disposition of the Medi-Weightloss Franchise, or any interest in Medi-Weightloss Franchise. All rights and goodwill from the use of the Marks accrue to us.

We will defend you against any claim brought against you by a third party that your use of the Marks, in accordance with the Franchise Agreement, infringes upon that party's intellectual property rights. We may require your assistance, but we will exclusively control any proceeding or litigation relating to our Marks. We have no obligation to pursue any infringing users of our Marks. If we learn of an infringing user, we will take the action appropriate, but we are not required to take any action if we do not feel it is warranted. You must notify us immediately if you learn that any party is using the Marks or a trademark that is confusingly similar to the Marks. We have the sole discretion to take such action as we deem appropriate to exclusively control any litigation or administrative proceeding involving a trademark licensed by us to you.

If it becomes advisable at any time, in our sole discretion, for us and/or you to modify or discontinue using any Mark and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions within a reasonable time after receiving notice. We will reimburse you for your direct expenses of changing signage.

You must not directly or indirectly contest our right to the Marks. We may acquire, develop and use additional marks not listed here, and may make those marks available for your use and for use by other franchisees.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

The information in the Franchise Operations Manual is proprietary and is protected by copyright and other laws. The designs contained in the Marks, the layout of our advertising materials, the ingredients and formula of our products and recipes, and any other writings and recordings in print or electronic form are also protected by copyright and other laws. We have registered the following copyrights with the United States Registrar of Copyrights:

Item	Copyright No.	Date of Publication	Duration
Medi-Weightloss Website	TX 0007065813	April 1, 2009	95 Years
Medi-Weightloss Patient Guide 2009	TX 0007065892	April 1, 2009	95 Years
Medi-Weightloss New Patient Packet	TX 0007176698	January 1, 2010	95 Years

Item	Copyright No.	Date of Publication	Duration
Medi-Weightloss Patient History Form	TX 0007240023	April 30, 2008	95 Years
Medi-Weightloss Patient Registration Form	TX 0007239612	April 30, 2008	95 Years

Although we have not applied for copyright registration for the Franchise Operations Manual, all our advertising materials, the content and format of all our products and other writings and recordings, we claim common law and federal copyrights in these items. We grant you the right to use this proprietary and copyrighted information ("Copyrighted Works") for the operation of your Medi-Weightloss Franchise, but such copyrights remain our sole property.

There are no effective determinations of the United States Copyright Office or any court regarding any Copyrighted Works of ours, nor are there any proceedings pending, nor are there any effective agreements between us and third parties pertaining to the Copyrighted Works that will or may significantly limit using our Copyrighted Works.

Our Franchise Operations Manual, electronic information and communications, sales and promotional materials, the development and use of our System, standards, specifications, policies, procedures, information, concepts and systems on, knowledge of, and experience in the development, operation and franchising of Medi-Weightloss Franchises, our training materials and techniques, information concerning product and service sales, operating results, financial performance and other financial data of Medi-Weightloss Franchises and other related materials are proprietary and confidential ("Confidential Information") and are our property to be used by you only as described in the Franchise Agreement and the Franchise Operations Manual. Where appropriate, certain information has also been identified as trade secrets ("Trade Secrets"). You must maintain the confidentiality of our Confidential Information and Trade Secrets and adopt reasonable procedures to prevent unauthorized disclosure of our Trade Secrets and Confidential Information.

We will disclose parts of the Confidential Information and Trade Secrets to you as we deem necessary or advisable for you to develop your Medi-Weightloss Franchise during training and in guidance and assistance furnished to you under the Franchise Agreement, and you may learn or obtain from us additional Confidential Information and Trade Secrets during the term of the Franchise Agreement. The Confidential Information and Trade Secrets are valuable assets of ours and are disclosed to you on the condition that you, and your owners if you are a business entity, agree to maintain the information in confidence by entering into a confidentiality agreement we can enforce. Nothing in the Franchise Agreement will be construed to prohibit you from using the Confidential Information or Trade Secrets in the operation of other Medi-Weightloss Franchises during the term of the Franchise Agreement.

You must notify us immediately after you learn about another's use of language, a visual image or a recording of any kind that you perceive to be identical or substantially similar to one of our Copyrighted Works or use of our Confidential Information or Trade Secrets, or if someone challenges your use of our Copyrighted Works, Confidential Information or Trade Secrets. We will take whatever action we deem appropriate, in our sole and absolute discretion, to protect our rights in and to the Copyrighted Works, Confidential Information or Trade Secrets, which may include payment of reasonable costs associated with the action. However, the Franchise Agreement does not require us to take affirmative action in response to any apparent infringement of, or challenge to, your use of any Copyrighted Works, Confidential Information or Trade Secrets or claim by any person of any rights in any Copyrighted Works, Confidential Information or Trade Secrets. You must not directly or indirectly contest our rights to our Copyrighted Works, Confidential Information or Trade Secrets. You may not communicate with anyone except us, our counsel or our designees regarding any infringement, challenge or claim. We will take action as we deem appropriate regarding any infringement, challenge or claim, and the sole right to control, exclusively, any litigation or other proceeding arising out of any infringement, challenge or claim under any Copyrighted Works, Confidential Information or Trade Secrets. You must sign any and all instruments and documents, give the assistance and do acts and things that may, in the opinion of our counsel, be necessary to protect and maintain our interests in any litigation or proceeding, or to protect and maintain our interests in the Copyrighted Works, Confidential Information or Trade Secrets. No patents or patents pending are material to us at this time.

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

We require that you designate at least two management level employees ("Franchise Managers") whom have been approved by us. You must also appoint an individual who will be principally responsible for communicating with us about the Medi-Weightloss Franchise ("Responsible Owner"). Your Responsible Owner may also serve as a Franchise Manager. The Responsible Owner must have the authority and responsibility for the day-to-day operations of your Medi-Weightloss Franchise. If you are an individual, you are the Responsible Owner. If you are a legal entity, you must appoint an individual that has at least a 10% equity interest in the legal entity to be the Responsible Owner. Your Responsible Owner and your Franchise Managers must successfully complete our training program (See Item 11). We require that one of the Franchise Managers have at least a 10% ownership interest in the legal entity of the Franchise owner. If you replace your Responsible Owner or a Franchise Manager, the new Responsible Owner or Franchise Manager must satisfactorily complete our training program at your own expense.

If you are a legal entity, each direct and indirect owner (i.e., each person holding a direct or indirect ownership interest in you) must sign a Franchise Owner Agreement guarantying the obligations of the entity, the form of which is attached to the Franchise Agreement as Attachment C. We do not require that the spouses of the Franchise owners sign the Franchise Owner Agreement.

You must make sure that the Medi-Weightloss Clinic is staffed with adequate medical and non-medical personnel to meet the needs of the Medi-Weightloss Franchise. You must keep your Medi-Weightloss Clinic open for the minimum hours and minimum days of operation as specified in the Franchise Operations Manual. Your Medi-Weightloss Clinic must be open every day of the year, other than those approved national holidays listed in the Franchise Operations Manual, unless otherwise agreed to by us.

You must sign and maintain, during the term of your Franchise Agreement, a Management Agreement with an Authorized Medical Provider (unless we waive the requirement that you enter into an MPMA and Management Agreement, and permit you to both manage and operate your Medi-Weightloss Business). It is your Responsible Owner's full and sole responsibility to ensure that all medical personnel of the Medi-Weightloss Business be duly licensed and board certified as required in their respective states and have the experience in the skills in which they need to perform the medical services. It is your sole responsibility that the Management Agreement is consistent and in compliance with applicable federal and state laws, regulations, rules and ordinances. You may negotiate the monetary terms and, with our written consent, certain other terms of the relationship with the Authorized Medical Provider. You must obtain our written approval of the final Management Agreement prior to its execution, but our approval of the Management Agreement is not a representation or warranty respecting its compliance with any laws or regulations but is merely to ensure it comports with our Franchise Operations Manual. The Authorized Medical Provider will employ and control the physicians, medical providers, and other medical staff employed by the Authorized Medical Provider who will provide the actual medical services required to be delivered at and through the Medi-Weightloss Clinic. You must make sure that the Authorized Medical

Provider offers all medical services in accordance with the Management Agreement and the System, and does not offer any services or products that we have not authorized to be provided in connection with the Medi-Weightloss Businesses.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

The Medi-Weightloss Health Care Business model, including without limitation all approved Clinic products and services, has been developed in reliance on extensive medical input, review, and approval with attention to product and service quality and safety consistent with clinical standards. To ensure adherence to these standards, in operating a Medi-Weightloss Franchise, you must provide all management services to the Medi-Weightloss Business that we specify to support the Authorized Medical Provider's medical practice and its delivery of the approved Clinic products and services, all of which are provided by licensed medical professionals or medical personnel supervised by a licensed medical professional, consistent with all applicable laws and regulations. For the same reason, you must also ensure that the Authorized Medical Provider endorses and provides the approved Clinic products and services at the Medi-Weightloss Clinic, so that the Medi-Weightloss Business at all times offers and sells approved Clinic products and services only in the manner we have approved. Similarly, you must not offer for sale or sell at or from the Medi-Weightloss Clinic any services or products we have not approved, and you must make sure that the Authorized Medical Provider operating the Medi-Weightloss Clinic endorses, offers and sells only those services and products that we have approved, and that the Authorized Medical Provider operating the Medi-Weightloss Clinic cooperates in discontinuing the selling and offering for sale any services or products that we disapprove. You may only offer those products or services that we authorize.

You will discontinue selling and offering for sale any services or products that we, at any time, decide in our sole discretion (including without limitation our reliance upon our clinical advisors as relevant or appropriate), to disapprove in writing. Subject only to the extent to which our physician and clinical advisor determinations constrain decisions related to the approved Clinic products and services, the Authorized Medical Provider will retain clinical autonomy and, at no time, will we or our affiliates attempt to or actually control, manage or otherwise dictate any medical services to be performed by any medical personnel to any patients or otherwise attempt to control the doctor-patient relationship or practice of medicine.

The Authorized Medical Provider for the Medi-Weightloss Business will employ, oversee, supervise, and control the physicians and other medical staff who will provide the actual medical services. Unless we have waived the requirement that you enter into an MPMA and Management Agreement and permit you to both manage and operate your Medi-Weightloss Business, you may not provide any actual medical services, nor will you supervise, direct, control or suggest to the Authorized Medical Provider or its licensed medical professionals or medical personnel supervised by its licensed medical professionals the manner in which the Authorized Medical Provider provides or may provide medical services to the patients. You must ensure that the Authorized Medical Provider offers all medical services in accordance with the Management Agreement and the System and does not offer any services or products that we have not authorized to be provided in connection with your Medi-Weightloss Business.

If you determine that it is permissible (or not prohibited) in your state, we will waive the requirement that you enter into an MPMA and Management Agreement, and permit you to both operate the Medi-Weightloss Business (including performing all responsibilities and obligations that an Authorized Medical Provider would provide), and manage the Medi-Weightloss Business as otherwise required by the Franchise Agreement and the Management Agreement. Any waiver, or any modification of our standards, would be subject to compliance with all applicable laws and regulations.

During the term of the Franchise Agreement for a Medi-Weightloss Business:

1. The Medi-Weightloss Business must provide all of the management services to the Medi-Weightloss Business that we specify;

2. The Medi-Weightloss Business, through the Authorized Medical Provider, must provide all approved services;

3. The Medi-Weightloss Business must offer and sell approved services and products, as permitted in accordance with state and federal health laws and regulations, only in the manner we have prescribed, and you will ensure that the Authorized Medical Provider operating the Medi-Weightloss Business offers and sells only those services and products that we have approved and in compliance with the Management Agreement;

4. The Medi-Weightloss Business must offer or and sell only those products and merchandise we previously authorize, only in accordance with the requirements of the Franchise Agreement and the procedures set forth in the Franchise Operations Manual; and

5. The Medi-Weightloss Business must discontinue selling and offering for sale any services or products that we at any time decide to disapprove in writing. We reserve the right to establish minimum and maximum resale prices for use with multi-area marketing programs and special price promotions as allowed by law.

Neither you, nor any Authorized Medical Provider may establish an account or participate in any social networking sites or blogs, crowdfunding campaigns, or mention or discuss the Medi-Weightloss Franchise, us or any of our affiliates without our prior written consent and as subject to our online policy. Our online policy may completely prohibit you and any Authorized Medical Provider from any use of the Marks in social networking sites or other online use. Neither you, nor any Authorized Medical Provider may sell products through other channels of distribution such as wholesale, internet or mail order sales. Otherwise, we place no restrictions upon your or your Authorized Medical Provider's ability to serve customers, provided you do so from your Medi-Weightloss Clinic in accordance with our policies.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	Section 5.1	10 years.
b. Renewal or extension	Section 5.1	If you are in good standing and you meet other requirements, you may add four successor terms of five years.

Provision	Section in Franchise Agreement	Summary
c. Requirements for franchisee to renew or extend	Section 5.2	The term "renewal" refers to extending our franchise relationship at the end of your initial term and any other renewal or extension of the initial term. Your successor franchise rights permit you to remain as a Franchise after the initial term of your Franchise Agreement expires if you are in good standing and you meet other requirements. You must notify us in writing of your desire to enter into a successor franchise agreement not less than 60 days nor more than 180 days before the expiration of the term. You must sign our then-current Franchise Agreement and ancillary documents for the successor term, and this new franchise agreement may have materially different terms and conditions (including, e.g., higher royalty and advertising contributions) from the Franchise Agreement that covered your original term. The number and length of renewal terms in your original Franchise Agreement will supersede the number and length of renewal terms in any successor Franchise Agreement.
d. Termination by franchisee	Section 23	You may terminate the Franchise Agreement if you are in compliance with it, and we are in material breach, and we fail to cure that breach within 30 days of receiving written notice. You may terminate under any grounds permitted by law.
e. Termination by franchisor without cause	Not Applicable	Not applicable.
f. Termination by franchisor with cause	Section 24.2	We can terminate upon certain violations of the Franchise Agreement by you. We can also terminate if you default under another franchise agreement or any other agreement with us or our affiliate (except we may not terminate the Franchise Agreement due to the termination of any Area Development Agreement you have with us due to your failure to meet the Development Schedule).
g. "Cause" defined - curable defaults	Section 24.3	You have 30 days to cure defaults listed in Section 24.3.
h. "Cause" defined - non-curable defaults	Section 24.2	Non-curable defaults: the defaults listed in Section 24.2 of the Franchise Agreement. We can also terminate if you default under another franchise agreement or any other agreement with us or an affiliate (except we may not terminate your Franchise Agreement due to the termination of any Area Development Agreement you have with us due to your failure to meet the Development Schedule).

Provision	Section in Franchise Agreement	Summary
i. Franchisee's obligations on termination/non-renewal	Sections 5.3, 18.3, 25 and 26	Obligations include complete de-identification, payment of amounts due and return or destruction of confidential Franchise Operations Manual, all Confidential Information, Trade Secrets and records.
j. Assignment of contract by franchisor	Section 15	No restriction on our right to assign.
k. "Transfer" by franchisee – defined	Section 16.1	Includes any voluntary, involuntary, direct or indirect assignment, sale, gift, exchange, grant of a security interest or change of ownership in the Franchise Agreement, the Franchise or interest in the Franchise.
l. Franchisor approval of transfer by franchisee	Section 16.1	We have the right to approve all transfers, We will not unreasonably withhold approval of any transfer.
m. Conditions for franchisor approval of transfer	Section 16.3	If you are in good standing and meet other requirements listed in Section 16.3, we may approve your transfer to a new owner.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 16.2	We have 30 days to match any offer for your business.
o. Franchisor's option to purchase franchisee's business	Section 27	We may, but are not required to, purchase your Franchise, inventory or equipment at fair market value if your Franchise is terminated for any reason.
p. Death or disability of franchisee	Section 16.5	The Franchise Agreement must be transferred or assigned to a qualified party within 180 days of death or disability or the Franchise Agreement may be terminated. Your estate or legal representative must apply to us for the right to transfer to the next of kin within 120 calendar days of your death or disability.
q. Non-competition covenants during the term of the franchise	Section 18.2	You may not participate in a diverting business, have owning interest of more than 5%, inducing any customer to transfer their business to you or perform services for a competitive business anywhere. You may not interfere with our or our other franchisees' Medi-Weightloss Franchises.
r. Non-competition covenants after the franchise are terminated or expires	Section 18.3	Owners may not have an interest in, own, manage, operate, finance, control or participate in any competitive business within: (i) a 25-mile radius from the Medi-Weightloss Business (and including the premises of the approved location); and (ii) a 25-mile radius from all other Medi-Weightloss Businesses that are operating or under construction, for two years. If you or your Responsible Owner engages in any activities prohibited by the Franchise Agreement during the restricted period, then the restricted period applicable to you or the non-compliant Responsible Owner shall be extended by the

Provision	Section in Franchise Agreement	Summary
		period of time during which you or the non-compliant Responsible Owner, as applicable, engaged in the prohibited activities.
s. Modification of agreement	Sections 9.1 and 30.9	No modifications of the Franchise Agreement during the term unless agreed to in writing, but the Franchise Operations Manual is subject to change at any time in our discretion. Modifications are permitted on renewal.
t. Integration/merger clause	Section 30.9	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of this Franchise Disclosure Document and Franchise Agreement may not be enforceable. Notwithstanding the foregoing, nothing in the Franchise Agreement or any related agreement is intended to disclaim the representations made in this Franchise Disclosure Document.
u. Dispute resolution by arbitration or mediation	Section 28	Except for certain claims, all disputes must be mediated and litigated in the principal city closest to our principal place of business (currently Tampa, Florida), subject to applicable state law.
v. Choice of forum	Section 28.4	All disputes must be mediated, litigated, and if applicable, arbitrated in the principal city closest to our principal place of business (currently Tampa, Florida), subject to applicable state law.
w. Choice of law	Section 30.1	Florida law applies, subject to applicable state law.

THE AREA DEVELOPER RELATIONSHIP

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

Provision	Section in Area Development Agreement	Summary
a. Length of the franchise term	Section 2	Expiration or termination of the Area Development Agreement or completion of the obligations in the Development Schedule, provided however that if you remain in full compliance with the Development Schedule, the Development Territory and associated territorial protections will not expire any earlier than the initial term of the first franchise agreement entered into under the Area Development Agreement.
b. Renewal or extension	Not applicable	Not applicable.

Provision	Section in Area Development Agreement	Summary
c. Requirements for area developer to renew or extend	Not applicable	Not applicable.
d. Termination by area developer	Not applicable	You may terminate under any grounds permitted by law.
e. Termination by franchisor without cause	Not applicable	Not applicable.
f. Termination by franchisor with cause	Sections 8.1 and 8.2	We can terminate if you or any of your affiliates materially default under the Area Development Agreement, any individual Franchise Agreement or any other agreement with us, or if you fail to comply with the Development Schedule on two or more occasions.
g. "Cause" defined – curable defaults	Not applicable	Not applicable.
h. "Cause" defined – non-curable defaults	Sections 8.1 and 8.2	If you default under the Area Development Agreement or any individual Franchise Agreement, or any other agreement with us, or if you fail to comply with the Development Schedule on two or more occasions.
i. Area Developer's obligations on termination/non-renewal	Section 8.4	Obligations include the payment of all amounts due. You remain bound by all Franchise Agreements.
j. Assignment of contract by franchisor	Section 9.1	No restrictions on our right to assign the Area Development Agreement.
k. "Transfer" by area developer – definition	Not applicable	Not applicable.
l. Franchisor approval of transfer by area developer	Section 9.3	You may not assign the Area Development Agreement or any rights to the Development Territory.
m. Conditions for franchisor approval of transfer	Not applicable	Not applicable.
n. Franchisor's right of first refusal to acquire area developer's business	Not applicable	Not applicable.
o. Franchisor's option to purchase area developer's business	Not applicable	Not applicable.
p. Death or disability of area developer	Section 9.2	The Area Development Agreement must be transferred or assigned to a qualified party within 180 days of death or disability or the Area Development Agreement may be terminated. Your estate or legal representative must apply to us for the right to transfer to the next of kin within 120 calendar days of your death or disability.
q. Non-competition covenants during the term of the franchise	Not applicable	Not applicable.

Provision	Section in Area Development Agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	Not applicable	Not applicable.
s. Modification of agreement	Section 11	No modifications of the Area Development Agreement unless agreed to in writing.
t. Integration/merger clause	Section 11	Only the terms of the Area Development Agreement are binding (subject to state law). Any representations or promises outside of this Franchise Disclosure Document and the Area Development Agreement may not be enforceable. Notwithstanding the foregoing, nothing in the Franchise Agreement or any related agreement is intended to disclaim the representations made in this Franchise Disclosure Document.
u. Dispute resolution by arbitration or mediation	Section 17	All disputes will be resolved in accordance with the terms and conditions of the initial franchise agreement. Except for certain claims, all disputes must be mediated and arbitrated in the principal city closest to our principal place of business (currently Tampa, Florida), subject to applicable state law.
v. Choice of forum	Section 17	All disputes will be resolved in accordance with the terms and conditions of the initial franchise agreement. All disputes must be mediated, arbitrated, and if applicable, litigated in the principal city closest to our principal place of business (currently Tampa, Florida), subject to applicable state law.
w. Choice of law	Section 15	Florida law applies, subject to applicable state law.

ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote the Franchise.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to disclose 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 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 performance at a particular location or under particular circumstances.

This Item 19 presents information about the historical financial performance of certain franchised Medi-Weightloss Businesses during our fiscal year period from January 1, 2025 to December 31, 2025 ("Fiscal Year 2025"). This Financial Performance Representation does not include data for company-owned Medi-Weightloss Businesses or Licensed Businesses.

There were 117 franchised Medi-Weightloss Businesses operating as of December 31, 2025. After accounting for the openings and closures during Fiscal Year 2025, there were 84 franchised Medi-Weightloss Businesses that operated for the entire Fiscal Year 2025. Of these 84 Medi-Weightloss Businesses, 56 reported the expenses to us in a format we deemed to be sufficiently reliable on a comparative basis for Fiscal Year 2025 ("Reporting Businesses").

Section 1 presents historical information about Gross Sales, Gross Profit and net income before other expenses for the Reporting Businesses. We divided the Reporting Businesses into the top third; middle third; and bottom third based on Gross Sales performance. Section 1 also presents this information for all Reporting Businesses together. This table shows the average, median, and the minimum and maximum Gross Sales for each group for Fiscal Year 2025.

Section 2 presents certain historical metric data that includes collection reporting from the Reporting Group. The tables present financial information for the Reporting Group relating to Gross Sales (Table 2A); new patients per month (Table 2B); and monthly visits sorted by length of time operating (Table 2C); as well as annual product Gross Sales for the Reporting Group sorted by top one-third, middle one-third and bottom one-third (Table 2D). All of the franchised Medi-Weightloss Businesses in the Reporting Group have entered into the Medi-Living Addendum and offer Ancillary Products and Services.

The data disclosed in these financial performance representations includes data reported by the franchisees who have data included in this Item 19. We have not audited or reviewed the franchisees' financial records in compiling this information, but have no reason to doubt the accuracy of the information. There are no assurances that generally accepted accounting principles were used by the franchisees or that some franchisees accounted for a category of data differently from another.

Section 1

The tables in Section 1 provide the average, median, minimum and maximum Gross Sales for each group for Fiscal Year 2025, as well as the number and percentage of Reporting Businesses that met or exceeded the average.

A. ***Top One-Third of Reporting Businesses***

1/1/2025-12/31/2025 Financial Statement Performance Top 1/3 (18 Reporting Businesses)					
	Average	**Ratios (%)**	**# Above Average**		**Median**
Gross Sales	**$ 1,841,339**	**100%**	**8**	**44%**	**$ 1,595,239**
**(High $3,210,524, Low $1,218,326)*					
Total Cost of Goods Sold	**$ 346,409**	**19%**	**6**	**33%**	**$ 274,908**

1/1/2025-12/31/2025 Financial Statement Performance Top 1/3 (18 Reporting Businesses)					
Gross Profit	**$ 1,494,930**		**8**	**44%**	**$ 1,354,265**
*(High $2,448,612, Low $988,656)					
% of Gross Sales	*81%*		*10*	*56%*	*85%*
Selected Operating Expenses					
Compensation, Benefits, & Payroll Taxes	$ 615,821	33%	8	44%	$ 544,233
Rent	$ 82,510	4%	7	39%	$ 67,217
Local Advertising/Marketing	$ 125,033	7%	8	44%	$ 122,675
Total Selected Expenses	***$ 823,364***	***45%***	***8***	**44%**	***$ 793,528***
Royalty Fees	**$ 139,585**	**8%**	**11**	**61%**	**$ 141,667**
Net Income Before Other Expenses	**$ 531,981**		**8**	**44%**	**$ 405,727**
*(High $1,013,962, Low $194,611)					
% of Gross Sales	*29%*		*7*	*39%*	*25%*

B. ***Middle One-Third of Reporting Businesses***

1/1/2025-12/31/2025 Financial Statement Performance Middle 1/3 (19 Reporting Businesses)					
	Average	**Ratios (%)**	**# Above Average**		**Median**
Gross Sales	**$ 909,125**	**100%**	**8**	**42%**	**$ 872,269**
**(High $1,213,736, Low $692,938)*					
Total Cost of Goods Sold	**$ 187,564**	**21%**	**7**	**37%**	**$ 170,693**
Gross Profit	**$ 721,562**		**10**	**53%**	**$ 699,884**
*(High $985,049, Low $468,326)					
% of Gross Sales	*79%*		*11*	*58%*	*80%*
Selected Operating Expenses					
Compensation, Benefits, & Payroll Taxes	$ 341,262	38%	10	53%	$ 343,916
Rent	$ 49,853	5%	8	42%	$ 47,775
Local Advertising/Marketing	$ 57,523	6%	6	32%	$ 47,602
Total Selected Expenses	***$ 448,639***	***49%***	***8***	**42%**	***$ 441,494***
Royalty Fees	**$ 98,881**	**11%**	**9**	**47%**	**$ 95,583**

1/1/2025-12/31/2025 Financial Statement Performance Middle 1/3 (19 Reporting Businesses)					
Net Income Before Other Expenses	**$ 174,042**		**10**	**53%**	**$ 174,786**
*(High $330,771, Low $25,359)					
% of Gross Sales	*19%*		*11*	*58%*	*20%*

C. ***Bottom One-Third of Reporting Businesses***

1/1/2025-12/31/2025 Financial Statement Performance Bottom 1/3 (19 Reporting Businesses)					
	Average	**Ratios (%)**	**# Above Average**		**Median**
Gross Sales	**$ 510,935**	**100%**	**7**	**37%**	**$ 475,069**
**(High $678,436, Low $327,081)*					
Total Cost of Goods Sold	**$ 92,095**	**18%**	**9**	**47%**	**$ 90,906**
Gross Profit	**$ 418,841**		**8**	**42%**	**$ 385,126**
*(High $597,682, Low $206,547)					
% of Gross Sales	*82%*		*8*	*42%*	*81%*
Selected Operating Expenses					
Compensation, Benefits, & Payroll Taxes	$ 210,276	41%	7	37%	$ 198,321
Rent	$ 51,205	10%	9	47%	$ 49,172
Local Advertising/Marketing	$ 50,725	10%	7	37%	$ 39,730
Total Selected Expenses	***$ 312,206***	***61%***	***9***	**47%**	***$ 292,691***
Royalty Fees	**$ 57,539**	**11%**	**9**	**47%**	**$ 53,208**
Net Income Before Other Expenses	**$ 49,096**		**9**	**47%**	**$ 40,679**
*(High $293,300, Low -$315,486)					
% of Gross Sales	*10%*		*9*	*47%*	*9%*

D. ***All Reporting Businesses***

1/1/2025-12/31/2025 Financial Statement Performance 56 Reporting Businesses				
	Average	Ratios (%)	# Above Average	Median

1/1/2025-12/31/2025 Financial Statement Performance 56 Reporting Businesses							
Gross Sales	**$**	**1,073,665**	**100%**	**21**	**38%**	**$**	**857,443**
**(High $3,210,524, Low $327,081)*							
Total Cost of Goods Sold	**$**	**206,230**	**19%**	**19**	**34%**	**$**	**166,722**
Gross Profit	**$**	**867,436**		**20**	**36%**	**$**	**690,721**
**(High $2,448,612, Low $206,547)*							
% of Gross Sales		*81%*		*29*	*52%*		*81%*
Selected Operating Expenses							
Compensation, Benefits, & Payroll Taxes	$	385,072	36%	23	41%	$	348,080
Rent	$	60,809	6%	17	30%	$	51,608
Local Advertising/Marketing	$	76,916	7%	21	38%	$	57,967
Total Selected Expenses	***$***	***522,796***	**49%**	***23***	**41%**	***$***	***444,970***
Royalty Fees	$	97,938	9%	27	48%	$	93,333
Net Income Before Other Expenses	$	246,701		21	38%	$	152,417
**(High $1,013,962, Low -$315,486)*							
% of Gross Sales		*23%*		*24*	*43%*		*18%*

Section One Notes:

1. For the Reporting Businesses, we used the figures provided to us via either QuickBooks software or hard copy reporting voluntarily submitted to us.

2. The dollar figures in the tables above reflect the average and median dollar amounts for the data set reported in each applicable table. The columns labeled "#/% Met or Exceeded Average" reflect the actual number (also expressed as a percentage) of franchised Medi-Weightloss Businesses in the reporting data set that met or exceeded the corresponding average dollar amount.

3. "Gross Sales" means the total of all of your revenue, sales and other income and consideration from the sale of goods or services less sales tax, discounts, allowances, and returns.

4. "Gross Profit" means Gross Sales minus Cost of Goods Sold.

5. "Cost of Goods Sold" means the cost of labs, medications, medical supplies, supplements, injections, program materials, insurance billing, credit card fees, sales tax, and shipping and handling.

6. "Total Selected Operating Expenses" means the sum of Rent, Local Advertising & Marketing, and Total Compensation, Benefits & Payroll Taxes. Some franchisees operate on a prior form of Franchise Agreement that does not require them to expend the current monthly local advertising requirement of $5,000.

7. "Compensation, Benefits & Payroll Taxes" means the sum of employee contract fees, employee health benefits, employee welfare benefits, incentive compensation, Medical Director salary, payroll expense adjustments, staff salaries and temporary services, employer FICA/Medicare, employer FUI, and employer SUI. In instances where franchise owner compensation was reported as an itemized expense within this category, we excluded that compensation from Total Compensation, Benefits & Payroll Taxes. This figure does not cover all employee-related costs associated with operating a franchised Medi-Weightloss Business. For example, this figure does not include the cost of education, seminars, professional liability and workers compensation insurance, recruiting/staffing services, payroll processing fees, uniforms, and travel.

8. "Rent" means the cost of rent, common area maintenance, and any other fees paid to the landlord.

9. "Local Advertising & Marketing" means the costs associated with media placement, promotional items, and production of materials used by Medi-Weightloss Businesses. It does not include the System Branding Fee described in Item 6.

10. "Net Income Before Other Expenses" means Gross Sales minus the sum of Cost of Goods Sold, Selected Operating Expenses, and Royalty Fees.

11. There are a number of other costs and expenses that franchised Medi-Weightloss Businesses may incur that are not included in the calculations to determine Gross Profit and Net Income Before Other Expenses. Some of these costs and expenses include, for example, insurance, processing fees, taxes, professional services, liability and property insurance premiums, business licenses and permits, office supplies, and business taxes. You should consider these and all other costs and expenses that you will incur when creating a business plan for your franchised Medi-Weightloss Business.

12. The group of 56 Reporting Businesses also sell similar products and services to what you will sell from your franchised Medi-Weightloss Business, are in 15 different states (with the majority operating in Florida (9), Massachusetts (8), Virginia (7), North Carolina (6), and Texas (6) and Illinois (5)), and have been in operation between 13 and 235 months.

Section 2

Section 2 contains a summary of: Gross Sales; new patients per month; and monthly visits sorted by length of time operating for the Reporting Group (Tables 2A through 2C); as well as annual product Gross Sales for the Reporting Group sorted by top one-third, middle one-third and bottom one-third (Table 2D).

2A. Monthly Gross Sales

Monthly Gross Sales, 2025						
	# of Medi-Weightloss Clinics	Average	#/% Met or Exceeded Average	Maximum	Minimum	Median
Clinics Open >2 yrs	79	$79,450	30 / 38%	$265,342	$15,996	$65,730

Clinics Open 1-2 yrs	5	$49,159	3 / 60%	$56,933	$30,828	$54,293

2B. New Patients per Month

New Patients per Month, 2025						
	# of Medi-Weightloss Clinics	Average	#/% Met or Exceeded Average	Maximum	Minimum	Median
Clinics Open >2 yrs	79	17	31 / 39%	41	4	15
Clinics Open 1-2 yrs	5	22	3 / 60%	31	14	22

2C. Total Monthly Visits

Total Monthly Visits, 2025						
	# of Medi-Weightloss Clinics	Average	#/% Met or Exceeded Average	Maximum	Minimum	Median
Clinics Open >2 yrs	79	501	31 / 39%	1,654	124	419
Clinics Open 1-2 yrs	5	289	3 / 60%	339	183	329

2D. Annual Product Revenue

Product Revenue, 2025								
	# of Medi-Weight-loss Clinics	Average Product Revenue	#/% Met or Exceeded Average Product Revenue $	Average Product % of Revenue	#/% Met or Exceeded Average Product % of Revenue	Maximum	Minimum	Median
Top Third	28	$182,128	11 / 39%	11.4%	14 / 50%	$353,089	$76,761	$169,211
Middle Third	28	$105,761	11 / 39%	13.9%	15 / 54%	$179,457	$23,686	$103,118
Bottom Third	28	$59,541	11 / 39%	13.8%	13 / 46%	$ 108,416	$12,182	$53,361

Section Two Notes:

1. "Gross Sales" is defined in the notes to Section 1, above.

2. The columns labeled "#/% Met or Exceeded Average" reflect the actual number (also expressed as a percentage) of franchised Medi-Weightloss Businesses in the reporting data set that met or exceeded the corresponding average data amount.

3. "Patient" is defined as a person receiving or registered to receive treatment.

4. "Visit" is defined as a documented encounter between a patient and one or more healthcare providers, during which clinical services, advice, examination, or treatment are delivered.

5. "Product Revenue" refers to revenue from retail sales and sales of tangible goods ("Products").

6. "Product % of Revenue" refers to the percentage of Gross Sales generated from Product sales.

7. This data has been collected from our internal reporting systems and from data reported by the franchised Medi-Weightloss Businesses in the Reporting Group.

Some Medi-Weightloss Businesses have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.

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

Other than the preceding financial performance representations, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets, outside of the information provided above. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Colette Trebon, General Counsel, at 302 Knights Run Ave., Ste. 1010, Tampa, Florida 33602, (813) 228-6334, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary
For Years 2023 – 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2023	76	88	+12
	2024	88	87	-1
	2025	87	117	+30
Company-Owned	2023	21	17	-4
	2024	17	17	0
	2025	17	10	-7

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Total Outlets	2023	97	105	+8
	2024	105	104	-1
	2025	104	127	+23

Table No. 2

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2023 – 2025

State	Year	Number of Transfers
Georgia	2023	0
	2024	1
	2025	0
Nevada	2023	0
	2024	0
	2025	1
North Carolina	2023	1
	2024	0
	2025	0
Oklahoma	2023	1
	2024	0
	2025	0
Pennsylvania	2023	1
	2024	1
	2025	1
Total	2023	3
	2024	2
	2025	2

<u>Table No. 3</u>

<u>Status of Franchised Outlets</u>
<u>For Years 2023 – 2025</u>

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of the Year
Arizona	2023	1	0	1	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	2	0	0	0	0	2
California	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Connecticut	2023	7	0	0	0	0	0	7
	2024	7	0	0	0	0	0	7
	2025	7	1	0	0	0	0	8
Delaware	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Florida	2023	13	2	0	0	0	0	15
	2024	15	0	0	3	0	0	12
	2025	12	4	0	0	0	0	16
Georgia	2023	4	0	0	0	0	0	4
	2024	4	1	1	0	0	0	4
	2025	4	1	1	0	0	0	4
Idaho	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Illinois	2023	3	2	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	1	0	0	0	0	6
Indiana	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Iowa	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of the Year
Kansas	2023	1	0	1	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Kentucky	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Louisiana	2023	3	0	0	0	0	0	3
	2024	3	0	1	0	0	0	2
	2025	2	1	1	0	0	0	2
Maine	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Massachusetts	2023	9	1	0	0	0	0	10
	2024	10	0	0	0	0	0	10
	2025	10	2	0	0	0	0	12
Michigan	2023	2	2	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	1	0	0	0	0	5
Missouri	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Nevada	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
New Jersey	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	3	0	0	0	0	6
New York	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	1	0	0	0	0	2
North Carolina	2023	5	3	0	0	0	0	8
	2024	8	0	0	0	0	0	8
	2025	8	1	0	0	0	0	9

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of the Year
Ohio	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Oklahoma	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Oregon	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Pennsylvania	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	2	1	0	0	0	4
Rhode Island	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
South Carolina	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Tennessee	2023	2	0	1	0	0	0	1
	2024	1	0	0	1	0	0	0
	2025	0	0	0	0	0	0	0
Texas	2023	6	1	0	0	0	0	7
	2024	7	0	0	0	0	0	7
	2025	7	3	0	0	0	0	10
Virginia	2023	4	1	0	0	0	0	5
	2024	5	2	0	0	0	0	7
	2025	7	1	0	0	0	0	8
Wisconsin	2023	1	1	0	0	0	0	2
	2024	2	1	0	0	0	0	3
	2025	3	1	0	0	0	0	4
Total	2023	76	15	3	0	0	0	88
	2024	88	5	2	4	0	0	87
	2025	87	33	3	0	0	0	117

<u>Table No. 4</u>

<u>Status of Company-Owned Outlets</u>
<u>For Years 2023 – 2025</u>

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Alabama	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Connecticut	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	0	0	0	0	4
Delaware	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Florida	2023	2	0	0	0	1	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	1	0
Massachusetts	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	1	0
North Carolina	2023	3	0	0	0	3	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0
New Hampshire	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
New Jersey	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	3	0
Rhode Island	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Texas	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	0	0	0	2	2

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Total Outlets	2023	21	0	0	0	4	17
	2024	17	0	0	0	0	17
	2025	17	0	0	0	7	10

Table No. 5

Projected Openings as of December 31, 2025

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	1	1	0
Arizona	1	0	0
California	1	1(1)	0
Florida	5	2	0
Georgia	1	1	0
Idaho	2	0	0
Illinois	6	3(2)	0
Indiana	1	1	0
Iowa	2	1(3)	0
Louisiana	2	1	0
Massachusetts	3	2	0
Michigan	1	1	0
Missouri	2	0	0
Nebraska	1	0	0
New Jersey	3	2	0
New York	5	2	0
Ohio	1	1(4)	0
Oregon	3	0	0
Tennessee	1	1(5)	0
Texas	10	8(6)	0
Virginia	3	2(7)	0
Washington	2	2	0
Wisconsin	3	2	0
Total	60	34	0

(1) Thousand Oaks (Westlake Village), CA opened April 22, 2026
(2) Northfield, IL opened March 16, 2026
(3) West Des Moines, IA opened March 31, 2026
(4) Cuyahoga Falls, OH opened March 18, 2026

(5) Franklin, TN opened February 23, 2026
(6) Georgetown, TX opened March 3, 2026
(7) Fredericksburg, VA opened January 26, 2026

The names, addresses and telephone numbers of our current franchisees are attached to this Franchise Disclosure Document as Exhibit E. The name and last known address and telephone number of every current franchisee and every franchisee who has had a Medi-Weightloss Franchise terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under our franchise agreement during the one-year period ending December 31, 2025, or who has not communicated with us within ten weeks of the Issuance Date of this Franchise Disclosure Document, is listed in Exhibit E. In some instances, current and former franchisees may sign provisions restricting their ability to speak openly about their experiences with the Medi-Weightloss Franchise System. During the last three years, some franchisees have signed confidentiality provisions that would restrict their ability to speak openly about their experience with the Medi-Weightloss Franchise System. You may wish to speak with current and former franchisees, but know that not all such franchisees can communicate with you. If you buy a Medi-Weightloss Franchise, your contact information may be disclosed to other buyers when you leave the Franchise System.

As of the Issuance Date of this Franchise Disclosure Document, there are no franchise organizations sponsored or endorsed by us and no independent franchisee organizations have asked to be included in this Franchise Disclosure Document. We do not have any trademark-specific franchisee organizations.

ITEM 21
FINANCIAL STATEMENTS

Exhibit B contains the financial statements required to be included with this Franchise Disclosure Document: our audited financial statements as of December 31, 2025, December 31, 2024, and December 31, 2023. Our fiscal year end is December 31.

ITEM 22
CONTRACTS

Exhibit C	Franchise Agreement
Exhibit D	Area Development Agreement
Exhibit G	State Addenda and Agreement Riders
Exhibit H	Contracts for use with the Medi-Weightloss Franchise
Exhibit I	Franchise Disclosure Questionnaire

ITEM 23
RECEIPTS

The last pages of this Franchise Disclosure Document, Exhibit K are a detachable document, in duplicate. Please detach, sign, date and return one copy of the Receipt to us, acknowledging you received this Franchise Disclosure Document. Please keep the second copy for your records.

EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

CALIFORNIA

State Administrator and Agent for Service of Process:
Commissioner
Department of Financial Protection and Innovation
320 W. 4th Street, #750
Los Angeles, CA 90013
(213) 576-7500
(866) 275-2677

HAWAII

Commissioner of Securities of the State of Hawaii
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

Agent for Service of Process:
Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

ILLINOIS

Illinois Attorney General
Chief, Franchise Division
500 S. Second Street
Springfield, IL 62706
(217) 782-4465

INDIANA

Secretary of State
Securities Division
Room E-018
302 W. Washington Street
Indianapolis, IN 46204
(317) 232-6681

MARYLAND
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, MD 21202
(410) 576-6360

MARYLAND CONTINUED

Agent for Service of Process:
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, MD 21202-2020

MICHIGAN

Michigan Department of Attorney General
Consumer Protection Division
525 W. Ottawa Street
Lansing, MI 48913
(517) 373-7117

MINNESOTA

Department of Commerce
Commissioner of Commerce
85 Seventh Place East, Suite 280
St. Paul, MN 55101-3165
(651) 539-1600

NEW YORK

Administrator:
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8222

Agent for Service of Process:
Secretary of State
99 Washington Avenue
Albany, NY 12231

NORTH DAKOTA

Administrator:
North Dakota Insurance & Securities Department
600 East Boulevard Avenue, Dept. 401
Bismarck, ND 58505
(701) 328-2910

Agent for Service of Process:
Insurance Commissioner
600 East Boulevard Avenue, Dept. 401
Bismarck, ND 58505
(701) 328-2910

RHODE ISLAND

Department of Business Regulation
1511 Pontiac Avenue, Bldg. 68-2
Cranston, RI 02920
(401) 462-9527

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 South Euclid, Suite 104
Pierre, SD 57501
(605) 773-3563

VIRGINIA

State Corporation Commission
Division of Securities and Retail Franchising
1300 E. Main Street, 9th Floor
Richmond, VA 23219

Agent for Service of Process:
Clerk of the State Corporation Commission
1300 E. Main Street, 1st Floor
Richmond, VA 23219

WASHINGTON

State Administrator:
Washington Department of Financial Institutions
Securities Division
P.O. Box 41200
Olympia, WA 98504-1200
(360) 902-8760

Agent for Service for Process:
Director of Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, WA 98501
(877) 746-4334

WISCONSIN

Department of Financial Institutions
Division of Securities
201 W. Washington Avenue
Madison, WI 53703
(608) 266-3364

Rev. 011526

EXHIBIT B

FINANCIAL STATEMENTS

Medi-Weightloss Franchising USA, LLC (A Limited Liability Company)
(A wholly owned subsidiary of Medi-Weightloss Buyer, Inc.)

Financial Report
December 31, 2025

Contents

RSM

RSM US LLP

Independent Auditor's Report

Board of Directors
Medi-Weightloss Franchising USA, LLC

Opinion

We have audited the financial statements of Medi-Weightloss Franchising USA, LLC (the Company), which comprise the balance sheets as of December 31, 2025 and 2024, the related statements of income, changes in member's deficit, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

RSM US LLP

Tampa, Florida
April 24, 2026

Medi-Weightloss Franchising USA, LLC
(A Limited Liability Company)

Balance Sheets
December 31, 2025 and 2024

	2025	2024
Assets		
Current assets:		
Cash	$ 929,192	$ 398,763
Accounts receivable, net	1,430,750	680,147
Due from related parties	130,281	418,122
Inventory	1,450,843	1,669,412
Prepaid and other current assets	465,879	244,943
Deferred commissions—current portion	179,970	122,522
Total current assets	4,586,915	3 ,533,909
Property and equipment, net	390,124	513,562
Deposits	-	7,604
Right-of-use assets—operating	-	2,308,324
Deferred commissions—net of current portion	1,337,349	729,582
Other noncurrent assets	249,087	-
Total assets	$ 6,563,475	$ 7 ,092,981
Liabilities and Member's Equity		
Current liabilities:		
Accounts payable	$ 1,942,299	$ 1,661,601
Accrued expenses	2,679,493	2,843,915
Deferred revenue—current portion	1,761,979	1,035,237
Operating lease liabilities—current portion	-	426,474
Due to related parties	8,483	18,351
Current maturities of long-term debt	40,482	-
Total current liabilities	6,432,736	5,985,578
Deferred revenue—net of current portion	2,792,979	2,154,445
Operating lease liabilities—net of current portion	-	2,118,826
Long-term debt, less current maturities	202,269	-
Total liabilities	9,427,984	10,258,849
Commitments and contingencies (Note 6)		
Member's deficit	(2,864,509)	(3,165,868)
	$ 6,563,475	$ 7,092,981

See notes to financial statements.

Medi-Weightloss Franchising USA, LLC
(A Limited Liability Company)

Statements of Income
Years Ended December 31, 2025 and 2024

	2025	2024
Revenues	**$ 28,158,702**	$ 26,103,743
Cost of revenues	**12,505,288**	10,987,636
Gross profit	**15,653,414**	15,116,107
General and administrative expenses	**11,993,381**	10,205,018
Income from operations	**3,660,033**	4,911,089
Other income (expenses):		
Interest expense	**(4,432)**	-
Other income (expense), net	**486,876**	(142,294)
Total other income (expense)	**482,444**	(142,294)
Net income	**$ 4,142,477**	$ 4,768,795

See notes to financial statements.

Medi-Weightloss Franchising USA, LLC
(A Limited Liability Company)

Statements of Changes in Member's Deficit
Years Ended December 31, 2025 and 2024

Balance, December 31, 2023	$ (3,273,549)
Member contributions	2,406,605
Member distributions	(7,067,719)
Net income	4,768,795
Balance, December 31, 2024	(3,165,868)
Member contributions	3,243,160
Member distributions	(7,084,278)
Net income	4,142,477
Balance, December 31, 2025	**$ (2,864,509)**

See notes to financial statements.

Medi-Weightloss Franchising USA, LLC
(A Limited Liability Company)

Statements of Cash Flows
Years Ended December 31, 2025 and 2024

		2025		2024
Cash flows from operating activities:				
Net income	$	4,142,477	$	4,768,795
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation		172,012		62,028
Provision for credit losses		-		(80)
Loss on disposal of property, plant and equipment		15,741		144,000
Gain on termination of lease		(232,515)		-
Amortization of ROU assets-operating		102,222		413,054
Changes in assets and liabilities:				
Accounts receivable		(750,603)		143,709
Due from related parties		287,841		(389,120)
Inventory		218,569		(493,316)
Prepaid expenses and other current assets		(220,936)		413
Deposits		7,604		1,236
Deferred commissions		(665,215)		(495,361)
Accounts payable		280,698		(116,253)
Accrued expenses		(164,422)		1,084,749
Deferred revenue		1,365,276		708,343
Due to related parties		(9,868)		18,351
Operating lease liabilities		(106,683)		(420,790)
Net cash provided by operating activities		4,442,198		5,429,758
Cash flows from investing activities:				
Purchases of property, plant and equipment		(64,315)		(475,904)
Net cash used in investing activities		(64,315)		(475,904)
Cash flows from financing activities:				
Principal payments on long-term debt		(6,336)		-
Member contributions		3,243,160		2,406,605
Member distributions		(7,084,278)		(7,067,719)
Net cash used in financing activities		(3,847,454)		(4,661,114)
Net increase in cash		530,429		292,740
Cash:				
Beginning		398,763		106,023
Ending	$	929,192	$	398,763
Supplemental schedule of noncash investing and financing activities:				
Right-of-use assets terminated	$	2,206,102	$	-
Right-of-use liabilities terminated	$	2,438,617	$	-
Other assets obtained from debt	$	249,087	$	-

See notes to financial statements.

Medi-Weightloss Franchising USA, LLC
(A Limited Liability Company)

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Description of business: Medi-Weightloss Franchising USA, LLC (the Company) was formed and commenced operations as a Limited Liability Company (LLC) on January 24, 2008. Under Florida statutes, members of an LLC are protected from liability for acts and debts of the LLC. The Company was eligible to begin licensing franchises on February 1, 2008. The Company is a franchisor of medically supervised weight loss clinics throughout the United States. As of December 31, 2025, the Company had 186 franchise locations of which 59 have not yet commenced operations. As of December 31, 2024, the Company had 159 franchise locations of which 54 have not yet commenced operations.

The Company is a wholly owned subsidiary of Medi-Weightloss Buyer, Inc. (Parent). Equity and debt obligations associated with the Company reside at Medi-Weightloss Buyer, Inc. (see note 6).

Basis of presentation: The accompanying financial statements of the Company are prepared on a stand-alone basis.

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates under different assumptions or conditions.

Revenue recognition: Revenues are recognized in accordance with Accounting Standards Codification (ASC) Topic 606, Revenue from Contracts with Customers, which provides a five-step model for recognizing revenues from contracts with its customers as follows:

- Identification of the contract, or contracts with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenues as performance obligations are satisfied

The following is a summary of the Company's revenue recognition policies specific to each discrete service line:

***Franchise fees*:** The Company's primary performance obligation under the franchise agreements is to provide rights to the franchisee which include the intellectual property related to the Company's trademarks, brand name, processes and know-how and to provide franchisees with operational support throughout the agreement term. Initial franchise fees are payable by the franchisee upon signing a new franchise agreement and are recognized on a straight-line basis commencing at contract inception through the end of the initial franchise license term which is generally 10 years.

***Initial package and start-up fees*:** The Company provides franchisees with start-up support including initial product and supplement inventory, training, advertising and other services. The Company recognizes the revenue when the products are shipped or services are performed, which typically occurs within one to three months of the franchisee's opening date.

Note 1. Summary of Significant Accounting Policies (Continued)

The Company applies the practical expedient in ASC 952-606-25-2 that permits a franchisor that is not a public business entity that enters into a franchise agreement to account for certain pre-opening services provided to a franchisee as a single performance obligation separate and distinct from the franchise license. Management has determined that all pre-opening services are a single performance obligation.

Royalty fees: The company collects royalty fees on a monthly basis which are predominantly related to the rights of the franchise agreement. For agreements signed prior to April 2024, the first-year royalty fees are typically fixed and are recognized over the first year. In subsequent years, royalty fees are based on a percentage of franchise fee revenue and are recognized as franchisee's sales occur.

Advertising fees: The Company collects advertising fees on a monthly or annual basis for system branding and advertising. Advertising fees are charged at a fixed rate while branding fees are charged based on a percentage of franchisee revenue and are recognized monthly.

Nutritional supplements and program materials: The Company sells products to franchisee and non-franchisee customers. Products sold to franchisee customers are typically drop-shipped from a third-party vendor's warehouse and products sold to non-franchisee customers are typically shipped directly by the Company using a third-party carrier. Revenue is recorded net of discounts and is recognized once control of the products has been transferred to the customer.

Other revenues: Other revenues are comprised of fees for malpractice insurance premiums and services and accounting services provided to franchisees. Fees for malpractice insurance revenue are billed annually. Revenue is recognized over the related policy term. Accounting fees are billed monthly and recognized as services are provided.

Sales tax: Revenue is recognized net of any taxes collected from customers which are subsequently remitted to taxing authorities. These taxes are recorded as a liability when the amounts are billed to franchisees and the liability is relieved when payments are made to the respective taxing authority.

Deferred revenue: Deferred revenue consists of contract liabilities from franchise fees and initial package and start-up fees which are collected at contract inception and recognized upon opening of the store. The contract liability balance is reduced as franchise fees are recognized in revenue over the term of the franchise agreement. Initial package and start-up fees are recognized in revenue at the point in time when the products are delivered or services are performed, which typically occurs within one month of the franchisee's opening date.

The following table summarizes the activity of the Company's contract liabilities during the years ended December 31, 2025 and 2024:

Balance, December 31, 2023	$ 2,481,339
Revenue recognized from amounts included in the contract liability balance at the beginning of the year	(709,693)
Increase, excluding amounts recognized as revenue during the period	1,418,036
Balance, December 31, 2024	3,189,682
Revenue recognized from amounts included in the contract liability balance at the beginning of the year	(888,825)
Increase, excluding amounts recognized as revenue during the period	2,254,101
Balance, December 31, 2025	$ 4,554,958

Medi-Weightloss Franchising USA, LLC
(A Limited Liability Company)

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Disaggregated revenue: The following tables summarize disaggregated revenue recognized during the years ended December 31, 2025 and 2024:

	2025		
	Timing of Revenue Recognition		
Revenue Type	Point in Time	Over Time	Total
Franchise fee	$ -	$ 657,491	$ 657,491
Initial package and start-up fees	1,295,462	-	1,295,462
Advertising fees	5,623,505	-	5,623,505
Royalty fees	9,240,839	-	9,240,839
Nutritional supplements and program materials	10,614,657	-	10,614,657
Other revenue	271,968	454,780	726,748
	$ 27,046,431	$ 1,112,271	$ 28,158,702

	2024		
	Timing of Revenue Recognition		
Revenue Type	Point in Time	Over Time	Total
Franchise fee	$ -	$ 506,927	$ 506,927
Initial package and start-up fees	321,744	-	321,744
Advertising fees	4,224,149	-	4,224,149
Royalty fees	8,377,755	-	8,377,755
Nutritional supplements and program materials	12,125,576	-	12,125,576
Other revenue	-	547,592	547,592
	$ 25,049,224	$ 1,054,519	$ 26,103,743

Transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods to the customer. Revenue is recorded based on the transaction price, which includes fixed consideration and estimates of variable consideration. The amount of variable consideration included in the transaction price is constrained and is included only to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Costs to obtain a contract: Commissions fees are costs paid to third-party brokers that are directly attributable to obtaining new franchise agreements. These fees are capitalized as deferred commissions upon the inception of the franchise agreement and expensed on a straight-line basis over the life of the contract.

Cash: The Company maintains its cash in various bank deposit accounts which, at times, may exceed the federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk from such accounts.

Note 1. Summary of Significant Accounting Policies (Continued)

Accounts receivable: Accounts receivable are recorded at net realizable value. The Company evaluates its accounts receivable based on a combination of historical experience, aging analysis and information related to specific accounts. Management considers historical losses adjusted to take into account current market conditions and financial conditions, the amount of receivables in dispute and the current receivables aging and current payment patterns. Past due balances over 45 days and other high-risk amounts are reviewed individually for collectability. Account balances are charged off after all collection efforts have been exhausted and the potential for recovery is considered remote. Recoveries of receivables previously written off are recorded as revenue when received. At December 31, 2025 and 2024 the allowance for credit losses amounted to $30,807.

Inventory: Inventory consists primarily of nutritional products, supplements, and program materials and are stated at the lower of cost (first in, first out basis) or market (net realizable value). As of December 31, 2025 and 2024, there was no reserve for potential obsolescence of inventory. If the Company decides to change or discontinue a product, as well as terminate the agreement with the vendor, the Company is responsible for any remaining inventory that has completed the quality control process that is held at the vendor.

Property and equipment: Property and equipment is recorded at cost less accumulated depreciation. Expenditures that significantly add to the productivity or extend the useful lives of property and equipment are capitalized. Other expenditures for maintenance and repairs are charged to repairs and maintenance on the statements of income in the year the costs are incurred.

Depreciation is recorded over the estimated useful lives of the respective assets on a straight-line basis. Leasehold improvements are amortized to depreciation expense over the shorter of the estimated useful life of the assets or over the term of the lease, including renewals that are deemed to be reasonably assured at the date of the leasehold improvements were purchased. When an asset is disposed of, the asset and related accumulated depreciation are written off and any gain or loss on the disposal is recognized in the accompanying statements of income.

Leases: The Company determines if an arrangement contains a lease at inception based on whether or not the Company has the right to control the asset during the contract period and other facts and circumstances. The Company is a lessee in a lease contract when the Company obtains the right to control the asset. Right-of-use (ROU) assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets are recognized at commencement date based on the present value of future lease payments over the lease term. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease payments may include fixed rent escalation clauses or payments that depend on an index, or a rate (such as the consumer price index) measured using the index or applicable rate at lease commencement.

Subsequent changes in the index or rate and any other variable payments, such as market-rate base rent adjustments, are recognized as variable lease expense in the period incurred. Payments for terminating a lease are included in lease payments only when it is probable, they will be incurred.

To determine the present value of lease payments, the Company applies the risk-free rate in accordance with the practical expedient, as the leases generally do not have a readily determinable implicit discount rate. The risk-free rate selected for each lease is determined based on the expected term. The ROU assets also adjusted for any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by lease incentives.

Note 1. Summary of Significant Accounting Policies (Continued)

The Company's leases may include a non-lease component representing additional services transferred to the Company, such as common area maintenance for real estate leases. The Company has made an accounting policy election to account for lease and non-lease components in its contacts as a single lease component for all asset classes, except for its communication equipment asset classes. The non-lease components are usually variable in nature and recorded in variable lease expense in the period incurred.

Impairment of long-lived assets: The Company's long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of a long-lived asset or asset group may not be recoverable. Long-lived assets are grouped with other assets to the lowest level which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities. If the sum of the projected undiscounted cash flows (excluding interest charges) is less than the carrying value of the assets, the impairment recognized is measured as the amount by which the carrying amount of the long-lived assets exceeds their fair value, which is estimated by calculating the discounted future net cash flows associated with the asset. There were no indicators of impairment for the years ended December 31, 2025 and 2024.

Income taxes: The Company is a limited liability company for federal income tax purposes, in accordance with the applicable provisions of the Internal Revenue Code. As such, the Company's taxable income or loss is allocated to its members. Accordingly, the Company is not subject to federal income taxes and no provision or liability for federal income taxes has been recognized in the accompanying financial statements.

Advertising costs: Advertising costs, which are included in general and administrative expenses, are expensed as incurred. Advertising expense was $908,810 and $662,393 for the years ended December 31, 2025 and 2024, respectively.

Subsequent events: Management has evaluated subsequent events through April 24, 2026, which is the date the financial statements were available to be issued.

Note 2. Property and Equipment

Property and equipment consists of the following at December 31, 2025 and 2024:

	2025	2024
Equipment	$ 124,376	$ 215,656
Software	470,858	470,858
Furniture and fixtures	-	101,284
Leasehold improvements	-	96,859
Work in progress	50,477	-
	645,711	884,657
Less accumulated depreciation	(255,587)	(371,095)
	$ 390,124	$ 513,562

Depreciation expense for the years ended December 31, 2025 and 2024, was $172,012 and $62,028, respectively, and is included as a component of general and administrative expenses on the statements of income.

Note 3. Leases

The Company leases ROU assets that were capitalized using discount rates ranging from 0.80% to 1.60%. For leases that include purchase options, the Company's management included the option amount in the determination of the lease liability when exercise of the option was reasonably certain. The Company's lease for office space was terminated in June 2025, and the Company did not occupy its new space until January 2026 (See Note 7)

The weighted-average discount rate and remaining lease term for the various leases are as follows at December 31, 2025 and 2024:

	Operating	
	2025	2024
Weighted-average remaining lease term (years)	-	5.56
Weighted-average discount rate	0.00%	1.60%

For the years ended December 31, 2025 and 2024, operating lease expense was $113,914 and $456,940, respectively. For the years ended December 31, 2025 and 2024, variable lease expense such as property insurance, taxes, and maintenance was $168,233 and $135,266, respectively, and included in general and administrative expenses.

Note 4. Long-Term Debt

On October 1, 2025, the Company entered into an equipment financing agreement to finance the purchase of office furniture and equipment for a total cost of approximately $249,087. The financing arrangement bears interest at a fixed rate of 10.74% per annum and requires monthly payments of $5,384, which include both principal and interest. Monthly payments commenced on November 1, 2025, and the matures on October 1, 2030. As of December 31, 2025, the outstanding balance payable was $242,751. Future principal maturities of long-term debt as of December 31, 2025 are as follows:

Years ending December 31:	
2026	$ 40,482
2027	45,052
2028	50,138
2029	55,797
2030	51,282
	$ 242,751

Note 5. Employee Benefit Plans

The Company offers a tax-deferred savings plan which qualifies as a voluntary contribution savings plan under Internal Revenue Code (IRC) Section 401(k). Employees may provide tax-deferred contributions to individual retirement accounts up to the IRC limit. The Company contributes 3% of the participants' compensation. In addition, the Company may elect annually to make an additional profit-sharing plan contribution. For the years ended December 31, 2025 and 2024, the Company had $21,944 and $167,404 in total profit-sharing expense respectively, and was included in general and administrative expenses.

Note 6. Commitments and Contingencies

The Company is a guarantor pursuant to a Credit Agreement between the Parent, a lender and certain other affiliates of the Company. The outstanding balance is recorded in the financial statements of the Company's Parent, and is $33,623,353 as of December 31, 2025. Outstanding amounts under the Credit Agreement bear interest at the Secured Overnight Financing Rate plus a credit spread, and require scheduled principal and interest payments. The Credit Agreement matures on October 28, 2028. The Credit Agreement contains certain financial covenants that are measured at interim reporting dates and year-end.

Note 7. Subsequent Event

The Company has entered into a new lease for its office space which commenced in January 2026, having a term of 10.5 years.

Note 8. Related Parties

The Company is affiliated through common ownership and/or business agreements with Medi-Weightloss Clinics, LLC (MWLC), Physicians Health Management, LLC (PHM), MEDI IP, LLC (MEDI IP), MediDirect NewCo, LLC (MD), and EJRC Hyde Park Avenue, LLC. These related entities provide various levels of services and management support to the franchisee clinic of Medi-Weightloss Franchising USA, LLC throughout the Unites States.

The Company receives draws and makes principal payments on the debt held by Medi-Weightloss Buyer, Inc. (Parent) on behalf of the Parent. These funds are used to cover costs and support the other subsidiaries, further discussed in the subsequent paragraphs. Total draws for the years ended December 31, 2025 and 2024, were $2,000,000 and $2,100,000, respectively, and included as contributions in the statements of changes in member's deficit. Total payments made on the credit agreement for the years ended December 31, 2025 and 2024, were $3,919,858 and $4,102,215, respectively, and included as distributions in the statements of changes in member's deficit.

PHM, along with MWLC owns 10 franchise locations. The Company has a cost sharing arrangement with PHM in which there is an allocation between entities of payroll and certain overhead expenses. The Company allocated $2,855,263 and $2,708,811 of payroll and expenses for the years ended December 31, 2025 and 2024, respectively.

The Company has a cost sharing arrangement with MWLC, Buyer, and Intermediate Holdings in which there is an allocation between the two entities for payroll and certain overhead expenses. The Company allocated $28,841 and $27,362 of payroll and expenses to MWLC for the years ended December 31, 2025 and 2024, respectively. The Company allocated $67,729 and $0 of payroll and expenses to Buyer for the years ended December 31, 2025 and 2024, respectively. The Company allocated $94,282 and $0 of payroll and expenses to Intermediate Holdings for the years ended December 31, 2025 and 2024, respectively. In addition, the Company charges $350 a month to each of the 10 franchise locations to cover accounting expenses.

The Company recognized $3,857,193 and $4,138,883 of revenue from services provided to affiliates under common ownership during the years ended December 31, 2025 and 2024, respectively. Amounts due to the Company at December 31, 2025 and 2024, is approximately $130,281 and $418,122, respectively, which is included in accounts receivable in the accompanying balance sheets.

Note 8. Related Parties (Continued)

Audax Management Company, LLC, a Delaware limited liability company has a management services agreement with Medi-Weightloss Buyer, Inc. which wholly owns the Company. The agreement provides Medi-Weightloss Buyer, Inc's subsidiaries management and transaction services in exchange for a quarterly payment equal to the greater of $100,000 or 1.25% Consolidated EBITDA for its subsidiaries. Amounts due under this arrangement were $1,723,384 and $1,088,767 for the years ended December 31, 2025 and 2024, respectively.

The Company leased space from EJRC Hyde Park Avenue, LLC, and paid $113,914 and $442,385 in rent for the years ended December 31, 2025 and 2024, respectively.

Amounts due from related parties consists of the following at December 31, 2025 and 2024:

	2025	2024
Due from:		
Medi-Weightloss Clinics	$ 130,281	$ 415,057
Medi IP	-	3,065
	$ 130,281	$ 418,122

Amounts due to related parties consists of the following at December 31, 2025 and 2024:

	2025	2024
Due to:		
Medi-Weightloss Clinics	$ 8,483	$ 18,351
	$ 8,483	$ 18,351

Medi-Weightloss Franchising USA, LLC (A Limited Liability Company)

(A wholly owned subsidiary of Medi-Weightloss Buyer, Inc.)

Financial Report
December 31, 2024

MEDI WEIGHTLOSS
The one that works!

Contents

RSM US LLP

Independent Auditor's Report

Board of Directors
Medi-Weightloss Franchising USA, LLC

Opinion
We have audited the financial statements of Medi-Weightloss Franchising USA, LLC (the Company), which comprise the balance sheets as of December 31, 2024 and 2023, the related statements of income, changes in member's deficit, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if 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 GAAS, we:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 the Company'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.

RSM US LLP

Tampa, Florida
April 18, 2025

Medi-Weightloss Franchising USA, LLC
(A Limited Liability Company)

Balance Sheets
December 31, 2024 and 2023

	2024	2023
Assets		
Current assets:		
Cash	$ 398,763	$ 106,023
Accounts receivable, net	680,147	823,776
Due from related parties	418,122	29,002
Inventory	1,669,412	1,176,096
Prepaid and other current assets	244,943	245,356
Deferred commissions—current portion	122,522	82,640
Total current assets	3,533,909	2,462,893
Property and equipment, net	513,562	243,686
Deposits	7,604	8,840
Right of use assets—operating	2,308,324	2,721,378
Deferred commissions—net of current portion	729,582	274,103
Total assets	$ 7,092,981	$ 5,710,900
Liabilities and Member's Equity		
Accounts payable	$ 1,661,601	$ 1,777,854
Accrued expenses	2,843,915	1,759,166
Deferred revenue—current portion	1,035,237	617,652
Operating lease liabilities—current portion	426,474	420,790
Due to related parties	18,351	-
Total current liabilities	5,985,578	4,575,462
Deferred revenue—net of current portion	2,154,445	1,863,687
Operating lease liabilities—net of current portion	2,118,826	2,545,300
Total liabilities	10,258,849	8,984,449
Commitments and contingencies (Note 5)		
Member's deficit	(3,165,868)	(3,273,549)
	$ 7,092,981	$ 5,710,900

See notes to financial statements.

Medi-Weightloss Franchising USA, LLC
(A Limited Liability Company)

Statements of Income
Years Ended December 31, 2024 and 2023

	2024	2023
Revenues	**$ 26,103,743**	$ 25,257,269
Cost of revenues	**10,987,636**	10,730,084
Gross profit	**15,116,107**	14,527,185
General and administrative expenses	**10,205,018**	10,833,943
Income from operations	**4,911,089**	3,693,242
Other income (expenses):		
Other (expense) income, net	**(142,294)**	449,537
Interest expense, net	**-**	(1,094)
Total other (expense) income	**(142,294)**	448,443
Net income	**$ 4,768,795**	$ 4,141,685

See notes to financial statements.

Medi-Weightloss Franchising USA, LLC
(A Limited Liability Company)

Statements of Changes in Member's Deficit
Years Ended December 31, 2024 and 2023

Balance, December 31, 2022	$ 132,604
Member contributions	3,087,084
Member distributions	(10,634,922)
Net income	4,141,685
Balance, December 31, 2023	(3,273,549)
Member contributions	2,406,605
Member distributions	(7,067,719)
Net income	4,768,795
Balance, December 31, 2024	**$ (3,165,868)**

See notes to financial statements.

Medi-Weightloss Franchising USA, LLC
(A Limited Liability Company)

Statement of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Net income	**$ 4,768,795**	$ 4,141,685
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	**62,028**	19,612
Provision for credit losses	**(80)**	-
Loss on disposal of property, plant and equipment	**144,000**	-
Change in assets and liabilities:		
Accounts receivable	**143,709**	(121,837)
Due from related parties	**(389,120)**	2,618,094
Inventory	**(493,316)**	330,774
Prepaid expenses and other current assets	**413**	12,056
Deposits	**1,236**	22,390
Contract asset	**-**	880,372
Deferred commissions	**(495,361)**	69,640
Right of use assets—operating	**413,054**	429,522
Accounts payable	**(116,253)**	751,450
Accrued expenses	**1,084,749**	140,752
Deferred revenue	**708,343**	(396,657)
Due to related parties	**18,351**	(1,337,544)
Operating lease liabilities	**(420,790)**	(427,799)
Net cash provided by operating activities	**5,429,758**	7,132,510
Cash flows from investing activities:		
Purchases of property, plant and equipment	**(475,904)**	(212,401)
Net cash used in investing activities	**(475,904)**	(212,401)
Cash flows from financing activities:		
Member contributions	**2,406,605**	3,087,084
Member distributions	**(7,067,719)**	(10,634,922)
Net cash used in financing activities	**(4,661,114)**	(7,547,838)
Net increase (decrease) in cash	**292,740**	(627,729)
Cash:		
Beginning	**106,023**	733,752
Ending	**$ 398,763**	$ 106,023

See notes to financial statements.

Note 1. Summary of Significant Accounting Policies

Description of business: Medi-Weightloss Franchising USA, LLC (the Company) was formed and commenced operations as a Limited Liability Company (LLC) on January 24, 2008. Under Florida statutes, members of an LLC are protected from liability for acts and debts of the LLC. The Company was eligible to begin licensing franchises on February 1, 2008. The Company is a franchisor of medically supervised weight loss clinics throughout the United States. As of December 31, 2024, the Company had 139 franchise locations of which 35 have not yet commenced operations. As of December 31, 2023, the Company had 120 franchise locations of which 13 had not yet commenced operations.

The Company is a wholly owned subsidiary of Medi-Weightloss Buyer, Inc. (Parent). Equity and debt obligations associated with the Company reside at Medi-Weightloss Buyer, Inc. (See Note 5).

Basis of presentation: The accompanying financial statements of the Company are prepared on a stand-alone basis and include revenues and direct expenses related to the operations of the Company.

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates under different assumptions or conditions.

Revenue recognition: Revenues are recognized in accordance with Accounting Standards Codification (ASC) Topic 606, Revenue from Contracts with Customers, which provides a five-step model for recognizing revenues from contracts with its customers as follows:

- Identification of the contract, or contracts with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenues as performance obligations are satisfied

The following is a summary of the Company's revenue recognition policies specific to each discrete service line:

***Franchise fees*:** The Company's primary performance obligation under the franchise agreements is to provide rights to the franchisee which include the intellectual property related to the Company's trademarks, brand name, processes and know-how and to provide franchisees with operational support throughout the agreement term. Initial franchise fees are payable by the franchisee upon signing a new franchise agreement and are recognized on a straight-line basis commencing at contract inception through the end of the initial franchise license term which is generally 10 years.

***Initial package and start-up fees*:** The Company provides franchisees with start-up support including initial product and supplement inventory, training, advertising and other services. The Company recognizes the revenue when the products are shipped or services are performed, which typically occurs within one to three months of the franchisee's opening date.

Note 1. Summary of Significant Accounting Policies (Continued)

The Company applies the practical expedient in ASC 952-606-25-2 that permits a franchisor that is not a public business entity that enters into a franchise agreement to account for certain pre-opening services provided to a franchisee as a single performance obligation separate and distinct from the franchise license. Management has determined that all pre-opening services are a single performance obligation.

***Royalty fees*:** The company collects royalty fees each year on a monthly basis which are predominantly related to the rights of the franchise agreement. For agreements signed prior to April 2024, the first-year royalty fees are typically fixed and are recognized over the first year. In subsequent years, royalty fees are based on a percentage of franchise fee revenue and are recognized as franchisee's sales occur.

***Advertising fees*:** The Company collects advertising fees each year on a monthly or annual basis for system branding and advertising. Advertising fees are charged at a fixed rate while branding fees are charged based on a percentage of franchisee revenue and are recognized monthly.

***Nutritional supplements and program materials*:** The Company sells products to franchisee and non-franchisee customers. Products sold to franchisee customers are typically drop-shipped from a third-party vendor's warehouse and products sold to non-franchisee customers are typically shipped directly by the Company using a third-party carrier. Revenue is recorded net of discounts and is recognized once control of the products has been transferred to the customer.

***Other revenues*:** Other revenues are comprised of fees for malpractice insurance premiums and services and accounting services provided to franchisees. Fees for malpractice insurance revenue are billed annually. Revenue is recognized over the related policy term. Accounting fees are billed monthly and recognized as services are provided.

***Sales tax*:** Revenue is recognized net of any taxes collected from customers which are subsequently remitted to taxing authorities. These taxes are recorded as a liability when the amounts are billed to franchisees and the liability is relieved when payments are made to the respective taxing authority.

***Deferred revenue*:** Deferred revenue consists of contract liabilities from franchise fees and initial package and start-up fees which are collected at contract inception and recognized upon opening of the store. The contract liability balance is reduced as franchise fees are recognized in revenue over the term of the franchise agreement. Initial package and start-up fees are recognized in revenue at the point in time when the products are delivered or services are performed, which typically occurs within one month of the franchisee's opening date.

The following table summarizes the activity of the Company's contract liabilities during the years ended December 31, 2024 and 2023:

Balance, January 1, 2022	$ 2,877,996
Revenue recognized from amounts included in the contract liability balance at the beginning of the year	(1,027,850)
Increase, excluding amounts recognized as revenue during the period	631,193
Balance, December 31, 2023	2,481,339
Revenue recognized from amounts included in the contract liability balance at the beginning of the year	(709,693)
Increase, excluding amounts recognized as revenue during the period	1,418,036
Balance, December 31, 2024	$ 3,189,682

Note 1. Summary of Significant Accounting Policies (Continued)

***Disaggregated revenue*:** The following tables summarizes disaggregated revenue recognized during the years ended December 31, 2024 and 2023:

	2024		
	Timing of Revenue Recognition		
Revenue Type	Point in Time	Over Time	Total
Franchise fee	$ -	$ 506,927	$ 506,927
Initial package and start-up fees	321,744	-	321,744
Advertising fees	4,224,149	-	4,224,149
Royalty fees	8,377,755	-	8,377,755
Nutritional supplements and program materials	12,125,576	-	12,125,576
Other revenue	-	547,592	547,592
	$ 25,049,224	$ 1,054,519	$ 26,103,743

	2023		
	Timing of Revenue Recognition		
Revenue Type	Point in Time	Over Time	Total
Franchise fee	$ -	$ 357,036	$ 357,036
Initial package and start-up fees	1,170,953	-	1,170,953
Advertising fees	3,344,844	-	3,344,844
Royalty fees	7,570,805	-	7,570,805
Nutritional supplements and program materials	12,331,820	-	12,331,820
Other revenue	-	481,811	481,811
	$ 24,418,422	$ 838,847	$ 25,257,269

***Transaction price*:** The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods to the customer. Revenue is recorded based on the transaction price, which includes fixed consideration and estimates of variable consideration. The amount of variable consideration included in the transaction price is constrained and is included only to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Costs to obtain a contract: Commissions fees are costs paid to third-party brokers that are directly attributable to obtaining new franchise agreements. These fees are capitalized as deferred commissions upon the inception of the franchise agreement and expensed on a straight-line basis over the life of the contract.

Cash: The Company maintains its cash in various bank deposit accounts which, at times, may exceed the federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk from such accounts.

Note 1. Summary of Significant Accounting Policies (Continued)

Accounts receivable: Accounts receivable are recorded at net realizable value. The Company evaluates its accounts receivable based on a combination of historical experience, aging analysis and information related to specific accounts. Management considers historical losses adjusted to take into account current market conditions and financial conditions, the amount of receivables in dispute and the current receivables aging and current payment patterns. Past due balances over 45 days and other high-risk amounts are reviewed individually for collectability. Account balances are charged off after all collection efforts have been exhausted and the potential for recovery is considered remote. Recoveries of receivables previously written off are recorded as revenue when received. Historically, the Company has not had a significant amount of write-offs. At December 31, 2024 and 2023 the allowance for credit losses amounted to $30,807 and $30,887, respectively. Changes in the allowance for credit losses for the years ended December 31, 2024 and 2023 were immaterial.

Inventory: Inventory consists primarily of nutritional products, supplements, and program materials and are stated at the lower of cost (first in, first out basis) or market (net realizable value). As of December 31, 2024 and 2023, there was no reserve for potential obsolescence of inventory. If the Company decides to change or discontinue a product, as well as terminate the agreement with the vendor, the Company is responsible for any remaining inventory that has completed the quality control process that is held at the vendor.

Property and equipment: Property and equipment is recorded at cost less accumulated depreciation. Expenditures that significantly add to the productivity or extend the useful lives of property and equipment are capitalized. Other expenditures for maintenance and repairs are charged to repairs and maintenance on the statement of income in the year the costs are incurred.

Depreciation is recorded over the estimated useful lives of the respective assets on a straight-line basis. Leasehold improvements are amortized to depreciation expense over the shorter of the estimated useful life of the assets or over the term of the lease, including renewals that are deemed to be reasonably assured at the date of the leasehold improvements were purchased. When an asset is disposed of, the asset and related accumulated depreciation are written off and any gain or loss on the disposal is recognized in the accompanying statement of income.

Leases: The Company determines if an arrangement contains a lease at inception based on whether or not the Company has the right to control the asset during the contract period and other facts and circumstances. The Company is a lessee in a lease contract when the Company obtains the right to control the asset. Right-of-use (ROU) assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Right of use assets are recognized at commencement date based on the present value of future lease payments over the lease term. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease payments may include fixed rent escalation clauses or payments that depend on an index, or a rate (such as the consumer price index) measured using the index or applicable rate at lease commencement.

Subsequent changes in the index or rate and any other variable payments, such as market-rate base rent adjustments, are recognized as variable lease expense in the period incurred. Payments for terminating a lease are included in lease payments only when it is probable, they will be incurred.

Note 1. Summary of Significant Accounting Policies (Continued)

To determine the present value of lease payments, the Company applies the risk-free rate in accordance with the practical expedient, as the leases generally do not have a readily determinable implicit discount rate. The risk-free rate selected for each lease is determined based on the expected term. The ROU assets also adjusted for any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by lease incentives.

The Company's leases may include a non-lease component representing additional services transferred to the Company, such as common area maintenance for real estate leases. The Company has made an accounting policy election to account for lease and non-lease components in its contacts as a single lease component for all asset classes, except for its communication equipment asset classes. The non-lease components are usually variable in nature and recorded in variable lease expense in the period incurred.

Impairment of long-lived assets: The Company's long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of a long-lived asset or asset group may not be recoverable. Long-lived assets are grouped with other assets to the lowest level which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities. If the sum of the projected undiscounted cash flows (excluding interest charges) is less than the carrying value of the assets, the impairment recognized is measured as the amount by which the carrying amount of the long-lived assets exceeds their fair value, which is estimated by calculating the discounted future net cash flows associated with the asset. There were no indicators of impairment for the years ended December 31, 2024 and 2023.

Income taxes: The Company is a limited liability company for federal income tax purposes, in accordance with the applicable provisions of the Internal Revenue Code. As such, the Company's taxable income or loss is allocated to its members. Accordingly, the Company is not subject to federal income taxes and no provision or liability for federal income taxes has been recognized in the accompanying financial statements.

Advertising costs: Advertising costs, which are included in general and administrative expenses, are expensed as incurred. Advertising expense was $662,393 and $507,115 for the years ended December 31, 2024 and 2023, respectively.

Reclassification: Certain amounts have been reclassified from prior year financial statements to conform with the current year presentation. Such reclassifications had no effect on total equity, balance sheet, or cash flows as previously reported.

Subsequent events: Management has evaluated subsequent events through April 18, 2025, which is the date the financial statements were available to be issued.

Note 2. Property and Equipment

Property and equipment consists of the following at December 31, 2024 and 2023:

	2024	2023
Equipment	$ 215,656	$ 199,609
Software	470,858	-
Furniture and fixtures	101,284	101,284
Leasehold improvements	96,859	96,859
Work in progress	-	155,000
	884,657	552,752
Less accumulated depreciation	(371,095)	(309,066)
	$ 513,562	$ 243,686

Depreciation expense for the years ended December 31, 2024 and 2023, was $62,028 and $19,612, respectively, and is included as a component of general and administrative expenses on the statements of income.

Note 3. Leases

The Company leases property and equipment that are classified as ROU assets. ROU assets were capitalized using discount rates ranging from 0.80% to 1.60%. The Company's leasing arrangements have maturities ranging from 2025 to 2030. For leases that include purchase options, the Company's management included the option amount in the determination of the lease liability when exercise of the option was reasonably certain.

The weighted-average discount rate and remaining lease term for the various leases are as follows at December 31, 2024 and 2023:

	Operating	
	2024	2023
Weighted-average remaining lease term (years)	5.56	6.52
Weighted-average discount rate	1.60%	1.60%

Note 3. Leases (Continued)

As of December 31, 2024, future lease payments under the Company's long-term lease liabilities are as follows:

	Operating
Years ending December 31:	
2025	$ 463,500
2026	459,822
2027	470,398
2028	481,218
2029	492,285
Thereafter	293,772
Total undiscounted cash flows	2,660,995
Less portion representing interest	(115,695)
Present value of net liabilities	2,545,300
Less current maturities	(426,474)
	$ 2,118,826

For the years ended December 31, 2024 and 2023, operating lease expense was $456,940 and $429,521, respectively. For the years ended December 31, 2024 and 2023 variable lease expense such as property insurance, taxes, and maintenance was $135,266 and $139,789, respectively, and was included in general and administrative expenses.

Note 4. Employee Benefit Plans

The Company offers a tax-deferred savings plan which qualifies as a voluntary contribution savings plan under Internal Revenue Code (IRC) Section 401(k). Employees may provide tax-deferred contributions to individual retirement accounts up to the IRC limit. The Company contributes 3% of the participants' compensation. In addition, the Company may elect annually to make an additional profit-sharing plan contribution. For the years ended December 31, 2024 and 2023, the Company expensed $196,946 and $122,654, relating to the profit-sharing component of the plan, of which $29,542 and $14,440, was allocated to affiliated entities for their share of expense resulting in $167,404 and $108,214 in total profit-sharing expense for the years ended December 31, 2024 and 2023, respectively, and was included in general and administrative expenses.

Note 5. Commitments and Contingencies

The Company is a guarantor pursuant to a Credit Agreement between the Parent, a lender and certain other affiliates of the Company. The outstanding balance is recorded in the financial statements of the Company's Parent, as of December 31, 2024, is $31,719,000. Outstanding amounts under the Credit Agreement bear interest at the Secured Overnight Financing Rate plus a credit spread, and require scheduled principal and interest payments. The Credit Agreement matures on October 28, 2028. The Credit Agreement contains certain financial covenants that are measured at interim reporting dates and year end.

Note 6. Related Parties

The Company is affiliated through common ownership and/or business agreements with Medi-Weightloss Clinics, LLC (MWLC), Physicians Health Management, LLC (PHM), MEDI IP, LLC (MEDI IP), MediDirect NewCo, LLC (MD), and EJRC Hyde Park Avenue, LLC. These related entities provide various levels of services and management support to the franchisee clinic of Medi-Weightloss Franchising USA, LLC throughout the Unites States.

The Company receives draws and makes principal payments on the debt held by Medi-Weightloss Buyer, Inc. (Parent) on behalf of the Parent. These funds are used to cover costs and support the other subsidiaries, further discussed in the subsequent paragraphs. Total draws for the years ended December 31, 2024 and 2023 were $2,100,000 and $1,809,597, respectively, and included as distributions in the statements of changes in member's deficit. Total principal payments for the years ended December 31, 2024 and 2023 were $4,102,215 and $3,542,210, respectively, and included as contributions in the statements of changes in member's deficit.

PHM, along with MWLC owns 17 franchise locations. The Company has a cost sharing arrangement with PHM in which there is an allocation between entities of payroll and certain overhead expenses. The Company allocated $2,708,811 and $2,913,113 of payroll and expenses for the years ended December 31, 2024 and 2023, respectively.

The Company has a cost sharing arrangement with MWLC in which there is an allocation between the two entities for payroll and certain overhead expenses. The Company allocated $27,362 and $29,425 of payroll and expenses to MWLC for the years ended December 31, 2024 and 2023, respectively. In addition, the Company charges $350 a month to each of the 17 franchise locations to cover accounting expenses.

The Company recognized $4,138,883 and $4,498,572 of revenue from services provided to affiliates under common ownership during the years ended December 31, 2024 and 2023, respectively. Amounts due to the Company at December 31, 2024 and 2023, is approximately $418,122 and $145,000, respectively, which is included in accounts receivable in the accompanying balance sheets.

Audax Management Company, LLC, a Delaware limited liability company has a management services agreement with Medi-Weightloss Buyer, Inc. which wholly owns the Company. The agreement provides Medi-Weightloss Buyer, Inc's subsidiaries management and transaction services in exchange for a quarterly payment equal to the greater of $100,000 or 1.25% Consolidated EBITDA for its subsidiaries. Amounts due under this arrangement were $1,088,767 and $443,487 for the years ended December 31, 2024 and 2023, respectively.

The Company leases space from EJRC Hyde Park Avenue, LLC, and paid $442,385 and $429,500 in rent for the years ended December 31, 2024 and 2023, respectively.

Amounts due from related parties consists of the following at December 31, 2024 and 2023:

	2024	2023
Due from:		
Medi-Weightloss Clinics	$ 415,057	$ 21,502
Medi IP	3,065	2,500
Medi-Weightloss Intermediate	-	5,000
	$ 418,122	$ 29,002

Note 6. Related Parties (Continued)

Amounts due to related parties consists of the following at December 31, 2024 and 2023:

	2024	2023
Due to:		
Medi-Weightloss Clinics	$ 18,351	$ -
	$ 18,351	$ -

EXHIBIT C

FRANCHISE AGREEMENT

MEDI-WEIGHTLOSS FRANCHISING USA, LLC

FRANCHISE AGREEMENT

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FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("Franchise Agreement") is made, entered into and effective as of the "Effective Date" set forth in Attachment A to this Franchise Agreement, by and between Medi-Weightloss Franchising USA, LLC, a Florida limited liability company ("we," "us," or "our"), and the franchisee set forth in Attachment A to this Franchise Agreement ("you" or "your"). If more than one person or entity is listed as the franchisee, each such person or entity shall be jointly and severally liable for all rights, duties, restrictions and obligations under this Franchise Agreement.

1. INTRODUCTION

This Franchise Agreement includes several attachments, each of which are legally binding and are a part of the complete Franchise Agreement. It is your responsibility to read through the entire Franchise Agreement. This Franchise Agreement creates legal obligations you must follow. We recommend that you consult with a legal professional to ensure that you understand these obligations. If you have questions, or if you do not understand a certain provision or section, please review it with your legal and financial advisors before you sign this Franchise Agreement.

This Franchise Agreement has defined terms. A defined term is a shorthand reference within a document that refers to another name or idea in the document. Defined terms are underlined and surrounded by double quotes, typically with capitalized first letters, and may be contained in parentheses throughout the Franchise Agreement.

2. GRANT OF FRANCHISE

2.1 Franchise Description

As a Medi-Weightloss franchisee, you will operate a franchised business which manages a healthcare clinic operated by licensed physicians or other licensed medical providers ("Franchised Business"). The Franchised Business will operate or manage a healthcare clinic ("Medi-Weightloss Healthcare Clinic" or "Clinic") that provides medically-supervised weight loss, wellness, nutritional and weight management products and services. These products and services are provided by licensed physicians or other licensed medical providers and medical personnel acting under the direction of licensed medical providers ("Authorized Medical Personnel"). The Franchised Business will operate under our service marks, trademarks, trade names, trade dress, logos, slogans and commercial symbols as we may from time to time authorize or direct you to use with the operation of the Franchised Business (the "Marks").

We grant you a non-exclusive license to own and operate a Franchised Business using the business formats, methods, procedures, signs, designs, standards, specifications, distinguishing elements, and intellectual property (the "System") that we authorize from a single location we approve ("Premises") strictly in compliance with the terms and conditions set forth in this Franchise Agreement, within the Territory or other areas we may specify in Attachment A-1 to this Franchise Agreement. You recognize and acknowledge the distinctive significance to the public of the System and Marks and acknowledge and understand our high and uniform standards of quality, appearance and service to the value of the System. You acknowledge that we may change, improve or otherwise modify the System as we deem appropriate in our discretion and you agree to promptly accept and comply with any such changes, improvements or modifications. You further acknowledge that our grant to operate a Franchised Business is based on the representations made in your application.

You will either operate your Franchised Business as a Clinic Management Business or Healthcare Business (defined below).

You acknowledge and agree that, except for the right to grant limited sublicenses to your Authorized Medical Practice (defined below), this Franchise Agreement does not grant you the right or option to open any additional Franchised Businesses or any right to sublicense or subfranchise any of the rights we grant you in this Franchise Agreement. You may only open an additional Franchised Business under a separate franchise agreement with us, which we may grant in our sole discretion.

As part of accepting our grant for you to own and/or operate a Franchised Business, you hereby represent that: (i) you have received a copy of our current franchise disclosure document; (ii) you are aware of the fact that other present or future franchisees of ours may operate under different forms of agreement and consequently that our obligations and rights with respect to our various franchisees may differ materially in certain circumstances; and (iii) you are aware of the fact that we may have negotiated terms or offered concessions to other franchisees and we have no obligation to offer you the same or similar negotiated terms or concessions.

2.2 **Clinic Management Business**

If your Franchised Business is in a state that limits the ownership and operation of medical practices to companies owned by licensed physicians or other licensed medical professionals, the Clinic must be operated by a professional corporation, professional limited liability company or other professional entity authorized to operate the Clinic and offer and provide the approved products and services to patients (an "Authorized Medical Practice"), and your Franchised Business will provide management, administrative, marketing and clinic facility-based services ("Management Services") to the Authorized Medical Practice as a "Clinic Management Business." You will enter into a management agreement with the Authorized Medical Practice ("Management Agreement"), which must be approved by us, where you will provide the Authorized Medical Practice with non-clinical Management Services. We must approve the Authorized Medical Practice, and the Authorized Medical Practice will be identified in Attachment A to this Franchise Agreement. Additionally, we reserve the right to require you and your Authorized Medical Practice to enter into Medical Practice Management Addendum ("MPMA") with us which describes the services and obligations that the Authorized Medical Practice will provide.

If you operate a Clinic Management Business, the Authorized Medical Practice, acting through its licensed physician owner(s) or duly designated medical director, shall control the provision of approved products and services and be solely responsible for employing and directing all Authorized Medical Personnel, including nurses, technicians, nurse practitioners, physicians, general practitioners and other urgent care professionals who will offer the actual medical services at the Clinic. If you operate a Clinic Management Business, you acknowledge and agree that: (i) you are prohibited from offering and providing the approved products and services or otherwise supervising, directing, controlling or suggesting to the Authorized Medical Practice or its Authorized Medical Personnel with respect to how the Authorized Medical Practice provides approved products and services; (ii) you will be permitted to sublicense limited portions of the System and Marks to an Authorized Medical Practice subject to the terms of the Management Agreement; (iii) the provisions of this Franchise Agreement governing the use of the System and Marks apply equally to you and your Authorized Medical Practice; and (iv) you are solely responsible for ensuring your Authorized Medical Practice utilizes the System and Marks in compliance with this Franchise Agreement.

We have provided you with a standard form of Management Agreement in the franchise disclosure document; however, you understand and agree that it is your sole responsibility that the Management Agreement between you and the Authorized Medical Practice is consistent and in compliance with applicable federal and state laws, regulations, rules and ordinances. You acknowledge and agree that you must retain a lawyer, licensed in the state where the Clinic will be located, and familiar with applicable healthcare laws, to advise you on the Management Agreement and its compliance with applicable federal and state health laws and regulations. We may require you to obtain our written approval prior to negotiating different fee provisions than those provided in the sample Management Agreement. We reserve the right to approve the final Management Agreement prior to its execution. However, you agree that our written approval of your Management Agreement is not a representation or warranty respecting its compliance with any laws or regulations but is merely to ensure it comports with our System standards.

You agree to ensure that the types of services offered by the Authorized Medical Practice are limited to those in accordance with and pursuant to this Franchise Agreement, and that the Clinic is operated in accordance with the Management Agreement. You agree to have a Management Agreement in effect with an Authorized Medical Practice at all times during the operation of the Franchised Business. We reserve the right to require you to change the Authorized Medical Practice operating the Clinic, and we also reserve the right to require you obtain our written approval prior to changing the Authorized Medical Practice. In the event the Management Agreement with the Authorized Medical Practice is terminated during the Term, you must enter into a new Management Agreement with a replacement Authorized Medical Practice as soon as practicable, but in no event later than sixty (60) days after you provide or receive notice that the Management Agreement with the original Authorized Medical Practice is being terminated or you will be in breach of this Franchise Agreement.

Healthcare Business

If your Medi-Weightloss Healthcare Business is in a state that does not limit the ownership and operation of medical practices to licensed professionals, or if you are a licensed professional or otherwise qualify to directly operate a medical practice, we may waive the requirement that you enter into an MPMA and Management Agreement, and permit you to both manage and operate your Medi-Weightloss Healthcare Business ("Healthcare Business"). In operating a Healthcare Business, you agree to perform all responsibilities and obligations of both the Clinic Management Business and Authorized Medical Practice.

2.3 Existing or Outside Business

We may permit you to offer competitive services through another business. If you operate such an additional business, you agree to execute either the Existing Business Addendum provided in our franchise disclosure document. If required by us, you must provide us with an opinion from your healthcare attorney either reflecting that the applicable addendum complies with the applicable laws, or an opinion on what clauses must be modified to achieve compliance. It is your responsibility to ensure that your Franchised Business complies with all applicable laws.

3. FRANCHISEE AS ENTITY

3.1 Entity Representations

For purpose of this Franchise Agreement, "Owner(s)" means any person holding a direct or indirect ownership interest (whether of record, beneficially, or otherwise) or voting rights in you, this Franchise Agreement, or the Franchised Business. If you are a corporation, partnership, limited liability company or other form of business entity ("Entity"), you agree and represent that:

3.1.1 Authority. You have the authority to execute, deliver, and perform your obligations under this Franchise Agreement and all related agreements and are duly organized or formed, validly existing, and in good standing under the laws of the state of your incorporation or formation.

3.1.2 Company Documents. At our request, you will furnish copies of all documents and contracts governing the rights and obligations of your Owners (such as, Articles of Incorporation or Organization and partnership, operating or shareholder agreements or similar documents, the "Company Documents"). You will not alter, change, or amend your Company Documents, without obtaining our prior written approval, which approval we will not unreasonably deny or withhold, and will grant if such changes will not prevent you from performing your obligations under this Franchise Agreement.

3.1.3 Transfer Restrictions. Your Company Documents will recite that this Franchise Agreement restricts the issuance and transfer of any ownership interests in you, and all certificates and other documents representing ownership interests in you will bear a legend referring to this Franchise Agreement's restrictions.

3.1.4 Naming. You agree not to use the name "Medi-Weightloss" or any similar wording in the name of your Entity.

3.1.5 Owner Identification. You certify that Attachment B to this Franchise Agreement completely and accurately describes all of your Owners and their interests in you as of the Effective Date. You agree to sign and deliver to us a revised Attachment B to reflect any permitted changes in the information that Attachment B now contains.

3.1.6 Franchise Owner Agreement. All Owners must sign the Franchise Owner Agreement, attached as Attachment C to this Franchise Agreement. You agree that, if any person or Entity ceases to be one of your Owners, or if any individual or Entity becomes an Owner of you (such ownership change must comply with the "Transfer Conditions" discussed later in this Franchise Agreement), you will require the new Owner to execute all documents required by us, including the Franchise Owner Agreement.

3.1.7 No Offerings. You agree that you will not offer any securities (in a public or private offering or otherwise) or engage in any type of fundraising (like crowdfunding) without our prior written consent, which may be withheld in our sole discretion.

3.1.8 Healthcare Business. If you intend to operate a Healthcare Business, you acknowledge and agree that your entity is legally permitted to perform the obligations of an Authorized Medical Practice under applicable law in your state or municipality. If for any reason, not limited to but including, changes in applicable law and loss of applicable licenses, you lose the ability to legally perform the obligations of an Authorized Medical Practice, you must immediately cease operations, and convert your Franchised Business to a Clinic Management Business. You may only restart operations after successfully converting to a Clinic Management Business.

4. TERRITORIAL RIGHTS AND LIMITATIONS

We will grant you a designated territory ("Territory") consisting of a geographic area where we will not operate, or grant a franchise or license to a third party to operate, a Franchised Business that is physically located in your Territory, except as otherwise provided in this Section. If we grant you a designated Territory, it will consist of the geographic area identified in Attachment A. We, and our affiliates, have the right to operate, and to license others to operate, Franchised Businesses at any location outside the Territory, even if doing so will or might affect your operation of your Franchised Business.

We retain all territorial rights not expressly granted to you. This includes, but is not limited to, the right to (i) to own, franchise, or operate Franchised Businesses at any location outside of the Territory, regardless of the proximity to your Franchised Business; (ii) to use the Marks and the System to sell any products or services, similar to those which you will sell, through any alternate channels of distribution within or outside of the Territory, including, but not limited to, other channels of distribution such as television, mail order, catalog sales, wholesale to unrelated retail outlets, or over the Internet; (iii) to use and license the use of other proprietary and non-Marks or methods which are not the same as or confusingly similar to the Marks, at any location, including within the Territory, which may be similar to or different from your Franchised Business; (iv) to engage in any transaction (including purchases, mergers or conversions), involving the System or a new system, with any business, including businesses that directly or indirectly compete with your Franchised Business, regardless of their location, provided that any competing businesses located inside your Territory will not operate under the Marks; (v) to implement multi-area marketing programs which may allow us or others to solicit or sell to customers anywhere; (vi) to engage in any other business activities not expressly prohibited by this Franchise Agreement. We are not required to pay you compensation for soliciting or accepting orders inside your Territory, or for exercising any of our rights within or outside of your Territory.

5. TERM AND RENEWAL

5.1 Generally

The term of this Franchise Agreement will begin on the Effective Date and continue for 10 years ("Term"). If this Franchise Agreement is the initial franchise agreement for your Franchised Business, you may enter into a maximum of 2 successor franchise agreements (a "Successor Franchise Agreement"), as long as you meet the conditions for renewal specified below. The Successor Franchise Agreement shall be the current form of franchise agreement we use in granting Medi-Weightloss franchises as of the expiration of the Term. The terms and conditions of the Successor Franchise Agreement may vary materially and substantially from the terms and conditions of this Franchise Agreement. Each successor term will be 5 years. If you are signing this Franchise Agreement as a Successor Franchise Agreement, the references to "Term" shall mean the applicable renewal term of the Successor Franchise Agreement. Except as otherwise provided in this Section, you will have no further right or obligation to operate your Franchised Business following the expiration of the successor term unless we grant you the rights to enter into another franchise agreement, in our sole discretion. If you are entering into a Successor Franchise Agreement, the renewal provisions in your initial franchise agreement will dictate the length of the Term of this Franchise Agreement, and your remaining rights to enter into Successor Franchise Agreements, if any.

5.2 Renewal Requirements

To enter into a Successor Franchise Agreement, you must:

5.2.1 Notice. Notify us in writing of your desire to enter into a Successor Franchise Agreement not less than 60 days nor more than 180 days before the expiration of the Term;

5.2.2 No Defaults. Not be in default under this Franchise Agreement or any other agreement with us or any affiliate of ours at the time you send the renewal notice or the time you sign the Successor Franchise Agreement and you must not have received more than three separate written notices of default from us in the 12 months before your renewal notice or at the time you sign the Successor Franchise Agreement;

5.2.3 Successor Franchise Agreement. Sign the Successor Franchise Agreement and all ancillary documents we require franchisees to sign and maintain the Management Agreement with the Authorized Medical Practice, or enter into a new Management Agreement with a replacement Authorized Medical Practice which we approve (if applicable), or otherwise enter into our then-current Management Agreement Waiver Amendment;

5.2.4 General Release. Sign and have each of your Owners sign current form of general release which contains a release of all known and unknown claims against us and our affiliates and subsidiaries, and our and their respective members, officers, directors, agents and employees, in both their corporate and individual capacities;

5.2.5 Successor Franchise Fee. Pay us a non-refundable successor franchise fee of $5,000 ("Successor Franchise Fee");

5.2.6 Premises. Have the right under your lease to maintain possession of the Premises for the duration of the successor term;

5.2.7 Renovations. You must also make any renovations, refurbishments and modernizations to the Premises and the Franchised Business as necessary at your own expense to meet our then-current System standards for a newly opened Franchised Business. We will provide you with the required timeframe for doing so. Such requirements could include changes to the design, equipment, signs, décor, inventory, fixtures, furnishings, trade dress, presentation of Marks, supplies and other products and materials used in the Franchised Business.

5.2.8 Additional Actions. Take any additional actions we reasonably require.

5.2.9 Modifications. At least 60 days but not more than 180 days before the expiration of the Term, you must renovate, upgrade any equipment, tools, technology and other operations to comply with our then-current standards and specifications.

5.3 Interim Term

If you do not sign a Successor Franchise Agreement after the expiration of the Term and you continue to accept the benefits of this Franchise Agreement, then, at our option, this Franchise Agreement may be treated either as: (i) expired as of the date of the expiration meaning you are operating the Franchised Business without a valid franchise agreement in violation of our rights; or (ii) continued on a month-to-month basis ("Interim Term") until either party provides the other party with 30 days' prior written notice of their intention to terminate the Interim Term. In the latter case, all of your rights and obligations will remain in full force and effect during the Interim Term as if this Franchise Agreement had not expired (except your right to enter into any Successor Franchise Agreement(s), which will be null and void), and all obligations, restrictions and covenants imposed on you upon the expiration or termination of this Franchise Agreement will be deemed to take effect upon the termination of the Interim Term. Except as permitted by this Section, you have no right to continue to operate your Franchised Business following the expiration of the Term.

6. FEES

6.1 Late Fee

If any sums due under this Franchise Agreement have not been received by us when due then, in addition to those sums, you must pay us a "Late Fee" of $100 per occurrence, plus the daily equivalent of eighteen percent (18%) per year simple interest or the highest rate allowed by law, whichever is less ("Interest") on the late amounts. If we have not specified a due date, then interest accrues from the date payment would otherwise be due until payment is received in full.

6.2 Payment Methods

You must complete our automated clearing house (ACH) authorization form allowing us to electronically debit a bank account you designate ("Franchise Account") for: (i) all fees payable to us under this Franchise Agreement (other than the Initial Franchise Fee); and (ii) any other amounts you owe to us or any of our affiliates including, but not limited to, those owed for the purchase of products or services. We will debit your Franchise Account for these payments on or after the due date. You must sign and deliver to us any other documents we or your bank may require authorizing us to debit your Franchise Account for these amounts.

You must deposit all revenue you generate from operating your Franchised Business into the Franchise Account. You must make sufficient funds available for withdrawal from the Franchise Account by electronic transfer before each due date. If any check or electronic payment is unsuccessful due to insufficient funds, stop payment or any similar event, any excess amounts you owe will be payable upon demand, together with a non-sufficient funds fee of $100 per occurrence plus Interest on any late amounts. We reserve the right to periodically specify (in the Franchise Operations Manual or otherwise in writing) different required payment methods for any payment due to us or our affiliates.

6.3 Payment Frequency

We reserve the right to periodically specify (in the Franchise Operations Manual or otherwise in writing) different payment frequencies (for example, weekly/biweekly/monthly payments) for any payment or fee due to us or our affiliates.

6.4 Application of Payments

We have sole discretion to apply any payments from you to any past due indebtedness of yours or in any other manner we feel appropriate. We are not obligated to follow any instructions you provide for allocation of the payments.

6.5 Payment Obligations

Your requirement to pay us and/or our affiliates the fees under this Franchise Agreement is absolute and unconditional. This obligation will remain effective throughout the entire duration of the Franchise Agreement and will continue until all fees are paid. You have no right to offset any fees paid to us and must pay us all fees regardless of any claims you may have against us. We will have the right, at any time before or after termination of this Franchise Agreement, without notice to you, to offset any amounts or liabilities you may owe to us against any amounts or liabilities we may owe you under this Franchise Agreement or any other agreement, loan, transaction or relationship between the parties. Without limiting the generality of the foregoing, you agree that you will not, on grounds of the alleged nonperformance by us of any of our obligations, withhold any fees due to us or our affiliates or amounts due to us for purchases by you or any other amounts due to us.

6.6 Gross Sales

For purposes of this Franchise Agreement, "Gross Sales" means the total of all of your revenue, sales, and other income and consideration of the Medi-Weightloss Healthcare Clinic (whether operated by you or an Authorized Medical Practice), including the revenue generated from the sale of all products, and services offered at or from the Medi-Weightloss Healthcare Clinic, and all other income or revenue of every kind and nature related to, derived from, or originating from the Medi-Weightloss Healthcare Clinic, whether at retail or wholesale, including off-premises services, mobile clinics, and temporary locations (whether these sales are permitted or not), and proceeds of any business interruption insurance policies, whether any of the products or services are sold for cash, check, or credit, and regardless of collection in the case of check or credit. You may deduct from Gross Sales for purposes of this computation (but only to the extent they have been included) the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to patients, if the taxes are separately stated when the patient is charged and if the taxes are paid to the appropriate taxing authority. You may deduct from Gross Sales the amount of any charged tips collected and remitted to your employees. You may also deduct from Gross Sales the amount of any documented refunds, chargebacks, credits, and allowances you give in good faith to your patients; however, we reserve the right to include in Gross Sales any such amounts that we determine, in our reasonable business judgment, to be materially disproportionate to the standard operating procedures or historical performance of the System. All barter or exchange transactions in which you furnish products or services in exchange for products or services provided to you by a vendor, supplier or patient will, for the purpose of determining Gross Sales, be valued at the full retail value of the products or services so provided to you. All receipts from any services you offer are included in Gross Sales. We reserve the right to institute policies in the Franchise Operations Manual or otherwise in writing and from time to time, regarding the inclusion in Gross Sales of any pre-paid goods or services (including, without limitation, gift cards and gift certificates) and their delivery and redemption.

6.7 **Initial Franchise Fee**

You agree to pay us the "Initial Franchise Fee" listed in Attachment A in one lump sum when you sign this Franchise Agreement. The Initial Franchise Fee is fully earned by us and is non-refundable once this Franchise Agreement has been signed. If this Franchise Agreement is the renewal of a prior franchise agreement with us for an existing Franchised Business or the transfer of the Franchised Business from another franchisee, then no Initial Franchise Fee is due.

6.8 **Royalty Fee**

You agree to pay us a royalty fee ("Royalty Fee") equal to the greater of $2,250 per month or 10% of Gross Sales during the previous month, beginning the earlier of the month you open your Medi-Weightloss Clinic or the 12th month after you sign the Franchise Agreement. If you have not opened your Medi-Weightloss Clinic by the 12th month after signing your Franchise Agreement, you will pay the monthly minimum Royalty. The Royalty Fee is due on the 15th day of each month (or such other date as we designate in the Franchise Operations Manual or otherwise in writing).

6.9 **System Branding Contribution**

You must pay a "System Branding Contribution" in the amount we specify in our Franchise Operations Manual, currently the greater of $250 per month or 1% of Gross Sales during the previous month. The System Branding Contribution will be used for the Medi-Weightloss system development fund ("System Development Fund") to promote awareness of our brand and to improve our System. We reserve the right to increase the System Branding Contribution to up to 2% of month Gross Sales upon 30 days' written notice to you.

6.10 **Technology Fee**

If implemented and upon at least thirty (30) days' prior written notice, you must pay us our then-current technology fee (the "Technology Fee"), which is currently $500 per month, throughout the Term of this Franchise Agreement. The Technology Fee is an ongoing fee for access to and use of certain technology and technology-enabled services designated by us for the operation of the Franchised Business, which may include without limitation: proprietary and/or third-party software platforms; electronic medical record and practice management tools; reporting and analytics; data storage and backups; cybersecurity and access controls; system integrations and application programming interfaces (APIs); and related updates, enhancements, and support.

We may, in our sole discretion, require you to use, implement, replace, or discontinue particular software, platforms, systems, and technology standards for the Franchised Business, and we may update those requirements from time to time. Changes to required technology, vendor pricing, or third-party fees (including hosting, licensing, data storage, security, payment processing, communications, and integration) may affect the Technology Fee. You will be responsible for any increases in costs or fees attributable to upgrades, modifications, replacements, or additional software, services, or systems required by third-party vendors or by us.

We may modify the Technology Fee upon written notice to you; provided, however, that we will not increase the Technology Fee by more than ten percent (10%) in any calendar year, and the Technology Fee will not exceed $1,500 per month.

In addition to the Technology Fee, you must obtain and pay for any then-current technology-related business solutions and services that we require or approve for the Franchised Business (collectively, "Technology Solutions") from us, our affiliates, or approved suppliers. Technology Solutions may include, without limitation, telephone/communications systems, internet and network equipment, security and surveillance systems, scheduling and appointment systems, employee shift/task management tools, inventory and supply management solutions, patient/customer engagement tools, and any other technology solutions we specify in the Franchise Operations Manual or otherwise in writing. We reserve the right to upgrade, modify, replace, or add new Technology Solutions, which may result in additional initial and ongoing expenses for which you will be responsible, including any increases in fees charged by third-party providers.

We may, in our discretion, (a) require you to contract directly with approved suppliers for Technology Solutions, or (b) procure and/or administer certain Technology Solutions on your behalf and either include the applicable third-party fees within the Technology Fee or invoice you separately, and remit payment to suppliers.

6.11 **Initial Package**

You must purchase the "Initial Package" from us. You will pay us a non-refundable payment in the amount listed on Attachment A at the earlier of the time you initiate the order of the Initial Package or six weeks prior to your scheduled opening date. A complete list of Initial Package items is attached as Attachment A-2 to Attachment A.

6.12 **Additional Product and Service Offerings Fees**

Throughout the Term of the Franchise Agreement, we may introduce new optional or required products and services for you to offer through your Franchised Business. You may incur additional expenses in connection with your offering these additional products and services including but not limited to supply purchases, construction costs, and training fees.

If you choose, or we require you, to offer IV nutritional therapy through your Franchised Business, you will pay us a $3,500 IV program implementation and training fee ("IV Program Training Fee") plus an initial package fee ("IV Initial Package Fee") of $8,000. The IV Program Training Fee and IV Initial Package Fee are uniform, fully earned by us once paid and are non-refundable under any circumstances.

If you choose, or we require you, to offer hormone replacement therapy ("HRT") through your Franchised Business and your personnel has not received appropriate training, you will pay our designated supplier their then-current HRT program implementation and training fee ("HRT Program Training Fee"), currently $2,010.

If you choose to utilize our "Contact Center Services" for lead management-related calls for your Medi-Weightloss Business, you will pay us a monthly fee based on the services you select under our Contact Center Services Addendum.

6.13 Marketing Automation

We require you pay to us a marketing automation fee for automated operational messaging via text message to patients. The marketing automation fee is between $100 to $500 per month, payable beginning when you open your Medi-Weightloss Clinic ("Marketing Automation Fee").

6.14 Team Tailor Applicant Tracking System

You must pay us a one-time setup fee of $500 for the Team Tailor Tracking System ("Team Tailor Setup Fee"). This fee is due when you pay the Initial Package fee and is non-refundable under any circumstances.

6.15 Other Fees and Payments

You agree to pay all other fees, expense reimbursements, and all other amounts specified in this Franchise Agreement in a timely manner. You also agree to promptly pay us an amount equal to all taxes levied or assessed against us based upon products or services you sell or based upon products or services we furnish to you (other than income taxes we pay based on amounts).

6.16 CPI Adjustments to Fixed Fees

All fees expressed as a fixed dollar amount in this Franchise Agreement are subject to adjustment based on changes to the Consumer Price Index in the United States. We may periodically review and increase these fees based on changes to the Consumer Price Index ("CPI Increase"), but only if the increase to the Consumer Price Index is more than 5% higher than the corresponding Consumer Price Index in effect on: (a) the effective date of the Franchise Agreement (for the initial fee adjustments); or (b) the date we implemented the last fee adjustment (for subsequent fee adjustments). We will notify you of any CPI adjustment at least 60 days before the fee adjustment becomes effective. We will implement no more than one CPI Increase during any calendar year.

7. ESTABLISHING YOUR FRANCHISED BUSINESS

7.1 Opening

You must open your Franchised Business to the public within 12 months after the Effective Date. You may not open your Franchised Business before: (i) all required attendees have successfully completed the Owner/Manager Training and Professional Training; (ii) all required medical personnel have completed Professional Training; (iii) you purchase all required insurance and furnished us copies of all policies and certificates required under this Franchise Agreement, or other documentation of insurance coverage and payment of premiums we request; (iv) you obtain all required licenses, permits and other governmental approvals required to establish, open and operate the Franchised Business; (v) you have ordered, received, and installed your fixtures, equipment, supplies, inventory, and related materials; (vi) we provide our written approval of the construction, buildout and layout of your Premises; (vii) you receive our written approval; (viii) you provide written notification that all opening approvals and conditions in the Franchise Agreement have been met; and (ix) you have paid all amounts due to us. Once we provide notice that your Franchised Business is ready for opening, you must be prepared to immediately open and operate your Franchised Business.

If this is your first Medi-Weightloss Healthcare franchise, we will provide you with an opening team of at least one team member ("Opening Team") for a two to four day on-site visit of the Medi-Weightloss Healthcare Clinic that you operate or manage, for the opening of the Medi-Weightloss Healthcare Clinic. We may provide additional Opening Team members or additional days upon request in our discretion. Our Opening Team's expenses are covered by the Training Fee. If you believe we have failed to adequately provide pre-opening services or training to you as provided in this Franchise Agreement, you shall notify us in writing within 30 days following the opening of the Franchised Business. If you do not provide such notice in a timely manner, it will be viewed as you conclusively acknowledging that all pre-opening and opening services and training required to be provided by us were sufficient and satisfactory in your judgment. You acknowledge and agree that you will not open the Franchised Business (or, if applicable, permit the Authorized Medical Practice to open the Clinic) until you have received all required state and local government certifications, permits, and licenses necessary for the operation of the Franchised Business, and the Authorized Medical Practice has received all required state and local government certifications, permits and licenses necessary for the operation of a Clinic, including any required licenses and certifications for its personnel.

7.2 Site Selection

We will provide you with advice and general specifications, and if requested a list of vendors, for identifying a suitable location for the Premises, if a suitable Premises has not been agreed upon by the Effective Date.

The Premises must conform to our minimum site selection criteria. You must send us a complete site report (containing the demographic, commercial and other information, photographs and videos we may reasonably require) for your proposed site. We may require that you obtain a feasibility study for the proposed site at your sole cost. We may accept or reject all proposed sites in our commercially reasonable judgment. We will use our best efforts to accept or reject a proposed site within 30 days after we receive all of the requisite materials. Your site is deemed disapproved if we fail to issue our written approval within the 30-day period. If we disapprove of the proposed site, you must select another site, subject to our consent. Our approval shall be evidenced by the execution of Attachment A-1 by you and us. You must only operate the Franchised Business at the location specified in Attachment A-1 and your Franchised Business may not offer products or services from any other location unless we expressly authorize in writing. You acknowledge that our approval of a site does not constitute a representation or warranty of any kind, express or implied, of the suitability of the site for the Premises. Our approval of the site indicates only that the site meets our minimum criteria. You agree to locate and obtain our approval of the Premises within 90 days after the Effective Date. If you do not obtain our approval for a site within 90 days of the Effective Date, we may, in our sole discretion, extend the deadline, require you engage the services of a professional real estate broker of our choosing, or terminate this Franchise Agreement.

7.3 Lease

If you lease the Premises, you must submit to us, in the form we specify, a description of the site, a proposed copy of the lease and such other information and materials we may reasonably require at least ten days before signing the lease. If you own, otherwise control the Premises, including the land, building and related real estate, or own 51% or more of an entity that owns, leases or otherwise controls the Premises, then you will, as the lessee, enter into a lease for the Premises for a term coextensive with the term of this Franchise Agreement. You will ensure the lease either: (1) contains the "Lease Addendum" that is attached to the franchise disclosure document; or (2) incorporates the terms of the Lease Addendum into the lease for the Premises. If your landlord refuses, we have the right to disapprove your lease, in which case you must find a new site for your Premises. You and the landlord must sign the lease and Lease Addendum within 90 days of the Effective Date.

We will only review the lease to determine that it complies with the terms of this Franchise Agreement and will not provide you with any business, economic, legal or real estate analysis or advice with regards to the lease. You are solely responsible for the terms of the lease and any site acceptance letter we provide for the lease does not provide any representation or warranty of any kind, express or implied, concerning the terms of the lease or the viability or suitability of the site for the Premises. You must promptly send us a copy of your fully executed lease and any Lease Addendum for our records. The lease may not be amended, assigned or terminated without our written approval. If the landlord terminates the lease for the Premises, that termination will constitute a breach of this Franchise Agreement.

7.4 Construction

We will provide you with specifications for the design and layout for a Premises. You must hire an architect (or a medical architect if required by your state) in order for any modifications to these plans to comply with all local ordinances, building codes, permits requirements, and lease requirements and restrictions applicable to the Premises. You must first review and accept the architect's drafted floor plan and submit your floor plan to us for our review and acceptance. Once we accept your floor plan, the architect must develop your full construction drawings for the Premises. Upon your review and acceptance, you must submit your construction drawings to us for our final review and approval. Once we accept your floor plan and approve your construction drawings, drawings and specifications may not be changed or modified without our prior written approval. Once accepted by us, you must, at your sole expense, construct and equip the Premises to the specifications contained in the Franchise Operations Manual and purchase (or lease) and install the equipment, fixtures, furnishings, signs and other items we require. All exterior and interior signs of the Premises must comply with the specifications we provide to you. We must approve the architects, contractors and other suppliers you use to construct your Premises. You agree to provide us with weekly status updates as to construction of the Premises. You acknowledge these requirements are necessary and reasonable to preserve the identity, reputation and goodwill we developed and the value of the Medi-Weightloss System. We must approve the layout of your Premises before opening. We may conduct a pre-opening inspection of your Premises and you agree to make any changes we require before opening.

7.5 Catastrophe

If your Premises is destroyed or damaged by fire or other casualty and the Term of this Franchise Agreement and the lease for your Premises has at least two years remaining, you will: (i) within 30 days after such destruction or damage of your Premises, commence all repairs and reconstruction necessary to restore the Premises to its prior condition to such casualty; or (ii) relocate the Premises under the relocation provisions in this Section and the Term shall be extended for the period from the date the Premises closed due to the destruction or damage until it reopens.

7.6 Use of Premises

You may not use your Premises or permit your Premises to be used for any purpose other than offering the products and services we authorize and you may only offer the products and services we authorize from your Premises. Notwithstanding the foregoing, if you have an Existing Business Addendum in place, you are permitted to share the Premises with the pre-existing business, provided that you follow all specific requirements related to the pre-existing business, including but not limited to, designating an area of the Premises for the exclusive use of providing products and services offered by a Medi-Weightloss Healthcare Clinic.

7.7 Relocation

You may relocate your Premises with our prior written approval, which we will not unreasonably withhold. You must provide us with at least 90 days' notice of your intent to relocate the Premises, and submit any proposed relocation site and lease, if applicable, to us, after which we shall have 30 days to review the proposed site and lease and either approve or disapprove of the proposed relocation. If we fail to issue our approval within the 30-day period, it will have the same effect as a rejection to the request.

If we allow you to relocate, you must: (i) comply with all requirements of the Franchise Agreement regarding the selection, construction and decoration your new Medi-Weightloss Premises; (ii) open your new Premises and resume operations within 30 days after closing your prior Premises; and (iii) reimburse us for our actual expenses in effectuating the relocation (including attorney fees and costs). You may not relocate your Premises outside of your Territory without our prior written approval, which we may withhold in our sole discretion. We may require that your Territory be modified as a condition to our approval of you relocating your Premises. Upon our approval of the relocation of your Premises, Attachment A-1 shall be updated with the new location (and Territory, if necessary), and the remainder of this Franchise Agreement shall remain in full force and effect. You agree to fully de-identify the former location of the Franchised Business in accordance with our requirements at your sole cost and expense.

8. TRAINING AND CONFERENCES

8.1 Owner/Manager Training

Upon execution of this Franchise Agreement, you will pay us non-refundable training fee of $15,000 (the "Training Fee"). In exchange for the Training Fee, we will provide our initial training program ("Owner/Manager Training") for up to three people, including your Responsible Owner and Franchise Managers (both defined below), so long as all persons attend the Owner/Manager Training simultaneously, and an Opening Team to provide Opening Team Training as described in Section 7.1. The Owner/Manager Training must be completed prior to the date that your Franchised Business is scheduled to open. You must pay us our then-current training fee (currently not charged) as specified in our Franchise Operations Manual for: (i) each additional person that attends our Owner/Manager Training before you open; (ii) each additional person that attends after you open your Franchised Business (such as a replacement Responsible Owner or any Franchise Manager); and (iii) any person who must retake training after failing to successfully complete training on a prior attempt. We reserve the right to vary the length and content of the Owner/Manager Training as we deem appropriate in our sole discretion based on the experience of the attendee. We reserve the right to select when you will attend the Owner/Manager Training and may delay your attendance until a suitable time near the grand opening date for your Franchised Business in our sole discretion.

8.2 Professional Training

At least two Authorized Medical Personnel (one physician and one other licensed medical professional), must complete our then-current medical training ("Professional Training") prior to opening your Franchised Business. We may provide Professional Training for up to two physicians or medical professionals and other employees or independent contractors that we require if all attendees attend the Professional Training at the same time.

8.3 Additional Training

We may offer periodic refresher training courses or develop additional training courses. Attendance at these training programs may be optional or mandatory. You may be required to pay the then-current fee for this training as specified in our Franchise Operations Manual. We also reserve the right to require you or your Authorized Medical Personnel to attend additional medical training.

8.4 Requested Training

Upon your written request, we may provide additional assistance or training to you at a mutually convenient time. You may be required to pay the then-current fee for this training as specified in our Franchise Operations Manual.

8.5 Remedial Training

If we determine, in our sole discretion, that you are not operating your Franchised Business in compliance with this Franchise Agreement and/or the Franchise Operations Manual, we may require that you, your employees and other designees attend remedial training relevant to your operational deficiencies. You must pay us the then-current training fee as specified in our Franchise Operations Manual. You may be required to pay us the then-current training fee as specified in our Franchise Operations Manual.

8.6 Conferences

We may hold periodic national or regional conferences to discuss various business issues and operational and general business concerns affecting Medi-Weightloss franchisees. Attendance at these conferences may be mandatory or optional. We also reserve the right to restrict franchisees from attending based on past performance, previous defaults and other factors in our sole discretion. You are responsible for paying our then-current conference fee, whether you attend a conference or not.

8.7 Training Expenses

You are solely responsible for all expenses and costs that your trainees incur for all trainings and conferences under this Section, including wages, travel, lodging, food and living expenses. Your Training Fee covers the expenses and costs we incur to travel to your Franchised Business under this Section. Any training fees we may charge must be paid to us within 15 days after invoicing.

9. OTHER FRANCHISOR ASSISTANCE

9.1 Franchise Operations Manual

We will lend you our confidential franchise operations manual ("Franchise Operations Manual") in text or electronic form for the Term of this Franchise Agreement. The Franchise Operations Manual will help you establish and operate your Franchised Business in accordance with the System. The information in the Franchise Operations Manual is confidential and proprietary and may not be disclosed to third parties without our prior written approval. The Franchise Operations Manual may be updated and modified throughout the Term, both formally through amendments to the Franchise Operations Manual and informally through email or other written materials we provide to you. You acknowledge that your compliance with the Franchise Operations Manual is vitally important to us and other System franchisees, because it is necessary to protect our reputation, the goodwill of the Marks, and maintain the uniform quality of the System.

You agree to establish and operate your Franchised Business strictly in accordance with the Franchise Operations Manual. The Franchise Operations Manual may contain, among other things: (i) a description of the authorized products and services you may offer at your Franchised Business; (ii) mandatory and suggested specifications, operating procedures, and quality standards for goods, products, services, that you use or offer at your Franchised Business; (iii) policies and procedures we prescribe from time to time for our franchisees; (iv) mandatory reporting and insurance requirements; (v) policies and procedures pertaining to any gift card program we establish; and (vi) a written list of furniture, fixtures, equipment, products and services (or specifications for such items) you must purchase for the development and operation of your Franchised Business and a list of any designated or approved suppliers for such items. The Franchise Operations Manual establishes and protects our brand standards and the uniformity and quality of the products and services offered by our franchisees. We can modify the Franchise Operations Manual at any time. The modifications will become binding as soon as we send you notice of the modification. All mandatory provisions in the Franchise Operations Manual (whether they are included now or in the future) are binding on you.

While the Franchise Operations Manual is intended to protect our reputation and goodwill of the Marks, you will be responsible for the day-to-day operation of your Franchised Business, and the Franchise Operations Manual is not designed to control the day-to-day operation of the Franchised Business.

9.2 General Guidance

We will, upon reasonable request, provide advice or guidance regarding your Franchised Business's operation based on reports or inspections or communications with you. We will provide reasonable marketing consulting, guidance and support throughout the Term we deem appropriate. Any advice will be given during our regular business hours and via written materials, electronic media, telephone or other methods, in our discretion. We will advise you regarding the Franchised Business's operation based on your reports to us and/or our direct or indirect observations, and we will provide guidance to you with respect to: (1) standards, specifications, and operating procedures and methods regarding management of the Clinic; (2) advertising and marketing materials and programs; and (3) administrative, bookkeeping, and accounting procedures. Additionally, if requested by you, and we agree to assist, we may provide guidance in locating and establishing a relationship with a physician and other professionals who may be necessary for the operation of your Franchised Business.

We maintain a staff to manage and operate the Medi-Weightloss System and our staff members can change as employees come and go. We cannot guarantee the continued participation by or employment of any of our shareholders, directors, officers, employees or staff.

9.3 **Website**

We will maintain a website for Franchised Businesses ("System Website") that will include the information about your Franchised Business we deem appropriate. We may modify the content of and/or discontinue the System Website at any time in our sole discretion. We are only required to reference your Franchised Business on our System Website while you are in full compliance with this Franchise Agreement and all System standards. We must approve all content about your Franchised Business and you must promptly notify us whenever any information regarding your Franchised Business changes or is not accurate. We will own the System Website (including any webpages for your Franchised Business) and domain names. We intend that any franchisee website will be accessed only through this System Website. We also may offer optional services to you including website optimization, pay per click campaigns, marketing services, recruiting services and e-signature services. If you elect to receive any of these services from us, you will pay us our then-current fee(s) for those services.

9.4 **Supplier Agreements**

We may, but are not required to, negotiate agreements with suppliers to obtain products or services for our franchisees. If we negotiate an agreement, we may arrange for you to purchase the products directly from the supplier. We may receive rebates from these suppliers based on your purchases. We may also purchase certain items from suppliers in bulk and resell them to you at our cost (including overhead and salaries), plus shipping fees and a reasonable markup, in our sole discretion.

10. MANAGEMENT AND STAFFING

10.1 **Owner Participation**

If you are an Entity, you must designate an Owner who will be principally responsible for communicating with us about the Franchised Business ("Responsible Owner"). If you are an individual, you are the Responsible Owner. The Responsible Owner must have the authority and responsibility for the day-to-day operations of your Franchised Business and must have at least 10% equity. You acknowledge that a major requirement for the success of your Franchised Business is the active, continuing and substantial personal involvement and hands-on supervision by your Responsible Owner. If you appoint a new Responsible Owner, the new Responsible Owner, must attend and successfully complete our then-current Owner/Manager Training and pay our then-current training fee.

10.2 **Franchise Managers**

You must hire two managers (one of which may be your Responsible Owner) to assume responsibility for the daily in-person on-site management and supervision of your Franchised Business ("Franchise Managers"), but only if: (i) we approve the Franchise Managers in our commercially reasonable discretion; (ii) the Franchise Managers successfully complete the Owner/Manager Training; and (iii) your Responsible Owner agrees to assume responsibility for the on-site management and supervision of your Franchised Business if one of the Franchise Managers is unable to perform his or her duties until such time that you obtain a suitable replacement Franchise Manager. We require that one of the Franchise Managers have an ownership interest in the legal entity of the Franchise owner of at least 10%. If you hire a new Franchise

Manager, the new Franchise Manager must attend and successfully complete our then-current Owner/Manager Training and pay our then-current training fee.

10.3 **Staff**

You must comply with all state and local laws and regulations regarding the staffing and management of a Clinic. You must pay all wages, commissions, fringe benefits, worker's compensation premiums and payroll taxes (and other withholdings levied or fixed by any city, state or federal governmental agency, or otherwise required by law) due for your and/or the Authorized Medical Practice's employees or as applicable, for your independent contractors. These employees and independent contractors will be your employees or contractors, not ours. We do not control the day-to-day activities of your employees or independent contractors or the manner in which they perform their assigned tasks. You must inform your employees and independent contractors you are exclusively responsible for supervising their activities and dictating the manner in which they perform their assigned tasks. In this regard, you must use your legal business entity name (not our Marks or a fictitious name) on all employee applications, paystubs, pay checks, employment agreements, consulting agreements, time cards and similar items.

You and/or the Authorized Medical Practice, as appropriate, shall have sole responsibility and authority for all employment-related decisions, including employee selection, promotion, firing, hours worked, rates of pay, benefits, work assignments, training and working conditions, compliance with wage and hour requirements, personnel policies, recordkeeping, supervision and discipline. We will not provide you with any advice or guidance on these matters. You must require your employees and independent contractors to review and sign any acknowledgment form we prescribe that explains the nature of the franchise relationship and notifies the employee or independent contractor that you are his or her sole employer. You must also post a conspicuous notice for employees and independent contractors in the back-of-the-house area explaining your franchise relationship with us and that you and/or the Authorized Medical Practice, as appropriate, are the sole employer (not us). We may prescribe the form and content of this notice. You agree that any direction you receive from us regarding employment/engagement policies should be considered as examples, that you alone are responsible for establishing and implementing your own policies, and that you understand that you should do so in consultation with local legal counsel competent in employment law.

10.4 **Assumption of Management**

10.4.1 Interim Manager. In order to prevent any interruption of operations which would cause harm to or depreciate the value of the Franchised Business, we have the right, but not the obligation, to step-in and designate an individual or individuals of our choosing ("<u>Interim Manager</u>") for so long as we deem necessary and practical to temporarily manage your Franchised Business ("<u>Step-In Rights</u>"): (i) if you violate any System standard or provision of this Franchise Agreement and do not cure the failure within the specified time period ; (ii) if we determine in our sole judgment that the operation of your Franchised Business is in jeopardy; (iii) if we determine in our sole discretion that operational problems require that we operate your Franchised Business; (iv) if you abandon or fail to actively operate your Franchised Business; (v) upon your Responsible Owner or your Franchise Managers' absence, termination, illness, death, incapacity or disability; (vi) if we deem your Responsible Owner or your Franchise Managers incapable of operating your Franchised Business; or (vii) upon a "<u>Crisis Management Event</u>."

A "<u>Crisis Management Event</u>" means any event or series of events that occurs at the Franchised Business that has or may cause harm or injury to customers or employees, or any other circumstance which may damage the System, Marks or image or reputation of the Franchised Business or us or our affiliates. We may establish emergency procedures which may require you to temporarily close the Franchised

Business to the public, in which case you agree that we will not be held liable to you for any losses or costs. You agree to notify us immediately by telephone and email upon the occurrence of a Crisis Management Event.

10.4.2 Step-In Rights. If we exercise the Step-In Rights: (i) you agree to pay us, in addition to all other amounts due under this Franchise Agreement, our then-current "Management Fee" (currently equal to $500 per day per Interim Manager that manages your Franchised Business), plus the Interim Manager's direct out-of-pocket costs and expenses; (ii) all monies from the operation of your Franchised Business during such period of operation shall be kept in a separate account, and the expenses of the Franchised Business, including compensation and direct out-of-pocket costs and expenses for the Interim Manager, shall be charged to said account; (iii) you acknowledge and agree that the Interim Manager will have a duty to utilize only reasonable efforts, and will not be liable to you or your Owners for any debts, losses, or obligations your Franchised Business incurs, or to any of your creditors for any supplies, products, or other assets or services your Franchised Business purchases, while Interim Manager manages it; (iv) the Interim Manager will have no liability to you except to the extent directly caused by its gross negligence or willful misconduct. We will have no liability to you for the activities of an Interim Manager unless we are grossly negligent in appointing the Interim Manager, and you will indemnify and hold us harmless for and against any of the Interim Manager's acts or omissions in operating the Franchised Business; and (v) you agree to pay all of our reasonable attorney fees, accountant's fees, and other professional fees and costs incurred as a consequence of our exercise of the Step-In Rights.

Nothing contained herein shall prevent us from exercising any other right which we may have under this Franchise Agreement, including, without limitation, termination.

11. SYSTEM DEVELOPMENT FUND

The System Development Fund is used to promote public awareness of our brand and to improve our System. You are required to pay the System Branding Contribution. The System Development Fund may be administered by us or our affiliate or designees, at our discretion. We may use the System Development Fund for any expenditure that we, in our sole discretion, deem necessary or appropriate to promote or improve the System or the Medi-Weightloss brand.

To illustrate, these may include, but are not limited to, the following: (i) developing, maintaining, administering, directing, preparing or reviewing advertising and marketing materials, promotions and programs, including social media management; (ii) raising public awareness of any of the Marks; (iii) improving public and consumer relations and publicity; (iv) brand development; (v) research and development of technology, products and services; (vi) website development (including social media) and search engine optimization; (vii) development and implementation of quality control programs and other reputation management functions; (viii) conducting market research; (ix) changes and improvements to the System; (x) covering the fees and expenses of any advertising agency we engage to assist in producing or conducting advertising or marketing efforts; (xi) collecting and accounting for System Development Fund Contributions; (xii) preparing and distributing financial accountings of the System Development Fund; (xiii) conducting quality assurance programs and other reputation management functions; (xiv) local consumer marketing specifically intended to drive traffic to one or more locations, whether opened by us or a franchisee; and (xv) paying our and our affiliates' expenses associated with direct or indirect labor, administrative, overhead, or other expenses incurred in relation to any of these activities.

We have sole discretion in determining the content, concepts, materials, media, endorsements, frequency, placement, location, and all other matters pertaining to any of the previously listed activities. Any surplus amounts in the System Development Fund may be invested. Any unused funds collected in any calendar year will be applied to the following year's funds, and we reserve the right to contribute or loan additional funds to the System Development Fund on any terms we deem reasonable. The System Development Fund is not a trust, and we have no fiduciary obligations to you regarding our administration of the System Development Fund. An unaudited financial accounting of the operations of the System Development Fund, including deposits into and disbursements from the System Development Fund, will be prepared annually and provided to you upon written request.

We do not ensure that our expenditures from the System Development Fund in a particular geographic area are proportionate or equivalent to the System Branding Contribution by our franchisees operating in that geographic area or that any of our franchisees benefit directly or in proportion to their System Branding Contribution. We reserve the right to change, merge, re-form or dissolve the System Development Fund in our discretion. If the System Development Fund is dissolved, all unspent monies on the date of dissolvement will be distributed to franchisees in proportion to their respective contributions to the System Development Fund during the preceding 12-month period. We will not use the System Development Fund for advertising principally for the solicitation and sale of Franchises, but we reserve the right to include a notation in any advertisement or website indicating "franchises available" or similar phrasing. We may, upon 30 days' prior written notice to you, reduce or suspend System Branding Contribution and operations for one or more periods of any length and terminate and/or reinstate the System Development Fund. We will spend all amounts before any termination of the System Development Fund.

12. FRANCHISEE MARKETING AND ADVERTISING

12.1 Standards

All advertisements and promotions you create or use must be completely factual, conform to the highest standards of ethical advertising, comply with all federal, state and local laws, rules and regulations, and comply with our standards in the Franchise Operations Manual. You must ensure that your advertisements and promotional materials do not infringe upon the intellectual property or legal rights of others.

12.2 Promotional Programs

We may periodically create advertising and sales promotion programs and materials to enhance the collective success of all Medi-Weightloss franchisees operating under the System. You must participate in all advertising and sales promotion programs in accordance with the terms and conditions that we specify. These promotional programs may require that you offer products or services at no charge or discounted rates. We may also request you purchase and use advertisements and promotional materials we designate for your Franchised Business. If you choose to obtain optional template and automation services, you will pay the then-current fee. Template and automation services refer to a service where we or our vendor provides advertisers access to a portal that allows for on-demand local customization to marketing templates and/or automated marketing campaigns.

12.3 Marketing Materials

You must order any sales and marketing material from us, or our designated suppliers (which may be an affiliate), that we require. We may create advertising and other marketing materials, and make these available to you. We may charge you for these materials. We may make these materials available over the Internet (in which case you must arrange for printing the materials and paying all printing costs). We may also enter into relationships with third party suppliers who will create the advertising or marketing materials for your purchase. If you request any modifications to the marketing materials provided by us, you must pay us our then-current modification fee.

12.4 **Approval**

We must approve all advertising and promotional materials we did not prepare or previously approve (including materials we prepared or approved and you modify) before you use them. We will be deemed to have disapproved the materials if we fail to issue our approval within 14 days after receipt. You may not use any advertising or promotional materials that we have disapproved (including materials that we previously approved and later disapprove).

12.5 **Grand Opening Marketing Campaign**

You must pay to us a one-time fee of $15,000 for your pre-opening Grand Opening Marketing Campaign which shall be due at the same time you pay for the Initial Package.

12.6 **Local Advertising Requirement**

In addition to your required System Branding Contribution and Grand Opening Marketing Campaign, you must spend $5,000 per month on local advertising for your Franchised Business ("Local Advertising Requirement"). We measure your compliance with the Local Advertising Requirement on a rolling six-month basis, meaning that as long as your average monthly expenditure on local advertising over the six-month period equals or exceeds $5,000, you will be deemed in compliance even if your expenditure in any given month is less than $5,000. If you fail to spend the Local Advertising Requirement, you will be required to pay the difference between the amount you spent and your Local Advertising Requirement to us, which we will then spend on your behalf. You agree to participate at your own expense in all advertising, promotional and marketing programs we require, which may require that you offer products or services for sale at discounted prices or at no charge. Additionally, we require you pay to us the Marketing Automation Fee described in Section 6 for automated operational messaging via text message to patient.

12.7 **Online Advertising**

You may not maintain a separate website, conduct e-commerce, or otherwise maintain a presence on the Internet in connection with your Franchised Business without our express written permission, which we may revoke at any time, in our sole discretion. Any website we permit you to establish will be subject to all of your marketing and advertising requirements under this Franchise Agreement and the Franchise Operations Manual. If you wish to utilize social media or advertise online, you must follow our online policy contained in our Franchise Operations Manual. Our online policy may change as technology and the Internet changes. We may require that you utilize our designated supplier for social media marketing services, at your expense. You may not use the Marks in any fundraising campaign, including crowdfunding. We may restrict your use of social media. We restrict your ability to independently market on the Internet, and we may not allow you to use any domain name, address, locator, link, metatag or search technique with words or symbols similar to the Marks.

12.8 **Advertising Cooperative**

You must participate in any advertising cooperative that we require for the purpose of creating and/or purchasing advertising programs for the benefit of all franchisees operating within a particular region. Members of the cooperative will be responsible for administering the cooperative, including determining the amount of contributions from each member. However all members shall contribute equally, and the contributions will not exceed $20,000 per year. We may require that each cooperative operate with governing documents and prepare annual unaudited financial statements. We may form, change, dissolve or merge any advertising cooperative. Your participation in any cooperative must be in compliance with the provisions of the Franchise Operations Manual, which we may periodically modify at our discretion. We have the right to determine the composition of all geographic territories and market areas for each advertising cooperative. Franchisees in each cooperative will contribute an amount to the cooperative for each Franchised Business that the franchisee owns that exists within any cooperative's geographic area. Each Medi-Weightloss business we own that exists within the cooperative's area will contribute to the cooperative on the same basis as franchisees.

12.9 Advisory Council

We have established a national advisory council ("Council"). We may form, change, merge or dissolve the Council at any time, in our sole discretion, to advise us on advertising policies and to promote communications between us and all franchisees. The Council is governed by bylaws that specify that members of the Council consist of both franchisees and franchisor representatives and specify how members are selected, subject to any changes to such bylaws or structure we deem necessary in our sole discretion. The Council serves in an advisory capacity only. In order to be selected to serve on the Council, a franchisee must be in compliance with all of its agreements with us.

13. BRAND STANDARDS

13.1 Generally

You agree to operate your Franchised Business: (i) in a manner that will promote the goodwill of the Marks; and (ii) in full compliance with our standards and all other terms of this Franchise Agreement and the Franchise Operations Manual. Any required standards exist to protect our interests in the System and the Marks, and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. The required standards generally will be in the Franchise Operations Manual or other written materials and may be periodically modified over the Term. To protect our interests in the System and Marks, we reserve the right to determine if you are meeting a required standard and whether an alternative is suitable to any recommendations or guidelines.

13.2 Authorized Products and Services

The products or services offered by the Franchised Business are subject to change and we do not represent that your Franchised Business will always be permitted or required to offer all of the products or services currently offered. You agree to offer all products and services we require from time to time including new products and services that we innovate over the Term of this Franchise Agreement. You may not offer any other products or services at your Franchised Business without our prior written permission. Existing franchisees also may have the option to offer additional services ("Pilot Products and Services") under a pilot program ("Pilot Program"). We may also permit you to offer the Pilot Services under a "Test Services Pilot Program Amendment" attached to the Franchise Disclosure Document. If you opt to participate in a Pilot Program, all terms of this Franchise Agreement will apply, including royalty calculation. Currently, participation in Pilot Programs is not mandatory and can only be purchased after your Medi-Weightloss Clinic is established. You will not be required to pay an additional fee to participate, but you may be required to purchase some of the Pilot Products and Services from us, our affiliates, or approved third-party vendors. You may only participate in a Pilot Program and offer the Pilot Products and Services in your Territory and in accordance with the territorial rights granted to you under this Franchise Agreement.

If you will operate as a Clinic Management Business, you and we acknowledge and agree that the selection and use of any equipment and products used in connection with medical services provided by the Authorized Medical Practice to its patients will be subject to the Authorized Medical Practice's approval based on the professional opinion of the Authorized Medical Practices's physicians or comparable licensed medical personnel. For this reason, you must ensure that the Authorized Medical Practice endorses and utilizes the approved equipment products and services at the Clinic, so that the Franchised Business at all times offers and sells approved products and services only in the manner we have approved. If you or the Authorized Medical Practice wish to use any medical equipment or medical related product other than items that we have previously approved, you must first submit a written request for our approval, which we will not unreasonably withhold if the proposed medical equipment or medical product meets our standards and specifications, and any applicable rules or regulations, as determined by the Authorized Medical Practice's physician(s). We may, without obligation to do so, add, modify or delete authorized products and services, and you must do the same upon notice from us. You may incur additional expenses to offer new or remove current products or services. Our addition, modification or deletion of one or more products or services will not constitute a termination of this Franchise Agreement. You will not enter into any agreements with any third parties that can process orders for you on your behalf without our express written permission, which we may revoke at any time, in our sole discretion. We may, but are not required to, create Medi-Weightloss proprietary products for sale at your Franchised Business. Notwithstanding the foregoing, the Authorized Medical Practice's physicians will retain clinical autonomy and, at no time, will we, you or our affiliates attempt to or actually control, manage or otherwise dictate any medical services to be performed by any medical personnel to any patients or otherwise attempt to control the doctor-patient relationship or practice of medicine.

13.3 **Suppliers and Purchasing**

You agree to purchase or lease all products, supplies, equipment, services, and other items specified in the Franchise Operations Manual. If required by the Franchise Operations Manual, you agree to purchase or lease certain products and services only from suppliers designated or approved by us (which may include, or be limited exclusively to, us or our affiliates). You acknowledge that our right to specify the suppliers you may use and add or remove suppliers is necessary and desirable. This right allows us to control the uniformity and quality of products and services used, sold or distributed in connection with the development and ongoing operation of your Franchised Business, maintain the confidentiality of our trade secrets, obtain discounted prices for our franchisees if we choose to do so, and protect the reputation and goodwill associated with the System and the Marks. If we receive rebates or other financial consideration from these suppliers based upon your purchases or any other of our franchisee's purchases, we have no obligation to pass these amounts on to you or to use them for your benefit. If we do not require you to use a designated source or approved supplier for a particular item, you may purchase the item from any vendor you choose so long as your purchases conform to our System and specifications. We may restrict the sourcing of current and future items.

If you wish to purchase any items or supplies from a supplier we have not approved or wish to offer any new product or service we have not authorized in writing, you must send us a written notice specifying the supplier's name and qualifications or product or service information and provide any additional information we request. If we fail to issue our approval within the 30-day period, it will have the same effect as a rejection to the request. We do not charge you a fee for reviewing or evaluating a proposed supplier, but we also are not obligated to consider or evaluate a proposed supplier. We may revoke approval of any supplier, product or service in our sole discretion in which case you must stop purchasing from such supplier. At the time the Clinic opens for business, you will stock the initial inventory of supplies, equipment and materials prescribed by us and/or required by the Authorized Medical Practice. Thereafter, you will stock and maintain all types of supplies, equipment and materials which we prescribe or are required by the Authorized Medical Practice, in quantities sufficient to meet reasonably anticipated customer demand. Additionally, requirements relating to equipment and products to be used in connection with medical services provided to patients by the Authorized Medical Personnel will be subject to the Authorized Medical Practice's approval.

13.4 Equipment Maintenance and Changes

You agree to keep any equipment used in the operation of your Franchised Business in good condition and promptly replace or repair any equipment that is damaged, worn out or obsolete. We may require that you add new equipment or change, upgrade or replace your equipment, which may require you to make additional investments. You acknowledge that our ability to require franchisees to make significant changes to their equipment is critical to our ability to administer and change the System, and you agree to comply with any such required change within a reasonable time period designated by us, unless prohibited by applicable law.

13.5 Hours of Operation

You must keep your Franchised Business open for the minimum hours and minimum days of operation as specified in the Franchise Operations Manual, which may change over the Term. Your Franchised Business must be open during the days and hours provided in the Franchise Operations Manual, unless otherwise agreed to by us. We may require you to establish specific hours of operation and submit those hours to us for approval.

13.6 Customer Issues

You acknowledge the importance to the System and uniform standards of quality, service and customer satisfaction, and recognize the necessity of opening and operating a Franchised Business in conformity with the System. You agree to manage the Franchised Business in an ethical and honorable manner, and ensure that all those working at the Franchised Business provide courteous and professional service to customers. If you receive a customer complaint, you must use reasonable efforts to resolve the complaint promptly in a manner intended to protect the goodwill associated with the Marks. Also, if we are contacted by a customer of your Franchised Business who wishes to lodge a complaint, we reserve the right to address the customer's complaint to preserve goodwill and prevent damage to the Marks.

We, or our authorized representative, shall have the right, during regular business hours, or at such other times as we may mutually agree upon, to inspect all documents and records related to the Franchised Business, except those protected by HIPAA or other similar patient confidentiality laws, if applicable.

You acknowledge the importance of every standard and operating procedures to the reputation and integrity of the System and the goodwill associated with the Marks.

13.7 Payment Vendors and Data Security

You agree to maintain, at all times, credit card relationships with the credit and debit card issuers or sponsors, check or credit verification services, financial center services, payment providers, merchant service providers, loyalty and gift cards, and electronic fund transfer systems (together, "Payment Vendors") that we may periodically designate as mandatory. The term "Payment Vendors" includes, among other things, companies that provide services for electronic payment. You agree not to use any Payment Vendor for which we have not given you our prior written approval or as to which we have revoked our earlier approval. We may modify our requirements and designate additional approved or required methods of payment and vendors for processing such payments, and to revoke our approval of any service provider. You agree to comply with the then-current Payment Card Industry Data Security Standards as those standards may be revised and modified by the PCI Security Standards Council, LLC, or any successor organization or standards we may reasonably specify. You agree to implement the enhancements, security requirements and other standards that PCI Security Standards Council, LLC (or its successor) requires of a merchant that accepts payment by credit and/or debit cards or electronic payments.

13.8 **Privacy**

You agree to comply with all applicable international, federal, state and local laws pertaining to the privacy of customer, employee and transactional information ("Privacy Laws"). You agree to research and proactively ensure that your Franchised Business is in compliance with Privacy Laws, which may vary depending on the location of your Franchised Business. You also agree to comply with our standards and policies pertaining to Privacy Laws. You agree to inform us of any conflict between our standards and policies and any local or state Privacy Laws that govern your Franchised Business to ensure that your conduct complies with all those local or state Privacy Laws.

13.9 **Remodeling**

You agree to remodel and make all improvements and alterations to your Franchised Business we reasonably require from time to time to reflect our then-current image, appearance and Premises specifications. Such alterations may obligate you to invest additional capital in your Franchised Business ("Capital Modifications") and/or incur higher operating costs. We will not obligate you to make any Capital Modifications if such Capital Modifications require you to: (a) spend more than $25,000 after your opening date in any individual year of the Term; or (b) spend more than $100,000 over the course of the entire Term (not including any successor terms). You must comply with all other alterations or modifications to our System standards within the time period we specify, and you must make any Capital Modifications within 90 days of receiving written notice from us. Notwithstanding the foregoing, we will not obligate you to make any Capital Modifications during your Franchised Business's first year of operation.

You will not cause or allow any furnishings, fixtures, equipment, signs, décor, ATM machines, vending machines, video games, juke boxes, public telephone, or other type of vending machines to be installed on the Premises without our prior approval. However, we will not be required to approve any proposed remodeling or alteration that would not conform to our then-current standards, specifications or image requirements. You agree to complete any remodel of the Premises within nine months after receiving our written request specifying the requirements, unless we set an alternative deadline.

13.10 **Premises Maintenance**

You agree to maintain your Premises in good order and condition, reasonable wear and tear excepted, and make all necessary repairs, including replacements, renewals and alterations at your sole expense, to comply with our standards and specifications. Without limiting these obligations, you agree to take the following actions at your sole expense: (i) thorough cleaning, repainting and redecorating of the interior and exterior of the Premises at the intervals we may prescribe (or at such earlier times that such actions are required or advisable); and (ii) interior and exterior repair of the Premises as needed. You agree to comply with any maintenance, cleaning or facility upkeep schedule we prescribe from time to time.

14. TECHNOLOGY

14.1 Technology

You must utilize the technology, including software, computer hardware and components, point of sale system, cash register(s), communication equipment, and other related accessories or peripheral equipment (collectively, "Technology") that we require. We may change the Technology you must use for your Franchised Business at any time. You will utilize the Technology with the Franchised Business under our policies and procedures in the Franchise Operations Manual. If imposed, you must pay the Technology Fee for the use of certain technologies used in the operation of your Franchised Business. You will begin pay the Technology Fee or upon 30 days' written notice. For other required Technology, you agree at your expense to use any approved supplier we require. We may change or add approved suppliers of this Technology at any time, in our sole discretion. You will, at your expense, purchase and maintain any required communication services, Internet services (including the requirement to maintain a high-speed Internet connection), dedicated telephone and power lines. You acknowledge and agree that changes to Technology are dynamic and not predictable within the Term of this Franchise Agreement. To provide for inevitable but unpredictable changes to technological needs and opportunities, you agree that we may establish, in writing, reasonable new standards for implementing Technology in the System and you agree to comply with those reasonable new standards we establish as if we periodically revised this Section for that purpose. You will keep the Technology in good maintenance and repair, and you will promptly install, at your expense, any additions, changes, modifications or substitutions to Technology, as we may specify periodically. There is no limitation on the frequency and cost of your obligation to maintain, update or upgrade your Technology or its components. You acknowledge that you are solely responsible for protecting your Franchised Business from computer viruses, bugs, failures, data breaches and attacks by hackers and other unauthorized intruders in the Technology.

14.2 Proprietary Software

We may also develop proprietary software or technology that must be used by Medi-Weightloss franchisees. If this occurs, you agree to enter into a license agreement with us (or an affiliate of ours) and pay us (or our affiliate) commercially reasonable licensing, support and maintenance fees. The license agreement will govern the terms under which you may utilize this software or technology. We also reserve the right to enter into a master software or technology license agreement with a third party licensor and then sublicense the software or technology to you, in which case we may charge you for all amounts we must pay to the licensor based on your use of the software or technology.

14.3 Our Access

You will provide any assistance we require to connect to the Technology. We will have the right at any time to retrieve data and other information from your Technology as we, in our sole discretion, deem necessary or desirable, subject to applicable HIPAA and applicable privacy laws. You shall ensure that we have access at all times to any Technology we request, at your cost. You must provide us with any and all requested codes, passwords and information necessary to access your Technology. You must receive our prior approval before changing such codes, passwords and other necessary information. Subject to any applicable laws pertaining to the privacy of consumer, employee, and transactional information, including but not limited to HIPAA, you agree to provide us, or designated suppliers of support services that use such data to provide services to the Franchised Business, with the reports that we may reasonably request. You agree to allow us to have independent access to the information generated or stored in your computer system. During any periods that we have independent access, we may access the computer system as we deem appropriate (including on a continual basis), and retrieve all information concerning your Franchised

Business's operation, subject to your and our compliance with HIPAA or other applicable law relating to confidentiality of patient records. There are no contractual limitations on our right to access your Company System for information and data.

15. TRANSFER BY US

This Franchise Agreement is fully assignable by us (without prior notice to you) and shall inure to the benefit of any assignee(s) or other legal successor(s) to our interest in this Franchise Agreement; provided that we shall, subsequent to any such assignment, remain liable for the performance of our obligations under this Franchise Agreement up to the effective date of the assignment. You agree to accept and continue the performance of this Franchise Agreement with any assignee(s) or other legal successor(s) to our interest and recognize and agree that the assignee(s) or other legal successor(s) shall be entitled to all rights and benefits as if it were the original franchisor under this Franchise Agreement. We may also delegate some or all of our obligations under this Franchise Agreement to one or more designees without assigning this Franchise Agreement.

We may change our ownership or form and/or assign this Franchise Agreement and any other agreement to a third party without restriction. After our assignment of this Franchise Agreement to a third party who expressly assumes the obligations under this Franchise Agreement, we no longer will have any performance or other obligations under this Franchise Agreement

16. TRANSFER BY YOU

16.1 Approval

For purposes of this Franchise Agreement, "Transfer" means any direct or indirect, voluntary or involuntary (including by judicial award, order or decree) assignment, sale, conveyance, subdivision, sublicense or other transfer or disposition of the Franchise Agreement, the Franchised Business (or any portion thereof), or a direct or indirect ownership interest in an Entity that is the franchisee (or any interest therein), including by merger or consolidation, by issuance of additional securities representing an ownership interest in the Entity that is the franchisee, or by operation of law, will or a trust upon the death of an Owner (including the laws of intestate succession). For the avoidance of doubt, a change of control includes any direct or indirect change in the ability to control or direct Franchisee, including through a change in the governance, trusteeship, or control of any trust or other entity that directly or indirectly owns an interest in Franchisee.

Neither you nor any Owner may engage in any Transfer without our prior written approval. Any Transfer without our approval shall be void and constitute a breach of this Franchise Agreement. Our consent to a Transfer shall not constitute a waiver of any claims we may have against you or the Owners, nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms or conditions of the Franchise Agreement by the transferee.

16.2 Our Right of First Refusal

If you or an Owner desires to engage in a Transfer, you or the Owner, as applicable, must obtain a bona-fide, signed written offer from the fully disclosed purchaser and submit an exact copy of the offer to us. We will have 30 days after receipt of the offer to decide whether we will purchase the Franchised Business (our "Right of First Refusal"). If we notify you that we intend to purchase the Franchised Business within such 30-day period, you or the Owner, as applicable, must sell the Franchised Business to us on the same terms as contained in the offer you received; provided that we may substitute cash for any non-cash form of payment proposed in the offer.

We will have at least 30 additional days to conduct a due diligence review and to prepare for closing. You agree to provide us with all information and records we request about the Franchised Business, and we will have the absolute right to terminate the obligation to purchase the Franchised Business for any reason during the due diligence period. You and we will act in good faith to agree on the terms and conditions of the written offer, and closing will take place on the 61st day following our receipt of your offer. We will be entitled to receive from you or the Owner, as applicable, all customary representations and warranties given by you as the seller of the assets or the Owner as the seller of the ownership interest or, at our election, the representations and warranties contained in the offer. If we do not exercise our right of first refusal, you or the Owner, as applicable, may complete the Transfer to the purchaser pursuant to and on the terms of the offer, subject to the requirements of this Section (including our approval of the transferee). However, if the sale to the purchaser is not completed within 120 days after our receipt of the offer, or there is a material change in the terms of the sale, we will again have the Right of First Refusal specified in this Section. If there is any change in the sale terms after you submit the bona-fide, signed written offer, then you acknowledge and agree that our Right of First Refusal will restart and you must submit us the new written offer to us, and you further agree that the Transfer cannot be completed until you have done so.

Our Right of First Refusal is fully transferable by us to any affiliate or third party.

16.3 **Transfer Conditions**

We will not unreasonably withhold our approval of any proposed Transfer; provided that the following conditions are all satisfied ("Transfer Conditions"):

16.3.1 Written Notice. You have provided us with written notice of the proposed Transfer at least 45 days before the transaction. You must also submit a copy of the proposed purchase agreement together with all supporting documents and schedules between you and the proposed transferee to us for our review to ensure that the Transfer does not violate any term of this Franchise Agreement.

16.3.2 Qualified Transferee. The proposed transferee is, in our opinion, an individual of good moral character with sufficient business experience, aptitude and financial resources to own and operate a Franchised Business, and otherwise meets all of our then-applicable standards for franchisees.

16.3.3 Terms of the Sale. The purchase price and terms of the proposed transfer must not be so burdensome to the prospective transferee as to impair or threaten the future operation of the Franchised Business.

16.3.4 Monetary Obligations. All of your monetary obligations to us and our affiliates have been paid in full and you and the Owners are in full compliance with the terms of this Franchise Agreement and all other agreements with us or our affiliate(s).

16.3.5 Training. The transferee has agreed to attend and complete the Owner/Manager Training (and the transferee has paid us the training fee for each new person who must attend training). If you operate a Healthcare Business, the transferee must also successfully complete our required training. We are not required to provide Opening Team or other on-site training to a transferee.

16.3.6 Licenses and Permits. The transferee and its owners, to the extent necessary, have obtained all licenses and permits required by applicable law to own and operate the Franchised Business.

16.3.7 New Agreements. You must request that the transferee be provided with our then-current form of franchise disclosure document. You agree that we will not be liable for any representations that you or your Owners make that are inconsistent with such franchise disclosure document. The transferee and its owners sign our then-current form of franchise agreement and related documents, including, but limited to, our then-current form of Franchise Owner Agreement or other guaranty (unless we, in our sole discretion, instruct you to assign this Franchise Agreement to the transferee), except that the transferee does not need to pay a separate initial franchise fee. The transferee must execute a new Management Agreement with the Authorized Medical Practice (or a new Authorized Medical Practice for the Clinic, if applicable), which Management Agreement shall be subject to our prior approval, if the transferee and its counsel determine a Management Agreement is required.

16.3.8 Transfer Fee. You pay us a transfer fee of $18,750 ("Transfer Fee") at the time you complete the approved Transfer.

16.3.9 General Release. You and each of your Owners sign a general release in the form we prescribe for all known and unknown claims against us, our affiliates and subsidiaries, and our and their respective members, officers, directors, agents and employees, arising before or contemporaneously with the Transfer. If the proposed transferee has any previous relationship with us or our affiliates, then the proposed transferee must also execute a general release.

16.3.10 Right of First Refusal. We do not elect to exercise our Right of First Refusal.

16.3.11 Subordination. We may, in our sole discretion, require you to enter into an agreement with us to subordinate the transferee's obligations to you to the transferee's financial obligations owed to us under the Franchise Agreement.

16.3.12 Broker Costs. You must pay any broker costs, commissions or other placement fees we incur as a result of the Transfer.

16.3.13 Premises. Your landlord consents to your assignment of the lease for the Premises to the transferee, or the transferee is diligently pursuing an approved substitute location within the Territory.

16.3.14 Remodel. You must remodel your Premises to comply with our then-current standards and specifications, or you obtain a written commitment from the transferee to do so.

16.3.15 Other Conditions. You and each of your Owners agree to comply with all obligations that survive the termination, expiration or Transfer of this Franchise Agreement. The transfer must be made in compliance with any laws that apply to the transfer including all laws governing the offer and sale of franchises. You or the transferring Owner, as applicable, and the transferee have satisfied any other conditions we reasonably require as a condition to our approval of the Transfer.

16.4 **Transfer to an Entity**

If you are an individual, you may transfer your ownership interests to an Entity provided that: (i) the Owner or Owners of the Entity are the same persons who signed this Franchise Agreement and (ii) you comply with the Transfer Conditions. Our Right of First Refusal will not apply for a Transfer conducted under this Section and you must reimburse us for all of our fees and costs, including attorney fees (in lieu of the Transfer Fee), associated with your Transfer to the Entity. In lieu of entering into a new Franchise Agreement, you will be required to enter into any required documentation, which may include an approval of transfer agreement, a general release of claims and a Franchise Owner Agreement in the forms we prescribe.

16.5 Death or Disability

Upon the death or disability of you (if you are an individual) or of an Owner (if you are an Entity), your interest in the Franchised Business or the Owner's ownership interest in you, as applicable, must be assigned to a third party or another Owner approved by us within 180 days of such person's death or disability. For purposes of this Section, a person is deemed to have a disability only if the person has a medical or mental illness, problem or incapacity that would prevent the person from substantially complying with his or her obligations under this Franchise Agreement or otherwise operating the Franchised Business in the manner required by this Franchise Agreement and the Franchise Operations Manual for a continuous period of at least 90 consecutive calendar days, and where recovery within 90 days from the date of determination of disability is unlikely. If the parties disagree as to whether a person is disabled, the existence of disability will be determined by a licensed practicing physician selected by us, upon examination of the person; or if the person refuses to submit to an examination, then (for the purpose of this Section) the person automatically will be considered disabled as of the date of refusal. Your (or the deceased Owner's) estate or legal representative must apply to us for the right to Transfer to the next of kin within 120 calendar days after your or your Owner's death or disability. We may appoint an Interim Manager and charge you the Management Fee in the event the Franchised Business is negatively impacted by such death or disability of Owner.

17. INTELLECTUAL PROPERTY

17.1 Ownership and Use of Intellectual Property

For purposes of this Franchise Agreement, "Intellectual Property" means the Marks, our copyrighted materials, "Confidential Information" (defined below), the System and "Improvements" (defined below). You acknowledge that: (i) we, or our affiliates, if applicable, are the sole and exclusive owner of the Medi-Weightloss Intellectual Property and the goodwill associated with the Marks; (ii) your right to use the Intellectual Property is derived solely from this Franchise Agreement; and (iii) your right to use the Intellectual Property is limited to a license granted by us to operate your Franchised Business during the Term pursuant to, and only in compliance with, this Franchise Agreement, the Franchise Operations Manual, and all applicable standards, specifications and operating procedures we prescribe from time to time. You may not use any of the Intellectual Property in connection with the sale of any unauthorized product or service, or in any other manner not expressly authorized by us. Any unauthorized use of the Intellectual Property constitutes an infringement of our rights. You agree to comply with all provisions of the Franchise Operations Manual governing your use of the Intellectual Property. This Franchise Agreement does not confer to you any goodwill, title or interest in any of the Intellectual Property. You agree that during the Term of this Franchise Agreement and after its termination, expiration or Transfer you will not, directly or indirectly, contest our interest in the Intellectual Property.

For purposes of this Franchise Agreement, "Confidential Information" means all of our trade secrets and other proprietary information relating to the development, construction, marketing and/or operation of a Franchised Business (subject to compliance with HIPAA and other requirements); including, but not limited to, methods, techniques, specifications, procedures, policies, marketing strategies and information comprising the System, the Franchise Operations Manual, written directives and all drawings, equipment, computer and point of sale programs (and output from such programs), knowledge of the operating results and financial performance of Clinic(s) and Franchised Business(es) (subject to compliance with HIPAA and other requirements); and any other information, know-how, techniques, material and data imparted or made available by us to you.

For purposes of this Franchise Agreement, "Improvements" means any improvements or additions to the System, marketing, method of operation, or the products or services offered by a Franchised Business.

If you operate a Clinic Management Business, the terms of this Section 17 shall also apply to your Authorized Medical Practice and Authorized Medical Personnel to the extent permitted by applicable law, and you shall be responsible for ensuring their compliance with the terms of this Section.

17.2 Changes to Intellectual Property

We may modify the Intellectual Property at any time in our sole and absolute discretion, including by changing the Marks, the System, our copyrights or the Confidential Information. If we modify or discontinue use of any of the Intellectual Property, then you must comply with any such instructions from us within 30 days, at your expense. We will not be liable to you for any expenses, losses or damages you incur (including the loss of any goodwill associated with a Mark) because of any addition, modification, substitution or discontinuation of the Intellectual Property. Notwithstanding the foregoing, we will reimburse you for your direct expenses associated with changing signage at your Franchised Business.

17.3 Use of Marks

You agree to use the Marks as the sole identification of your Franchised Business; provided, however, you must identify yourself as the independent owner of your Franchised Business in the manner we prescribe. You may not use any Marks in any modified form or as part of any corporate name or with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos licensed to you by this Franchise Agreement). You agree to: (i) prominently display the Marks on or in connection with any media advertising, promotional materials, posters and displays, receipts, stationery and forms that we designate, and in the manner we prescribe to give notice of trade and service mark registrations and copyrights; and (ii) obtain any fictitious or assumed name registrations required under applicable law. You may not use the Marks in signing any contract, lease, mortgage, check, purchase agreement, negotiable instrument, or other legal obligation or in any manner that is likely to confuse or result in liability to us for any indebtedness or obligation of yours. You agree that any use of the Marks by you and your Franchised Business shall contribute and inure to our benefit.

Upon our request, you agree to display in a conspicuous location in your Premises, a sign containing a notice stating that your Franchised Business is owned and operated independently by you. If you operate a Clinic Management Business, you further acknowledge that we may license the use of the Marks to the Authorized Medical Practice, and other Authorized Medical Practices, for use in identifying to the public the Clinic, subject to, and only in compliance with, applicable federal, state and local laws, rules and regulations and applicable medical licensing laws and regulations.

17.4 Use of Confidential Information

You acknowledge that you will use the Confidential Information only in operating the Franchised Business, and you will not disclose Confidential Information to others, except as expressly authorized by this Franchise Agreement. You will take all actions to preserve the confidentiality of all Confidential Information, including safeguarding access to the Franchise Operations Manual. You will not copy or permit copying of Confidential Information. Your obligations under this Section begin when you sign this Franchise Agreement and continue for trade secrets as long as they remain secret, and, for other Confidential Information, for as long as we continue to use the information in confidence (even if edited or revised) plus an additional three years afterwards. We will respond promptly and in good faith to any inquiries you have about continued protection of any Confidential Information.

Subject to HIPAA and all other applicable laws, any data you collect, create, provide or otherwise develop (including, but not limited to, customer information and Customer Lists) is (and will be) owned exclusively by us, and we will have the right to use such data in any manner that we deem appropriate without compensation to you. Copies and/or originals of such data must be provided to us upon our request. We license use of such data back to you, at no additional cost, solely for the Term of this Franchise Agreement and solely for your use in connection with the Franchised Business. You agree to provide us with the information we reasonably require regarding data and cybersecurity requirements. You agree to indemnify us for any loss of data, including, but not limited to, customer information resulting from a breach of such data caused, in whole or in part, by you.

The restrictions on the disclosure and use of the Confidential Information will not apply to disclosure of Confidential Information: (i) made in confidence to a government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; (ii) made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; or (iii) made in cases of suit for retaliation based on the reporting of a suspected violation of law, disclosure of Confidential Information to an attorney, and for use of the Confidential Information in such court proceeding, so long as any document containing the Confidential Information is filed under seal and Confidential Information is not otherwise disclosed pursuant to a court order.

We do not make any representation or warranty that your use of the System and Confidential Information will not infringe on the patent, copyright or other proprietary rights of third parties. You agree that we will have no liability to you if the System and/or any Confidential Information is held not to be secret or confidential or in the event that any infringement of others' proprietary rights occurs because of your use of the System and Confidential Information.

17.5 **Improvements**

If you, or your Authorized Medical Practice or Authorized Medical Personnel, conceive of or develop any Improvements, you agree to promptly and fully disclose the Improvements to us without disclosing the Improvements to others. You must obtain our approval before using any such Improvements. Any Improvement we approve may be used by us and any third parties we authorize, without any obligation to pay you royalties or other fees. You must assign all rights to any such Improvement, including the right to grant sublicenses, to us or our designee, without charge. In return, we will authorize you to use any Improvements we or other franchisees develop that we authorize for general use with the operation of a Franchised Business. These obligations shall survive the termination, expiration or Transfer of this Franchise Agreement.

17.6 **Notification of Intellectual Property Issues**

You must notify us as soon as possible, but no later than three business days of any: (i) apparent infringement of any of the Intellectual Property; (ii) challenge to your use of any of the Intellectual Property; or (iii) claim by any person of any rights in any of the Intellectual Property. You may not communicate with any person other than us and our counsel in connection with any such infringement, challenge or claim. We will have sole discretion to take such action as we deem appropriate. We have the right to exclusively control any litigation, Patent and Trademark Office proceeding, or other proceeding arising out of any such infringement, challenge or claim. You agree to execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of our counsel, be necessary or advisable to protect and maintain our interest in any such litigation, Patent and Trademark Office proceeding, or other proceeding, or to otherwise protect and maintain our interest in the Intellectual Property.

18. BRAND COVENANTS

18.1 Reason for Covenants

The covenants in this Section 18 shall be referred to as the "Brand Covenants."

You acknowledge that the System is distinctive and has been developed by us and/or our affiliates at great effort, time and expense, and that the Intellectual Property and the training and assistance we provide would not be acquired except through implementation of this Franchise Agreement. You also acknowledge that competition by you, the Owners, or persons associated with you or the Owners (including family members) could jeopardize the entire System because you and the Owners have received an advantage through knowledge of our day-to-day operations and Confidential Information related to the System. Accordingly, you and the Owners agree to comply with the Brand Covenants described in this Section to protect the Intellectual Property and our System.

18.2 Unfair Competition During the Term

For purposes of this Franchise Agreement, "Competitive Business" means any business that: (i) sells or offers to sell products the same as or similar to the type of products sold by the Franchised Business; or (ii) provides or offers to provide services the same as or similar to the type of services sold by the Franchised Business, but excludes a Franchised Business operating under a franchise agreement with us. A Competitive Business shall not include ownership of up to five percent (5%) of any publicly-held company or mutual fund that owns, operates, has an interest in, or controls any business that otherwise would meet the definition of a Competitive Business.

You agree not to compete with us during the Term by engaging in any of the following activities ("Prohibited Activities"): (i) owning, operating, or having any other interest (as an owner, partner, director, officer, employee, manager, consultant, shareholder, creditor, representative, agent, or in any similar capacity) in any Competitive Business; (ii) diverting or attempting to divert any business from us (or one of our affiliates or franchisees); or (iii) inducing any customer of ours (or of one of our affiliates' or franchisees') to transfer their business to you or to any other person that is not then a franchisee of ours.

18.3 Unfair Competition After the Term

For purposes of this Section, the "Restricted Period" means a period of 2 years after the termination, expiration or Transfer of this Franchise Agreement. For purposes of this Section, the "Restricted Territory" means the geographic area within: (i) a 25-mile radius of the Franchised Business; and (ii) a 25-mile radius from all other Medi-Weightloss businesses that are operating or under construction as of the date of the termination, expiration or Transfer of this Franchise Agreement.

During the Restricted Period, you agree that you will not engage in any Prohibited Activities within the Restricted Territory and that you will cause each of your Owners (and your Owners' spouses and children) to not engage in any Prohibited Activities within the Restricted Territory. If you or any Owner engages in a Prohibited Activity within the Restricted Territory during the Restricted Period, then the Restricted Period applicable to you (and applicable to each non-compliant Owner under the Franchise Owner Agreement) will be extended by the period of time during which you or the non-compliant Owner, as applicable, engaged in the Prohibited Activity.

You further represent that enforcement of these covenants will not prevent you from earning a livelihood or engaging in a lawful business that does not conflict with our legitimate interests. You and we agree that these covenants will be interpreted and enforced to the fullest extent permitted by applicable law, including under any "rule of reason" or similar standard used to evaluate the enforceability of restrictive covenants.

18.4 **Covenants Reasonable**

The parties agree that of the Brand Covenants will be construed as independent of any other covenant or provision of this Franchise Agreement. It is the parties' intent that the provisions of this Section be judicially enforced to the fullest extent permissible under applicable law. If all or any portion of any Brand Covenant is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a final decision to which we are a party, you agree to be bound by any lesser covenant subsumed within the terms of such Brand Covenant that imposes the maximum duty permitted by law, as if the resulting Brand Covenant were separately stated in and made a part of this Section. Accordingly, the parties agree that any reduction in scope or modification of any part of the non-competition provisions contained herein shall not render any other part unenforceable. You acknowledge and agree that: (i) the terms of this Franchise Agreement are reasonable both in time and in scope of geographic area; (ii) our use and enforcement of covenants similar to those described above with respect to other "Medi-Weightloss" franchisees benefits you and the Owners because it prevents others from unfairly competing with your Franchised Business; and (iii) you and the Owners have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Franchise Agreement. You hereby waive any right to challenge the terms of the Brand Covenants as being overly broad, unreasonable or otherwise unenforceable.

We have the right, in our sole discretion, to unilaterally reduce the scope of all or part of any Brand Covenant without your consent (before or after any dispute arises), effective when we give you written notice of this reduction, and you agree to comply with any modifications to the Brand Covenants.

18.5 **Breach of Covenants**

You agree that failure to comply with the terms of Brand Covenants will cause substantial and irreparable damage to us and/or other "Medi-Weightloss" franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of the terms of this Section 18 will entitle us to injunctive relief. We may apply for such injunctive relief without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). Notwithstanding the foregoing, if a court requires the filing of a bond, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us, at law or in equity, under this Franchise Agreement are mutually exclusive, and may be combined with others, including injunctive relief, specific performance, and recovery of monetary damages. Any claim, defense or cause of action you or an Owner may have against us, regardless of cause or origin, cannot be used as a defense against our enforcement of the Brand Covenants.

19. INSURANCE

Before your Franchised Business first opens for business, you will obtain the types and amounts of insurance specified in our Franchise Operations Manual. You will maintain all required insurance in force during the Term of this Franchise Agreement, and you will obtain and maintain any additional or substituted insurance coverage, limits or amounts as we may periodically require. Your compliance with these insurance provisions does not relieve you of any liability under any indemnity provisions of this Franchise Agreement.

Our insurance requirements are subject to change during the Term of this Franchise Agreement, and you agree to comply with each such change. You agree to provide us a copy of your Certificate of Insurance or other proof of coverage before opening, within ten days of any renewal of a policy, and at any other time on demand. You agree to obtain these insurance policies from insurance carriers rated "A" or better by A.M. Best & Company, Inc. and that are licensed and admitted in the state in which you operate your Franchised Business. All insurance policies (except for employment liability insurance policies) must be endorsed to: (i) name us, any affiliate we require, and our members, officers, directors and employees as additional insureds ("Additional Insureds"); (ii) contain a waiver by the insurance carrier of all subrogation rights against us; and (iii) provide that we receive 30-days' prior written notice of the termination, expiration, cancellation or modification of the policy. If any of your policies fail to meet these criteria, then we may disapprove the policy and you must immediately find additional coverage with an alternative carrier satisfactory to us. Upon ten days' notice to you, we may increase the minimum protection requirement as of the renewal date of any policy and require different or additional types of insurance at any time, including excess liability (umbrella) insurance, to reflect inflation, identification of special risks, changes in law or standards or liability, higher damage awards, or other relevant changes in circumstances.

If you fail to maintain any required insurance coverage, we have the right to obtain the coverage on your behalf (which right shall be at our option and in addition to our other rights and remedies in this Franchise Agreement), and you must promptly sign all applications and other forms and instruments required to obtain the insurance and pay to us, within fifteen days following the opening of the Franchised Business, all costs and premiums we incur, plus up to a fifteen percent (15%) administrative surcharge. Additionally, you must purchase such extended reporting period coverage (Tail) as we may specify in the Franchise Operations Manual. You further agree to provide us with a copy of an insurance certificate evidencing such coverage prior to: (i) the expiration of this Franchise Agreement (if the franchise rights are not being renewed); (ii) any assignment of this Franchise Agreement or of your rights under this Franchise Agreement requiring our approval; or (iii) the termination of this Franchise Agreement (provided, however, in the case of immediate termination under Sections 24.1 or 24.2, you must provide us with evidence of coverage within seven days of the effective date of the termination).

20. REPORTING REQUIREMENTS

20.1 Books and Records

You agree to record all transactions and Gross Sales of your Franchised Business in the manner we specify. You agree to prepare and maintain for at least seven years after their preparation, or as long as required by applicable law, whichever is greater, complete and accurate books, records, accounts and tax returns pertaining to your Franchised Business including a list of all customers that your Franchised Business does business with and all contracts that your Franchised Business enters into. You must send us copies of your books, records, customer data and contracts within five days of our request, subject to HIPAA and other applicable law. This obligation survives the expiration, termination or Transfer of this Franchise Agreement.

You are required to use our designated bookkeeper for all financial record-keeping, accounting, and reporting related to the operation of the Franchised Business. You are solely responsible for all costs associated with the designated bookkeeper. We reserve the right to change the designated bookkeeper in our sole discretion.

20.2 **Reports**

You will prepare and submit other reports and information about your operations as we may request in writing or as required by the Franchise Operations Manual. You will submit all required reports in the formats and by the due dates specified in the Franchise Operations Manual. We may modify the deadline days and times for submission of all reports. If you do not submit any report by the due date, we will debit your Franchise Account a late fee of $100 per occurrence and $100 per week until you submit the required report. We may require, in our sole discretion, that certain reports be certified as accurate and complete by you, your owners or your chief financial officer, and that they be submitted in certain methods or formats. If requested by us, your profit and loss statements and balance sheets must be certified by a certified public accountant at your expense. You must also make your certified public accountant available and cover the cost for him or her to consult with us concerning these statements and balance sheets.

20.3 **Financial and Tax Statements**

You will deliver a balance sheet, profit and loss statement, statement of cash flows and explanatory footnotes prepared under generally accepted accounting principles applied on a consistent basis ("Financial Statements") to us within the time period required by the Franchise Operations Manual. You must also prepare annual Financial Statements within 30 days of the end of each calendar quarter. All Financial Statements must be in the form specified by us and must conform to our standard chart of accounts as prescribed by us. We have the right to use such Financial Statements in our franchise disclosure document to make financial performance representations and to share these reports on a system-wide intranet or other similar means.

You must also provide us with complete signed copies of all state sales tax returns and state and federal income tax returns covering the operation of the Franchised Business within 30 days of filing. If you do not submit the Financial Statements or tax returns to us by the deadline, you will be required to pay a late fee of $100 per occurrence and $100 per week until you submit required Financial Statements or tax returns. We also reserve the right to alter your eligibility to participate in certain committees.

20.4 **Legal Compliance**

You must secure and maintain in force all required licenses, permits and regulatory approvals for the operation of your Franchised Business. You must also operate and manage your Franchised Business in full compliance with all applicable laws, ordinances, rules and regulations, including, without limitation, HIPAA, government regulations relating to healthcare, occupational hazards, health, worker's compensation and unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales and service taxes. You are solely responsible for complying with all federal, state and local tax laws. You also agree to timely pay all applicable federal, state and local taxes, and timely file all returns, notices and other forms required to comply with all federal, state and local tax laws in connection with the operation of the Franchised Business. It is your responsibility to make sure that you comply with all laws that are applicable to the Technology.

You must notify us in writing within three business days of the beginning of any action, suit, investigation or proceeding, or of the issuance of any order, writ, injunction, disciplinary action, award or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation of your Franchised Business or your financial condition. You must comply with all state and local laws and regulations regarding the staffing and management of a Clinic. You must immediately deliver to us a copy of any inspection report, warning, certificate or rating by any governmental agency involving any health or safety law, rule or regulation that reflects a claim you have failed to fully comply with the law, rule or regulation.

You agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws (defined below). In connection with that compliance, you certify, represent and warrant that none of your property or interests is subject to being blocked under, and that you and the owners otherwise are not in violation of, any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, rules, regulations, policies, lists and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by you or the Owners, or any blocking of your or the Owners' assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Franchise Agreement.

21. INSPECTION AND AUDIT

21.1 Inspections

To ensure compliance with this Franchise Agreement, we or our representatives will have the right to enter your Premises, evaluate your Franchised Business operations, and inspect or examine your books, records, accounts and tax returns. We may also interview personnel of the Franchised Business. Our evaluation may include observing or participating during business hours. We may conduct our evaluation at any time and without prior notice. During the course of our inspections, we and our representatives will use reasonable efforts to minimize our interference with the operation of your Franchised Business, and you, your employees and independent contractors will cooperate and not interfere with our inspection. You consent to us accessing your Technology and retrieving any information we deem appropriate in conducting the inspection.

If any such inspection indicates any deficiency or unsatisfactory condition, including quality, cleanliness, service, health and authorized product line, we will notify you in writing of your noncompliance with the System, Franchise Operations Manual, or this Franchise Agreement and you shall promptly correct or repair such deficiency or unsatisfactory condition. In addition, if you fail any cleanliness inspection or other inspection or audit that we or our designee, any public health and safety agency conducts, you will be required to undergo an additional inspection or audit at your sole expense. You agree to reimburse us or the third-party auditor directly upon invoicing. We may require you to take, and you agree to take, immediate corrective action, which action may include temporarily closing the Franchised Business.

21.2 Audit

We have the right, at any time, to have an independent audit made of the books and financial records of your Franchised Business. You agree to fully cooperate with us and any third parties we hire to conduct the audit. Any audit will be performed at our cost and expense. However, you agree to reimburse us for the cost of the audit and inspection, including reasonable accounting, legal, travel and lodging expenses if the audit: (i) is necessitated by your failure to provide the information requested or to preserve records, or file reports as required by this Franchise Agreement; or (ii) reveals an understatement of any amount due to us by at least two percent (2%) in any week, in which case you must also pay any amount owed to us, including any related expenses and Late Fees. The audit cost reimbursements will be due ten days after invoicing. Accepting reimbursements for our audit costs does not waive our right to terminate this Franchise Agreement.

22. INDEMNITY

22.1 Your Indemnification of Us

Independent of your obligation to procure and maintain insurance, you and your Owners will indemnify, defend and hold us and our affiliates, the respective officers, directors, managers, partners, shareholders, members, employees, agents and contractors of these entities, and the successors, assigns, personal representatives, heirs and legatees of all of these persons or entities (collectively, the "Indemnified Parties") harmless, to the fullest extent permitted by law, from and against all expenses, losses, payments or obligations to make payments either (i) to or for third party claimants by any and all Indemnified Parties, including refunds, or (ii) incurred by any and all Indemnified Parties to investigate, take action, respond to or defend a matter, including investigation and trial charges, costs and expenses, fees, fees paid to professionals, attorney fees, experts' fees, court costs, settlement amounts, judgments and costs of collection (collectively, "Losses and Expenses"), incurred by any Indemnified Parties for any investigation, claim, action, suit, demand, administrative or alternative dispute resolution proceeding, actually or allegedly, directly or indirectly, relating to, arising out of, or resulting from or in connection with: any transaction, occurrence, product or service involving the Franchised Business or this Franchise Agreement; your employment or other contractual relationship with your employees, workers, managers, or independent contractors, including but not limited to any allegation, claim, finding, or ruling that we are an employer or joint employer of your employees; your marketing, selling, or providing of items and services; and any breach of violation of any agreement (including this Franchise Agreement), or any law, regulation or ruling, by any act, error or omission (active or passive) of you, any party associated with you, or any of your or your affiliates' owners, officers, directors, managers, employees, owners and agents, including when any of the Indemnified Parties is alleged or proven to be negligent.

You agree to give us notice of any action, suit, proceeding, claim, demand, inquiry or investigation described above. The Indemnified Parties shall have the right, in their sole discretion to: (i) retain counsel of their own choosing to represent them with respect to any claim; and (ii) control the response thereto and the defense thereof, including the right to enter into an agreement to settle such claim. You may participate in such defense at your own expense. You agree to give your full cooperation to the Indemnified Parties in assisting the Indemnified Parties with the defense of any such claim, and to reimburse the Indemnified Parties for all of their costs and expenses in defending any such claim, including court costs and reasonable attorney fees, within ten days of the date of each invoice delivered by such Indemnified Party to you enumerating such costs, expenses and attorney fees.

22.2 Our Indemnification of You

Provided that you are not in default under this Franchise Agreement or any other agreement with us, we will indemnify you and hold you harmless for, from and against any and all costs and expenses incurred by you as a result of or in connection with any claim asserted against you based upon the violation of any third party's intellectual property rights caused by your use of our Marks in strict compliance with the terms of this Franchise Agreement and Franchise Operations Manual. You must promptly notify us of any such claim and fully cooperate with us in the defense of such claim.

23. TERMINATION BY YOU

You may terminate this Franchise Agreement if you are in full compliance and we breach this Franchise Agreement and fail to cure the breach within 60 days after you send us a written notice specifying the nature of the breach. You may also terminate this Franchise Agreement if you and we mutually agree, in our sole discretion, which may be withheld, in writing to terminate this Franchise Agreement. In such an event, you and we will be deemed to have waived any required notice period. If you terminate this Franchise Agreement, you must still comply with your post-termination obligations described below and all other obligations that survive the expiration or termination of this Franchise Agreement.

24. TERMINATION BY US

The rights to terminate the Franchise Agreement in the Section shall be referred to as our "Termination Rights."

24.1 Automatic Termination Without Notice

You shall be in default under this Franchise Agreement, and we may immediately terminate all rights granted to you by this Franchise Agreement without notice if: (i) you file or cause to be filed a petition in bankruptcy or you are adjudicated bankrupt or judicially determined to be insolvent (subject to any contrary provisions of any applicable state or federal laws); or (ii) you admit to your inability to meet your financial obligations as they become due, or make a disposition for the benefit of its creditors (unless prohibited by law); or (iii) a receiver or custodian (permanent or temporary) is appointed for any of your assets or property; or (iv) a final judgment in excess of $10,000 against you remains unsatisfied or of record for sixty (60) days or longer (unless a bond is filed or other steps are taken to effectively stay enforcement of such judgment), except that we may provide you with additional time to satisfy the judgment if you demonstrate that you are using commercially reasonable efforts to resolve the issues related to the judgment.

24.2 Option to Terminate Without Opportunity to Cure

We may, in our sole discretion, terminate this Franchise Agreement immediately upon written notice to you, without opportunity to cure, upon the occurrence of any of the following events, each of which constitute material events of default under this Franchise Agreement.

24.2.1 Failure to Open. If you fail to open your Franchised Business within the time period required.

24.2.2 Material Misrepresentation. If you or any Owner commits any fraud or makes any material misrepresentation to us, whether occurring before or after the Effective Date.

24.2.3 Violation of Law. If you fail to maintain any required licenses, permits, or certifications to open or operate the Franchised Business, or fail to comply with any federal, state, or local law or regulation, or you operate the Franchised Business in an unsafe manner, and you do not cure or commence to cure this failure within five (5) days after you receive notice, or if you or any of your employees fail to meet the state and local certifications or other requirements for operation and/or employment in a Clinic Management Business, or the Authorized Medical Practice fails to meet state and local certifications or other requirements for the operation or employment of physicians and other professionals in a Clinic, and you fail to cure this default within ten (10) days after you receive notice, or, alternatively, you fail to prohibit any such employees from working in the Franchised Business until the requirements are met;;

24.2.4 Criminal Offense. If you or any of your Owners, officers, directors, or key employees is convicted of or pleads guilty or nolo contendere to a felony or any other crime or offense that is reasonably likely, in our sole opinion, to adversely affect our reputation, the System, or the Marks. If the crime or offense is committed by an Owner other than a Responsible Owner, then we may, in our sole discretion, terminate if such Owner fails to sell its ownership interest in the Entity to any of the other Owners within 30 days after the conviction or guilty plea, whichever first occurs.

24.2.5 Under-Reporting. If an audit or investigation discloses that you have knowingly maintained false books or records, or submitted false reports to us, or knowingly understated its Gross Sales or withheld the reporting of same, or, if, on two or more occasions in any single 24 month period, any audits or other investigations reveals an under-reporting or under-recording error of three percent (3%) or more, or on any single occasion any audit or other investigation reveals an under-reporting or under-recording of five percent (5%) or more.

24.2.6 Intellectual Property Misuse. If you misuse or make any unauthorized use of the Marks or otherwise impair the goodwill of our rights, or you take any action which reflects unfavorably upon the operation and reputation of the Franchised Business, the System, or the "Medi-Weightloss" brand generally. If your employees or independent contractors engage in any of the same actions described above, unless you shall have exercised your best efforts to prevent such disclosures or use.

24.2.7 Health or Safety Violations. If you manage or operate your Franchised Business in a manner that presents a health or safety hazard to your customers, employees or the public.

24.2.8 Abandonment. If you abandon or fail to operate your Franchised Business for three consecutive business days unless you had received our prior written authorization to do so.

24.2.9 Failure to Pay. If you fail to pay any amount owed to us or an affiliate of ours within ten days after receipt of a demand for payment.

24.2.10 Unauthorized Transfer. If you attempt to sell, Transfer, encumber or otherwise dispose of any interest in you, this Franchise Agreement or the Franchised Business in violation of Section 16 of this Franchise Agreement.

24.2.11 Brand Covenants. If you or any of your Owners violates any of the Brand Covenants.

24.2.12 License/Permits. If a regulatory authority suspends or revokes a license or permit held by you or an Owner that is required to operate the Franchised Business, even if you or the Owner still maintain appeal rights. Notwithstanding the foregoing, in the event a regulatory authority suspends or revokes the medical license of your designated medical director or any other required license of your Authorized Medical Practice, you shall have 60 days to find a replacement Authorized Medical Practice for the Franchised Business.

24.2.13 Failure to Complete Initial Training. If you or any required attendee fails to attend and complete the initial training programs within the time period prescribed in this Franchise Agreement.

24.2.14 Repeated Defaults. If you commit a default of any obligation under this Franchise Agreement and have previously received two or more written notices of default from us within the preceding 12 months, regardless of whether any default is cured.

24.2.15 Cross Default. If we terminate any other agreement between you and us, or if any affiliate of ours terminates any agreement between you and the affiliate because of your default, except that termination of any area development agreement for failure to meet the development schedule shall not be grounds for termination.

24.2.16 Franchise Owner Agreement Default. If any Owner breaches a Franchise Owner Agreement.

24.2.17 Premises Issues. If: (i) if you fail to secure a fully executed lease within the time period required; or (ii) the Premises or your assets are seized, taken over or foreclosed by a government official in the exercise of its duties, or by a creditor or lienholder provided that a final judgment against you remains unsatisfied for 30 days (unless a supersedeas or other appeal bond has been filed); or (iii) a levy of execution of attachment has been made upon the license granted by this Franchise Agreement or upon any property used in the Premises, and it is not discharged within five days of such levy or attachment; or (iv) you permit a mechanics lien to be recorded against the Premises or any equipment at the Premises which is not released within 60 days, or if any person commences any action to foreclose on the Premises or said equipment; or (v) a condemnation or transfer in lieu of condemnation has occurred; or (vi) if you default under the lease for your Premises and you do not cure the default within the cure period set forth by the landlord or your lease is otherwise terminated due to your default.

24.3 Termination with Notice and Opportunity to Cure

In addition to our Termination Rights, we may, in our sole discretion, terminate this Franchise Agreement upon 30 days' written notice if you or an Owner fails to comply with any other provision of this Franchise Agreement (including failure to comply with any provision in the Franchise Operations Manual) or any other agreement with us, unless such default is cured, as determined by us in our sole discretion, within such 30-day notice period, each of which shall constitute an event of default under this Franchise Agreement. If we deliver a notice of default to you pursuant to this Section, we may suspend performance of any of our obligations under this Franchise Agreement until you fully cure the breach.

25. LIQUIDATED DAMAGES

Upon termination of this Franchise Agreement: (i) by us due to your default of this Franchise Agreement; or (ii) following your purported termination without cause, you agree to pay to us, within 15 days after the effective date of this Franchise Agreement's termination, in addition to any other amounts owed under this Franchise Agreement, liquidated damages equal to the average monthly Royalty Fees and System Branding Contributions you owed during the total months of operation preceding the effective date of termination multiplied by: (i) 36; or (ii) the number of months remaining in this Franchise Agreement had it not been terminated, whichever is less, but in no case will such damages be less than $30,000.

You and we acknowledge and agree that it would be impracticable to determine precisely the damages we would incur from this Franchise Agreement's termination and the loss of cash flow from Royalty Fees and System Branding Contributions due to, among other things, the complications of determining what costs, if any, we might have saved and how much the Royalty Fees and System Branding Contributions would have grown over what would have been this Franchise Agreement's remaining Term. You and we consider this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages.

The liquidated damages provision only covers our damages from the loss of cash flow from the Royalty Fees and System Branding Contributions. It does not cover any other damages, including damages to our reputation with the public and landlords and damages arising from a violation of any provision of this Franchise Agreement other than the Royalty Fee payments and System Branding Contributions. You agree that the liquidated damages provision does not give us an adequate remedy at law for any default under, or for the enforcement of, any provision of this Franchise Agreement other than the payment of Royalty Fees and System Brand Fund Contributions.

26. POST TERM OBLIGATIONS

The obligations contained in this Section 26 shall be referred to as your "Post Term Obligations." After the termination, expiration or Transfer of this Franchise Agreement, you agree to undertake each and every one of the obligations listed in this Section.

26.1 Cease Operations

Immediately cease to operate the Franchised Business under this Franchise Agreement and the System. You agree to not hold yourself out to the public as a present or former franchise owner of the Franchised Business.

26.2 Intellectual Property

Immediately cease to use the Intellectual Property in any manner whatsoever and not use any trademarks or trade names that may be confusingly similar to the Intellectual Property. You acknowledge and agree that any continued use of the Marks would constitute trademark infringement.

26.3 Monetary Obligations

Pay us all amounts you owe us and our affiliates.

26.4 Surviving Covenants

Comply with all covenants described in this Section and otherwise in this Franchise Agreement that apply after the expiration, termination or Transfer of this Franchise Agreement or of an ownership interest by an Owner.

26.5 Branded Items

Return all copies of the Franchise Operations Manual, or any portions thereof, as well as all signs, sign faces, brochures, advertising and promotional materials, forms and any other materials bearing or containing any of the Marks, our copyrights or other identification relating to a Franchised Business, unless we allow you to Transfer such items to an approved transferee.

26.6 Technology and Data

Return to us (or our designee) all copies of any software and related materials that we license to you and, to the extent permitted by law and subject to HIPAA and other applicable privacy laws, permanently delete and remove (and cause your personnel and vendors to permanently delete and remove) all such software and our Confidential Information from all computers, devices, systems, accounts, and storage media used in the Franchised Business. You must also provide us copies of all then-current technology-related contracts and subscriptions entered into for the Franchised Business and promptly transfer to us (or our designee), in the form and manner we specify, all administrative access credentials, login information, accounts, data, and content associated with the Franchised Business's Technology, websites, domains, social media accounts, telephone numbers/VOIP accounts, and email addresses.

26.7 Entity Name

Ensure that any names or registrations related to your use of the Marks are canceled.

26.8 Identifiers and Advertisements

Immediately stop using all telephone numbers, advertisements, domain names and social media accounts associated with the Franchised Business. Notify all telephone companies, listing agencies, social media companies and domain name registration companies (collectively, the "Agencies") of the termination or expiration of your right to use the following, and immediately transfer to us: (A) the telephone numbers, accounts and/or domain names, if applicable, related to the operation of your Franchised Business; and (B) any online listings associated with the Marks (you hereby authorize the Agencies to transfer such telephone numbers, domain names and listings to us and you authorize us, and appoint us and any officer we designate as your attorney-in-fact to direct the Agencies to transfer the telephone numbers, domain names and listings to us if you fail or refuse to do so).

26.9 Modifications

Remove all trade dress, equipment, software and property owned by us and make such modifications and alterations to the Premises that are necessary or that we require to prevent any association between us or the System and any business subsequently operated by you or any third party using any of the inventory or equipment used in the operation of the Franchised Business; provided, however, that this subsection shall not apply if your Franchised Business is transferred to an approved transferee or if we exercise our right to purchase your entire Franchised Business. If you fail to do so, you must pay us any expenses we incur to de-identify your Premises.

26.10 Customers

You must contact customers of your Franchised Business and offer such customers continued rights to use one or more Medi-Weightloss franchises on such terms and conditions we deem appropriate, which in no event will include assumption of any then-existing liability arising or relating to those customers or act or failure to act by you or your Franchised Business.

26.11 Compliance Evidence

Provide us with written satisfactory evidence of your compliance with the above obligations within 30 days after the effective date of the termination, expiration or Transfer of this Franchise Agreement.

27. RIGHT TO PURCHASE

27.1 Generally

Upon the expiration or termination of this Franchise Agreement for any reason, we will have the right but not the obligation to purchase from you some or all of the assets used in the Franchised Business ("Acquired Assets"). We may exercise our option to begin this process by giving written notice to you at any time following expiration or termination up until 30 days after the later of: (a) the effective date of expiration or termination; or (b) the date you cease operating the Franchised Business (the "Specified Date"). We have the right to inspect the assets used in the Franchised Business in order to determine which we wish to acquire and any refusal by you to cooperate with our right to inspect will extend the Specified

Date by an equal period. The term "Acquired Assets" means, without limitation, equipment, furnishings, fixtures, signs and inventory (non-perishable products, materials and supplies) used in the Franchised Business, all licenses necessary to operate the Franchised Business (if transferable) and the real estate fee simple or the lease or sublease for the Premises. You may not sell the information or lists to a third party. We will be entitled to have the provisions in this Section enforced by a court of competent jurisdiction should you fail to meet your obligations. We will have the unrestricted right to assign this option to purchase the Acquired Assets. We or our assignee will be entitled to all customary representations and warranties, including that the Acquired Assets are free and clear (or, if not, accurate and complete disclosure) as to: (1) ownership, condition and title; (2) liens and encumbrances; (3) environmental and hazardous substances; and (4) validity of contracts and liabilities inuring to us or affecting the Acquired Assets, whether contingent or otherwise.

27.2 **Purchase Price**

The purchase price for the Acquired Assets ("Purchase Price") will be their fair market value (or, for leased assets, the fair market value of the lease), determined as of the Specified Date in a manner that accounts for reasonable depreciation and condition of the Acquired Assets; provided, however, that the Purchase Price will take into account the termination of this Franchise Agreement. The Purchase Price for the Acquired Assets will not factor in the value of any trademark, service mark, or other commercial symbol used in connection with the operation of the Franchised Business, nor any goodwill or "going concern" value for the Franchised Business. We may exclude from the Acquired Assets purchased in accordance with this Section any equipment, furnishings, fixtures, signs, and inventory that are not accepted as meeting then-current standards for a Franchised Business or for which you cannot deliver a Bill of Sale in a form satisfactory to us.

If you and we cannot agree upon a fair market value, we shall appoint an independent, third party appraiser with experience appraising businesses comparable to your Franchised Business in the United States ("Qualified Appraiser") within 30 days after the Specified Date. We shall pay for 50% of the cost of this Qualified Appraiser, and you shall pay the other 50% of the cost.

The Qualified Appraiser shall appraise the Acquired Assets as described above ("Appraised Value"). If you agree with the Appraised Value, the Appraised Value shall be the Purchase Price. If you disagree with the Appraised Value, upon written notice to us, you may hire an additional Qualified Appraiser at your expense. In such situation, the Qualified Appraiser chosen by you shall appraise the Acquired Assets at fair market value determined as described above. The average of the two values provided by the Qualified Appraisers shall be the Purchase Price.

27.3 **Access to Franchised Business**

The Qualified Appraiser will be given full access to the Franchised Business, the Premises and your books and records during customary business hours to conduct the appraisal and will value the leasehold improvements, equipment, furnishings, fixtures, signs and inventory in accordance with the standards of this Section.

27.4 Exercise of Option; Operation

Within 10 days after the Purchase Price has been determined, we may fully exercise our option to purchase the Acquired Assets by notifying you of our decision in writing ("Purchase Notice"). The Purchase Price will be paid in cash or cash equivalents at the closing of the purchase ("Closing"), which will take place no later than 60 days after the date of the Purchase Notice. From the date of the Purchase Notice until Closing, you will operate the Franchised Business and maintain the Acquired Assets in the usual and ordinary course of business and maintain in full force all insurance policies required under this Franchise Agreement. Alternatively, we may require you to close the Franchised Business during that time period without removing any Acquired Assets from the Franchised Business.

27.5 Due Diligence

For a period of 30 days after the date of the Purchase Notice ("Due Diligence Period"), we will have the right to conduct such investigations as we deem necessary and appropriate. You will grant us and our representatives access to the Franchised Business and the Premises at all reasonable times for the purpose of conducting inspections of the Acquired Assets; provided that such access does not unreasonably interfere with your operations of the Franchised Business.

Prior to the end of the Due Diligence Period, we will notify you in writing of any objections that we have to any finding disclosed in any title to lien search, survey, environmental assessment or inspection. If you cannot or elect not to correct any such title defect, environmental objection or defect in the working condition of the Fixed Assets, we will have the option to either accept the condition of the Acquired Assets as they exist or rescind our option to purchase on or before the Closing.

27.6 Closing

We will have the right to set off against and reduce the Purchase Price by any and all amounts owed by you to us or our affiliates, and the amount of any encumbrances or liens against the Acquired Assets or any obligations assumed by us. If you cannot deliver clear title to all of the purchased Acquired Assets as indicated in this Section, or if there are other unresolved issues, the Closing will be accomplished through an escrow which you and we shall each be responsible for paying half the cost of.

28. DISPUTE RESOLUTION

28.1 Mediation Requirement

Except for any "Litigation Exceptions" as defined below, without limiting our Termination Rights, all claims or disputes between you and us or our affiliates arising out of, or in any way relating to, this Franchise Agreement, or any of the parties' respective rights and obligations arising out of this Franchise Agreement, shall be submitted first to non-binding mediation ("Required Mediation") prior to a hearing in binding arbitration. Before commencing any mediation against us or our affiliates with respect to any such claim or dispute, you must submit a notice to us, which specifies, in detail, the precise nature and grounds of such claim or dispute. Such mediation shall take place in the city closest to our principal place of business (currently Tampa, Florida) under the auspices of the American Arbitration Association ("AAA"), or other mediation service acceptable to us in our sole discretion, in accordance with AAA's Commercial Mediation Procedures then in effect. You may not commence any action against us or our affiliates with respect to any such claim unless mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by us. The parties shall each bear their own costs of mediation and shall share equally the filing fee imposed by AAA and the mediator's fees. We reserve the right to specifically enforce our right to mediation.

28.2 Litigation

If the parties cannot fully resolve and settle a dispute through Required Mediation, all unresolved issues involved in the dispute shall be resolved in the appropriate federal or state court located in the city closest to our principal place of business (currently Tampa, Florida).

28.3 Disputes Not Subject to Mediation

If any of the following exceptions occur, either party may immediately file a lawsuit in accordance with this Section without going through the Required Mediation (for purposes of this Franchise Agreement, the following shall be referred to as the "Litigation Exceptions"): (i) any action that involves an alleged breach of any Brand Covenant; (ii) any action petitioning specific performance to enforce your use of the Marks or the System or to prevent unauthorized duplication of the Marks or the System; (iii) any action for equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief, specific performance, or other relief in the nature of equity, including an action to enjoin an alleged violation or harm (or imminent risk of violation or harm) to any of our rights in the Intellectual Property, our copyrighted works, Marks, the System, or in any of our specialized training, trade secrets, or other Confidential Information, brought at any time, including prior to or during any pending mediation or arbitration proceedings; (iv) any action seeking compliance with the Post Term Obligations; or (v) any action in ejectment or for possession of any interest in real or personal property.

28.4 Venue

All disputes and claims must be mediated and, if applicable, litigated in the principal city (and court) closest to our principal place of business (currently Tampa, Florida); provided that for claims brought under the Litigation Exceptions, we have the option to bring suit against you in any state or federal court within the jurisdiction where your Franchised Business is or was located, or where any of your owners lives. The parties consent to the exercise of personal jurisdiction over them by these courts, and to the propriety of venue in these courts for the purpose of this Franchise Agreement, and the parties waive any objections that they would otherwise have in this regard. Each of the parties specifically waives any defense of inconvenient forum, and waives any bond, surety, or other security that might be required of any other party with respect to venue.

28.5 Fees and Costs

If you breach any term of this Franchise Agreement or any other agreement with us or an affiliate of ours, you agree to reimburse us for all reasonable attorneys' fees and other expenses we incur relating to such breach, regardless of whether the breach is cured prior to the commencement of any dispute resolution proceedings.

If we or you must enforce this Franchise Agreement in a judicial or arbitration proceeding, the substantially prevailing party will be entitled to reimbursement of its costs and expenses, including reasonable fees for accountants, attorneys, and expert witnesses, costs of investigations and proof of facts, court costs, travel and living expenses, and other dispute-related expenses.

If either party commences any legal action or proceeding in any court in contravention of the terms of this Section, that party shall pay all costs and expenses that the other party incurs in the action or proceeding, including, without limitation, costs and attorneys' fees as described in this Section.

28.6 Jury Trial and Class Action Waiver

WE AND YOU IRREVOCABLY WAIVE: (I) TRIAL BY JURY IN ANY PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT; AND (II) THE RIGHT TO ARBITRATE OR LITIGATE ON A CLASS ACTION, MULTIPLE PLAINTIFF, OR OTHER SIMILAR BASIS IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THE PARTIES.

28.7 Limitation of Actions and Waiver of Punitive Damages

We and you agree that any legal action of any kind by a party arising out of or relating to this Franchise Agreement or a default of this Franchise Agreement must be commenced within one (1) year from the occurrence of the facts giving rise to any such claim or action or such claim or action will be barred provided, however, that the forgoing limitation shall not apply where required by applicable law, to the parties indemnification obligations under this Franchise Agreement or to the Litigation Exceptions. You and we, for yourselves, ourselves and on behalf of the Owners respectively, hereby waive to the fullest extent permitted by applicable law, any right to, or claim for, punitive or exemplary damages against the other, and agree that except to the extent provided to the contrary in this Franchise Agreement, in the event of a dispute you and we shall each be limited to recovering only the actual damages proven to be sustained any legal action of any kind.

28.8 Confidentiality

Except as required by applicable law, including the required disclosure in our franchise disclosure document, the entire mediation, litigation, or any agreed to arbitration proceedings and related documents are confidential. Except as necessary to enforce the decision of an arbitrator, all conduct, statements, promises, offers, views and opinions, whether oral or written, made in the course of any arbitration by any of the parties, their agents, employees or representatives and by an arbitrator, are confidential. These matters will not be discoverable or admissible for any purposes, including impeachment, in any litigation or other proceeding involving the parties, and will not be disclosed to anyone who is not an agent, employee, expert witness, or representative for any of the parties; however, evidence otherwise discoverable or admissible is not excluded from discovery or admission as a result of its use in arbitration.

28.9 Acknowledgment

The parties acknowledge that nothing herein shall delay or otherwise limit our Termination Rights. A notice or request for mediation will have no effect on the status of any demand for performance or notice of termination under this Franchise Agreement.

28.10 Survival

We and you agree that the provisions of this Section shall continue to apply following the termination, expiration, Transfer or non-renewal of this Franchise Agreement. You agree to fully perform all obligations under this Franchise Agreement during the entire mediation or litigation process.

29. SECURITY INTEREST

You grant to us a security interest ("Security Interest") in all of the furniture, fixtures, equipment, signage and real estate (including your interests under all real property and personal property leases and all improvements to real estate) of the Franchised Business, together with all similar property now owned or hereafter acquired, including additions, substitutions, replacements, proceeds and products thereof, wherever located, used in connection with the Franchised Business.

You are prohibited from granting a security interest in the Franchised Business or in any of your assets without our prior written consent, which shall not be unreasonably withheld. We may take a subordinate position in the security interest if a Small Business Administration-participating lender requires a first or senior lien, and the appropriate subordination documentation is executed by all parties, including us. This security interest shall be security for any and all Royalties, damages, expenses or other sums owed to us hereunder and for any other amounts you owe to us. You agree to execute any documents, including but not limited to, a UCC-1 (or replacements or extensions for the UCC-1) that we reasonably believe to be necessary to perfect said security interest prior to the opening of the Franchised Business, and hereby appoint us as its attorney-in-fact for the purpose of executing such documents should you fail to do so. Except with respect to your sales of inventory in the ordinary course of business, you shall not sell, transfer, lease, sublease, assign, remove, waste, destroy, encumber or relocate any of the property described herein as subject to our security interest. Further, you shall take no other action which interferes with our security interest in said property, unless and until we release our security interest in the same.

30. GENERAL PROVISIONS

30.1 Governing Law

Except as governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051, et seq.), this Franchise Agreement and the franchise relationship shall be governed by the laws of the State Florida (without reference to its principles of conflicts of law), but any law of those States that regulate the offer and sale of franchises or business opportunities or governs the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Section.

30.2 Relationship of the Parties

You understand and agree that you are not authorized to make any contract, agreement, warranty or representation or create any obligation on our behalf under this Franchise Agreement. You understand and agree that nothing in this Franchise Agreement creates a fiduciary relationship between you and us or is intended to make either party a general or special agent, legal representative, subsidiary, joint venture, partner, employee or servant of the other for any purpose. During the Term, you must conspicuously identify yourself at your base of operations, and in all dealings with third parties, as a franchisee of ours and the independent owner of your Franchised Business. You agree to place such other notices of independent ownership on such forms, stationery, advertising, business cards and other materials as we may require from time to time. Neither we nor you are permitted to make any express or implied agreement, warranty or representation, or incur any debt, in the name of or on behalf of the other, or represent that our relationship is other than franchisor and franchisee. In addition, neither we nor you will be obligated by or have any liability under any agreements or representations made by the other that are not expressly authorized by this Franchise Agreement. You further agree that fulfillment of any and all of our obligations written in the Franchise Agreement, or based on any oral communications which may be ruled to be binding in a court of law, shall be our sole responsibility and none of our owners, officers, agents, representatives, nor any individuals associated with us shall be personally liable to you for any reason.

30.3 **Severability and Substitution**

Each section, subsection, term and provision of this Franchise Agreement, and any portion thereof, is considered severable. If any applicable and binding law imposes mandatory, non-waivable terms or conditions that conflict with a provision of this Franchise Agreement, the terms or conditions required by such law shall govern to the extent of the inconsistency and supersede the conflicting provision of this Franchise Agreement. If a court concludes that any promise or covenant in this Franchise Agreement is unreasonable and unenforceable, including without limitation, the Brand Covenants: (i) the court may modify such promise or covenant to the minimum extent necessary to make such promise or covenant enforceable; or (ii) we may unilaterally modify such promise or covenant to make such promise or covenant enforceable and consistent with the original intent of the parties (i.e., to provide maximum protection for us and to effectuate your obligations under the Franchise Agreement to the fullest extent permitted by law), and you agree to be bound by the modified provisions.

30.4 **Waivers**

We and you may, by written instrument, unilaterally waive or reduce any obligation of or restriction upon the other. Any waiver granted by us shall apply only the to the specifically waived provisions and shall not affect any other rights we may have. We and you shall not be deemed to have waived or impaired any right, power or option reserved by this Franchise Agreement (including the right to demand exact compliance with every term, condition and covenant in this Franchise Agreement, or to declare any breach of this Franchise Agreement to be a default, and to terminate the Franchise Agreement before the expiration of its Term) by virtue of: (i) any custom or practice of the parties that varies with the terms of this Franchise Agreement; (ii) any failure, refusal or neglect of us or you to exercise any right under this Franchise Agreement or to insist upon exact compliance by the other with its obligations under this Franchise Agreement, including any mandatory specification, standard or operating procedure; (iii) any waiver, forbearance, delay, failure or omission by us to exercise any right, power or option, whether of the same, similar or different nature, relating to other Medi-Weightloss franchisees; or (iv) the acceptance by us of any payments due from you after breach of this Franchise Agreement.

30.5 **Approvals**

Whenever this Franchise Agreement requires our approval, you must make a timely written request for approval, and the approval must be in writing in order to bind us. Except as otherwise expressly provided in this Franchise Agreement, if we fail to approve any request for approval within the required period of time, we shall be deemed to have denied your request. If we deny approval and you seek legal redress for the denial, the only relief to which you may be entitled is to acquire our approval. Except where this Franchise Agreement states that we may not unreasonably withhold our approval or consent, we may withhold such approval or consent, in our sole discretion. You are not entitled to any other relief or damages for our denial of approval.

30.6 **Delegation**

We have the right in our sole and absolute discretion to delegate to third party designees, whether these designees are our agents or independent contractors with whom we have contracted the performance of any portion or all of our obligations under this Franchise Agreement, and any right that we have under this

Franchise Agreement. If we do so, such third-party designees will be obligated to perform the delegated functions for you in compliance with this Franchise Agreement.

30.7 **Binding Effect**

This Franchise Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Franchise Agreement is binding upon the parties to this Franchise Agreement and their respective executors, administrators, heirs, assigns and successors in interest. Nothing in this Franchise Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Franchise Agreement; provided, however, that the Additional Insureds and the Indemnified Parties are intended third party beneficiaries under this Franchise Agreement with respect to indemnification obligations of the franchisee.

30.8 **Integration**

This Franchise Agreement constitutes the entire agreement between the parties and may not be changed except by a written document signed by both parties. Any email correspondence or other form of informal electronic communication shall not be deemed to modify this Franchise Agreement unless such communication is signed by both parties and specifically states that it is intended to modify this Franchise Agreement. The attachment(s) are part of this Franchise Agreement, which, together with any amendments or addenda executed on or after the Effective Date, constitutes the entire understanding and agreement of the parties, and there are no other oral or written understandings or agreements between us and you about the subject matter of this Franchise Agreement. No provision herein expressly identifying any term or breach of this Franchise Agreement as material shall be construed to imply that any other term or breach which is not so identified is not material. As referenced above, all mandatory provisions of the Franchise Operations Manual are part of this Franchise Agreement; however, notwithstanding the foregoing, we may modify the Franchise Operations Manual at any time.

Agreements between the parties and any representations made before entering into this Franchise Agreement are not enforceable, unless they are specifically contained in this Franchise Agreement. This provision is intended to define the nature and extent of the parties' mutual contractual intent, and serves to show that there is no intention to enter into contract relations other than the terms contained in this Franchise Agreement. The parties acknowledge that these limitations are intended to achieve the highest possible degree of certainty in the definition of the contract being formed, in recognition of the fact that uncertainty creates economic risks for both parties which, if not addressed as provided in this Franchise Agreement, would affect the economic terms of this bargain. Notwithstanding the foregoing, nothing in this Franchise Agreement or related agreement is intended to disclaim any of the representations we made in the franchise disclosure document.

30.9 **Covenant of Good Faith**

If applicable law implies a covenant of good faith and fair dealing in this Franchise Agreement, the parties agree that the covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Franchise Agreement. Additionally, if applicable law shall imply the covenant, you agree that: (i) this Franchise Agreement (and the relationship of the parties that is inherent in this Franchise Agreement) grants us the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with our explicit rights and obligations under this Franchise Agreement that may favorably or adversely affect your interests; (ii) we will use our judgment in exercising that discretion based on our general assessment of our own interests and balancing those interests against the general interests of our franchisees (including ourselves and our affiliates if applicable), and not based on your or any other franchisee's specific individual interests; (iii) we will have no liability to you for the exercise of our discretion in this manner, so long as the discretion is not exercised in bad faith; and (iv) in the absence of bad faith, no trier of fact in any arbitration or litigation shall substitute its judgment for our judgment so exercised.

30.10 **Cumulative Rights**

The rights of the parties under this Franchise Agreement are cumulative and no exercise or enforcement by either party of any right or remedy under this Franchise Agreement will preclude any other right or remedy available under this Franchise Agreement or by law.

30.11 **Survival**

All provisions that expressly or by their nature survive the termination, expiration or Transfer of this Franchise Agreement (or the Transfer of an ownership interest in the Franchised Business) will continue in full force and effect, even after the termination, expiration or Transfer of the Franchise Agreement, until they are fully satisfied or expire by their own terms.

30.12 **Construction**

The headings in this Franchise Agreement are for convenience only and do not define, limit or construe the contents of the sections or subsections. All references to Sections refer to the Sections contained in this Franchise Agreement unless otherwise specified. All references to days in this Franchise Agreement refer to calendar days unless otherwise specified. The term "you" as used in this Franchise Agreement is applicable to one or more persons or an Entity, and the singular usage includes the plural and the masculine and neuter usages include the other, the feminine and the possessive.

30.13 **Time is of the Essence**

Time is of the essence in this Franchise Agreement and every term thereof.

30.14 **Notice**

All notices given under this Franchise Agreement must be in writing and shall be considered given at the time delivered by hand, or one business day after sending by email or comparable electronic system, one business day after delivery by a reputable overnight delivery service, or one business day after delivery confirmation by certified mail to the following addresses (which may be changed upon ten business days' prior written notice):

You:	As set forth on Attachment A ("Franchisee Notice Address")
Us:	302 Knights Run Ave, Ste 1010, Tampa, Florida 33602

The parties to this Franchise Agreement have executed this Franchise Agreement effective as of the Effective Date set forth in Attachment A.

(Signature Page Follows)

FRANCHISOR:

MEDI-WEIGHTLOSS FRANCHISING USA, LLC,
a Florida limited liability company

Signature:	
Printed Name: [Franchisor Signatory]	
Title: [Franchisor Title]	
Date:	

FRANCHISEE:

[INSERT NAME OF FRANCHISEE],
a(n) [state] [limited liability company / partnership / corporation]

Signature:	
Printed Name: [Franchisee Signatory]	
Title: [Franchisee Title]	
Date:	

Or if Franchisee is an individual(s)

Signature:	
Printed Name: [Franchisee Signatory]	
Date:	

Signature:	
Printed Name: [Franchisee Signatory]	
Date:	

ATTACHMENT A
TO THE FRANCHISE AGREEMENT

FRANCHISE DATA SHEET

1. **Effective Date**. The Effective Date of this Franchise Agreement, set forth in the introductory Paragraph of this Franchise Agreement is:

[Effective Date]

2. **Franchisee**. The Franchisee identified in the introductory paragraph of the Franchise Agreement is:

[Name of Franchisee]

3. **Notice Address**. Franchisee Notice Address is:

[Franchisee Address]

4. **Authorized Medical Practice**. The Authorized Medical Practice referenced in Section 2.2 of the Franchise Agreement is:

[Name of Authorized Medical Practice]

5. **Initial Franchise Fee**. The "Initial Franchise Fee" is: (check one):

____ $60,000 for a single Franchise.

____ Not applicable; this Franchise Agreement is signed as a Successor Franchise Agreement or as a result of a Transfer.

____ Not applicable; this Franchise Agreement is being signed under an area development agreement between Franchisee and Franchisor and no Initial Franchise Fee is due. This Franchise Agreement constitutes franchise number ____ out of a total of up to ____ franchises under the area development agreement between you and us dated ___________, 20__.

6. **Initial Package Fee**. The "Initial Package Fee" is: (check one):

____ $49,000 for a single Franchise.

____ Not applicable; this Franchise Agreement is signed as a Successor Franchise Agreement or as a result of a Transfer.

7. **Site Selection Area**. If a particular site for the Premises has been selected and approved at the time of the signing of this Franchise Agreement, it shall be entered in Attachment A-1 as the Premises location, and the Territory shall be as listed in Attachment A-1, if applicable. If a particular site has not been selected and approved at the time of the signing of this Franchise Agreement, you will locate a Premises in the following site selection area:

FRANCHISOR:
MEDI-WEIGHTLOSS FRANCHISING USA, LLC
a Florida limited liability company

Signature:
Printed Name: [Franchisor Signatory]
Title: [Franchisor Title]
Date:

FRANCHISEE:
[INSERT NAME OF FRANCHISEE]
a(n) [state] [entity info]

Signature:
Printed Name: [Franchisee Signatory]
Title: [Franchisee Title]
Date:

Or if Franchisee is an individual(s)

Signature:
Printed Name: [Franchisee Signatory]
Date:

Signature:
Printed Name: [Franchisee Signatory]
Date:

ATTACHMENT A-1

TO THE FRANCHISE AGREEMENT

PREMISES AND TERRITORY

You have received acceptance for site location for the Premises that satisfies the demographics and location requirements minimally necessary for a Premises and that meets our minimum current standards and specifications for the buildout, interior design, layout, floor plan, signs, designs, color and décor of a Premises. You acknowledge that our acceptance of the site location for the Premises is in no way a representation by us that your site will be successful. You and we have mutually agreed upon a Territory based on the site for the Premises which is indicated below. You acknowledge that the Territory is in conformance with the territory guidelines stated in Item 12 of the Franchise Disclosure Document.

1. Location for the Premises:

The Premises for your Franchised Business as provided in Section 2 of the Franchise Agreement is:

[Premises address]

2. Territory:

	You and we have mutually agreed upon a Territory based on the site for the Premises which is indicated below: [INSERT TERRITORY MAP OR DESCRIPTION]

(***Signature page follows***)

FRANCHISOR:
MEDI-WEIGHTLOSS FRANCHISING USA, LLC
a Florida limited liability company

Signature:	
Printed Name: [Franchisor Signatory]	
Title: [Franchisor Title]	
Date:	

FRANCHISEE:
[INSERT NAME OF FRANCHISEE]
a(n) [state] [entity info]

Signature:	
Printed Name: [Franchisee Signatory]	
Title: [Franchisee Title]	
Date:	

Or if Franchisee is an individual(s)

Signature:	
Printed Name: [Franchisee Signatory]	
Date:	

Signature:	
Printed Name: [Franchisee Signatory]	
Date:	

ATTACHMENT A-2

TO THE FRANCHISE AGREEMENT

INITIAL PACKAGE (Effective April 1, 2025)

#	ITEM DESCRIPTION	QUANTITY
1	Equipment - 17 in. Touchscreen H19	2
2	Equipment - Ree Vue, Printer	1
3	Equipment - Cable - USB Type-A to USB Type-B 2.0	2
4	Equipment - Ethernet Patch Cable	2
*	**Equipment**	*
5	Medical/Supplies - 1 Lb Fat Replica	1
6	Medical/Supplies - 5 Lb Fat Replica	1
7	Medical/Supplies - Alcohol 16 oz bottle	1
8	Medical/Supplies - Alcohol Prep Pads	2
9	Medical/Supplies - BP Cuff Lg Adult Size 11	1
10	Medical/Supplies - BP Cuff Lg Adult Size 13 Thigh	1
11	Medical/Supplies - BP Cuff Lg Adult Size 12	1
12	Medical/Supplies - Bags Biohazard	1
13	Medical/Supplies - Bandages	1
14	Medical/Supplies - Cart - Utility	1
15	Medical/Supplies - EKG - EKG -Welch Allyn CP150	1
16	Medical/Supplies - EKG Paper	1
17	Medical/Supplies - EKG Tabs	5
18	Medical/Supplies - EKG Clips - Replacement	1
19	Medical/Supplies - Examination Gloves Large Non-Latex	2
20	Medical/Supplies - Examination Gloves Medium Non-Latex	2
21	Medical/Supplies - Examination Poncho	1
22	Medical/Supplies - Eye Wash Station	1
23	Medical/Supplies - First Aid Kit - OSHA	1

#	ITEM DESCRIPTION	QUANTITY
24	Medical/Supplies - Gauze - Sponge 2x2	3
25	Medical/Supplies - Hand Soap	1
26	Medical/Supplies - Mini Spike Dispensing Pins - 1box	1
27	Medical/Supplies - Needles - 25 x 1-1/2	3
28	Medical/Supplies - Needles - 30 x 1/2	1
29	Medical/Supplies - Pregnancy Tests	2
30	Medical/Supplies - Razors - Disposable	1
31	Medical/Supplies - Sanitizing Hand Gel Pump	1
32	Medical/Supplies - Sani-Wipes	2
33	Medical/Supplies - Scale (Floor) - 400 lb capacity	1
34	Medical/Supplies - Sharps Container	3
35	Medical/Supplies - Sharps Container Wall Mount w/Glove Dispenser	3
36	Medical/Supplies - Specimen Cup Non-Sterile w/Lid - 1 box	1
37	Medical/Supplies - Stepstool Bariatric w/Handle	1
38	Medical/Supplies - Stethoscope	1
39	Medical/Supplies - Syringes - 1cc	2
40	Medical/Supplies - Syringes - 3cc	3
41	Medical/Supplies - Tanita Scale TBF-400	2
42	Medical/Supplies - Tape Measure - Wallmount	1
43	Medical/Supplies - Towel Patient Dri-Gard 19 x 13	1
44	Medical/Supplies - Tray Instrument SS 12-1/2 x 19	5
45	Medical/Supplies - Oximeter Pulse Fingertip Pocket Size	1
46	Medical/Supplies - Urine Dip Sticks (blood, glucose, ketones)	1
*	**Medical Supplies**	*
47	Marketing Kit - 6 ft. Tape Measures	5
48	Marketing Kit - Apparel - Lab Coat	1
49	Marketing Kit - Apparel - Lab Coat 2	1
50	Marketing Kit - Brochures - Trifold	250

#	ITEM DESCRIPTION	QUANTITY
51	Marketing Kit - Brochures - Reevue	100
52	Marketing Kit - Trifold - Unconverted Assessment Brochures	50
53	Marketing Kit - Cards - Appointment/ Business	1000
54	Marketing Kit - Cards - Referral	1000
55	Marketing Kit - Cards - Tent	10
56	Marketing Kit - Display - "Coming Soon" Banner	1
57	Marketing Kit - Display - Logo Mat - Clinic	1
58	Marketing Kit - Holder - Trifold Brochures	4
59	Marketing Kit - Stationery - Letterhead Envelopes #10	1000
60	Marketing Kit - Sticky Notes	500
61	Marketing Kit - Bic Clic Stic Pens	300
62	Marketing Kit - Laminated Flyers - Semaglutide	5
63	Marketing Kit - Laminated Flyers - Tirzepatide	5
64	Marketing Kit - Laminated GLP Dosage Charts	8
65	Marketing Kit - RX/INJ Placemat	5
66	Marketing Kit - MVP Placemat Spanish	1
67	Marketing Kit - MVP Placemat	5
68	Marketing Kit - Goal Weight Selfie Frame	1
69	Marketing Kit - 20 Pounds Down Selfie Frame	1
70	Goal Weight Cards w\ Envelopes	25
71	20 Pounds Down Cards w\ Envelopes	25
72	Patient Materials Starter Box	1
*	**Marketing Kit**	*
73	Engagement Station	1
74	Success Trio Wall	1
75	Acrylic Logo 3' x 3'	1
76	Canvas Prints	12
*	Branded Designs	*

#	ITEM DESCRIPTION	QUANTITY
77	Starter Kit - Grocery Tote	100
78	Starter Kit - Blender Bottle	50
79	Starter Kit - Standard Journal	100
80	Starter Kit - Ketostick	100
*	**Starter Kits**	*
81	Starter Kit - Supplement - Calcium 4 Blend	90
82	Starter Kit - Supplement - Inner Balance	90
83	Starter Kit - Supplement - Fat Burner	90
84	Starter Kit - Supplement - Omega Three - Enteric Coated	90
85	Starter Kit - Supplement - Vita Super	90
86	Starter Kit - Supplement - Plateau Buster	24
87	Starter Kit - Supplement - Stay Slim 14	48
88	Starter Kit - Supplement - Medi-Bolic Melts	24
89	Starter Kit - Supplement - GLP-Trim 90 CAPS (MWL0017)	24
90	Starter Kit - Muscle Guard - Pink Lemonade	12
91	Starter Kit - Peanut Butter Powder	24
92	Starter Kit - Signature No-Bake Cheesescake	36
93	Starter Kit - Broccoli Cheese Soup	36
94	Starter Kit - Apple Cinnamon Oatmeal	36
95	Starter Kit - Limeade Electrolyte	24
96	Starter Kit - Peach Mango Electrolyte	24
97	Starter Kit - Brown Sugar Cinnamon Latte	36
98	Starter Kit - Maple Brown Sugar Oatmeal	36
99	Starter Kit - Shake to Go - Chocolate	16
100	Starter Kit - Shake to Go - Vanilla	16
101	Starter Kit - Shake to Go - Strawberry	16
102	Starter Kit - Shake to Go - Tropical Orange Twist	16
103	Starter Kit - Signature Cinnamon Pancake Mix	24

#	ITEM DESCRIPTION	QUANTITY
104	Starter Kit - Signature Blueberry Pancake Mix	24
105	Starter Kit - Premium Protein Shake - Chocolate	12
106	Starter Kit - Premium Protein Shake - Vanilla	12
107	Starter Kit - Premium Protein Shake - Banana	12
108	Starter Kit - Premium Protein Shake - Chocolate Peanut Butter Cup	12
109	Starter Kit - Premium Protein Shake - Cinnabun	12
110	Starter Kit - Premium Protein Shake - Lemon Meringue	12
111	Starter Kit - Premium Protein Shake - Strawberries & Cream	12
112	Starter Kit - Premium Protein Shake - Birthday Cake	12
113	Starter Kit - Premium Protein Shake - Cookie & Cream	12
114	Starter Kit - Premium Protein Shake - Salted Caramel	12
115	Starter Kit - Premium Protein Shake - Orange Cream	12
116	Starter Kit - Peanut Butter Temptation Protein Bars	24
117	Starter Kit - Vanilla Crisp Protein Bars	24
118	Starter Kit - Chocolate Celebration protein bar	28
119	Starter Kit - Peanut Butter Chocolate protein bar	28
120	Starter Kit - Lucious Lemon Shortbread protein bar	28
121	Starter Kit - Carmel Drizzle Crunch protein bar	28
122	Starter Kit - Spicy Nacho Protein Chips	18
123	Starter Kit - Cheddar & Onion Protein Chips	18
124	Starter Kit - Apple Cinnamon Crunch Puffs	24
125	Starter Kit - Peanut Butter Crunch Puffs	24
126	Starter Kit - BBQ Zipper	20
127	Starter Kit - Sour Cream and Herb Zipper	20
128	Starter Kit - Hot Chocolate	40
129	Starter Kit - Chicken Bone Broth	36
130	Starter Kit - Nacho Mac & Cheese	24
131	Starter Kit - S'mores Pudding	40

#	ITEM DESCRIPTION	QUANTITY
132	Starter Kit - Healthy Chocolate - Multipack	70
*	**Supplements**	*
133	Marketing Kit - Brochures - Trifold	250
*	**Powerplay**	*

ATTACHMENT B
TO THE FRANCHISE AGREEMENT
STATEMENT OF OWNERSHIP

1. **Franchisee:**

[Name of Franchisee] [Franchisee Entity Info]

2. **Form of Ownership: (Check One)**

____ **Individual(s)** ____ **Partnership** ____ **Corporation** ____ **Limited Liability Company**

3. **State and Date of Formation/Incorporation**:

[State and Date of Formation/Incorporation]

4. **Ownership and Management of the Franchisee**:

Name of Individual*	**Ownership Title** (if any) (member, managing member, partner, shareholder, individual, trustee)	**Management Position** (if any) (managers, officers, board of directors, etc.)	**Address**	**Percentage Owned** (if any)
*If any owner is a legal entity, please list the owners of such entities up through the individuals.				

5. **Identification of Responsible Owner**. Your Responsible Owner is [Responsible Owner Name].

6. **Identification of Franchise Manager**. Your Franchise Manager, if applicable, is [Franchise Manager Name].

This form is current and complete as of the Effective Date.

(Signature Page Follows)

FRANCHISEE:

[INSERT NAME OF FRANCHISEE]
[Franchisee Entity Info]

Signature:
Printed Name: [Franchisee Signatory]
Title: [Franchisee Title]
Date:

Or if Franchisee is an individual(s)

Signature:
Printed Name:
Date:

Signature:
Printed Name:
Date:

ATTACHMENT C

TO THE FRANCHISE AGREEMENT

OWNERS AGREEMENT

As a condition to the granting by Medi-Weightloss Franchising USA, LLC ("we" or "us") of a franchise agreement with [Franchisee Name] ("Franchisee"), the undersigned individual or individuals, consisting of (i) all of the owners of a direct or indirect beneficial interest in Franchisee (collectively "Owners"), and (ii) their respective spouses, if any (collectively, "Franchise Owners"), covenant and agree to be bound by this Franchise Owner Agreement ("Franchise Owner Agreement").

1. Acknowledgments.

1.1 Franchise Agreement. Franchisee entered into a franchise agreement with us effective as [Franchise Agreement Effective Date] ("Franchise Agreement"). Capitalized words not defined in this Franchise Owner Agreement will have the same meanings ascribed to them in the Franchise Agreement.

1.2 Franchise Owners' Role. Franchise Owners are the beneficial owners or spouses of the beneficial owners of all of the direct and indirect equity interest, membership interest, or other equity controlling interest in Franchisee and acknowledge there are benefits received and to be received by each Franchise Owner, jointly and severally, and for themselves, their heirs, legal representatives, and assigns. Franchisee's obligations under the Franchise Agreement, including the confidentiality and non-compete obligations, would be of little value to us if Franchisee's direct and indirect owners were not bound by the same requirements. Under the provisions of the Franchise Agreement, Franchise Owners are required to enter into this Franchise Owner Agreement as a condition to our entering into the Franchise Agreement with Franchisee. Franchise Owners will be jointly and severally liable for any breach of this Franchise Owner Agreement.

2. Non-Disclosure and Protection of Confidential Information.

2.1 Confidentiality. Under the Franchise Agreement, we will provide Franchisee with specialized training, proprietary trade secrets, and other Confidential Information relating to the establishment and operation of a franchised business. The provisions of the Franchise Agreement governing Franchisee's non-disclosure obligations relating to our Confidential Information are hereby incorporated into this Franchise Owner Agreement by reference, and Franchise Owners agree to comply with each obligation as though fully set forth in this Franchise Owner Agreement as a direct and primary obligation of Franchise Owners. Further, we may seek the same remedies against Franchise Owners under this Franchise Owner Agreement as we may seek against Franchisee under the Franchise Agreement. Any and all information, knowledge, know-how, techniques, and other data which we designate as confidential will also be deemed Confidential Information for purposes of this Franchise Owner Agreement.

2.2 Immediate Family Members. Franchise Owners acknowledge that they could circumvent the purpose of Section 2.1 by disclosing Confidential Information to an immediate family member (i.e., spouse, parent, sibling, child, or grandchild). Franchise Owners also acknowledge that it would be difficult for us to prove whether Franchise Owners disclosed the Confidential Information to family members. Therefore, each Owner agrees that he or she will be presumed to have violated the terms of Section 2.1 if any member of his or her immediate family uses or discloses the Confidential Information or engages in any activities that would constitute a violation of the covenants listed in Section 3, below, if performed by Franchise Owners. However, Franchise Owners may rebut this presumption by furnishing evidence conclusively showing that Franchise Owners did not disclose the Confidential Information to the family member.

3. Covenant Not to Compete.

3.1 Non-Competition During and After the Term of the Franchise Agreement. Franchise Owners acknowledge that as a participant in our system, they will receive proprietary and confidential information and materials, trade secrets, and the unique methods, procedures, and techniques which we have developed. The provisions of the Franchise Agreement governing Franchisee's restrictions on competition both during the term of the Franchise Agreement and following the expiration, termination or transfer of the Franchise Agreement are hereby incorporated into this Franchise Owner Agreement by reference, and Franchise Owners agree to comply with and perform each such covenant as though fully set forth in this Franchise Owner Agreement as a direct and primary obligation of Franchise Owners. Further, we may seek the same remedies against Franchise Owners under this Franchise Owner Agreement as we may seek against Franchisee under the Franchise Agreement.

3.2 Construction of Covenants. The parties agree that each such covenant related to non-competition will be construed as independent of any other covenant or provision of this Franchise Owner Agreement. If all or any portion of a covenant referenced in this Section 3 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a final decision to which we are a party, Franchise Owners agree to remain bound to the maximum extent permitted by law, as if that covenant were separately stated in and made a part of this Section 3.

3.3 Our Right to Reduce Scope of Covenants. Additionally, we have the right, in our sole discretion, to unilaterally reduce the scope of all or part of any covenant referenced in this Section 3 of this Franchise Owner Agreement, without Franchise Owners' consent (before or after any dispute arises), effective when we give Franchise Owners written notice of this reduction. Franchise Owners agree to comply with any covenant as so modified.

4. Continuing Guarantee.

4.1 Payment. Franchise Owners will pay us (or cause us to be paid) all monies payable by Franchisee under the Franchise Agreement whether now or in the future on the dates and in the manner required for payment in the relevant agreement.

4.2 Performance. Franchise Owners unconditionally guarantee full performance and discharge by Franchisee of all of Franchisee's obligations under the Franchise Agreement whether now or in the future on the date and times and in the manner required in the relevant agreement.

4.3 Indemnification. Franchise Owners will indemnify, defend, and hold harmless us, all of our affiliates, and the respective shareholders, directors, partners, employees, and agents of such entities, against and from all losses, damages, costs, and expenses which we or they may sustain, incur, or become liable for, whether now or in the future, by reason of: (i) Franchisee's failure to pay the amounts owed (to us or any of our affiliates) pursuant to the Franchise Agreement, or to do and perform any other act, matter, or thing required by the Franchise Agreement; or (ii) any action by us to obtain performance by Franchisee of any act, matter, or thing required by the Franchise Agreement.

4.4 No Exhaustion of Remedies. Franchise Owners acknowledge and agree that we are not obligated to exhaust all remedy (whether legal or equitable) against or pursue relief from the Franchisee, before proceeding to enforce the obligations of the Franchise Owners as guarantors under this Franchise Owner Agreement. The enforcement of Franchise Owners' obligations can take place before, after, or simultaneously with the enforcement of any of the Franchisee's debts or obligations under the Franchise Agreement.

4.5 Waiver of Notice. Without affecting Franchise Owners' obligations under this Section 4, we can extend, modify, or release any of Franchisee's indebtedness or obligation, or settle, adjust, or compromise any claims against Franchisee, all without notice to the Franchise Owners. Franchise Owners waive notice of amendment of the Franchise Agreement and notice of demand for payment or performance by Franchisee.

4.6 Effect of Owner's Death. Upon the death of an Owner, the estate of such Franchise Owners will be bound by the obligations in this Section 4, but only for defaults and obligations hereunder existing at the time of death, and the obligations of any other Franchise Owners will continue in full force and effect.

4.7 Waiver of Acceptance, Default and Defenses. Franchise Owners waive: (i) acceptance and notice of acceptance by us of the forgoing undertakings; (b) protest and notice of default to any party with respect to the indebtedness or non-performance of any obligations hereby guaranteed; and (c) any and all other notices and legal or equitable defenses, right of setoff, claim or counterclaim whatsoever to which they may be entitled at any time hereunder.

4.8 Continuing Nature. Franchise Owners agree that each of the obligations in this Section 4 shall be continuing and shall not be discharged by: (i) the insolvency of Franchisee or the payment in full of all of the obligations at any time; (ii) the power or authority or lack thereof of Franchisee to incur the obligations; (iii) the validity or invalidity of any of the obligations; (iv) the existence or non-existence of Franchisee as a legal entity; (v) any statute of limitations affecting the liability of Franchise Owners or the ability of us to enforce this Franchise Owner Agreement or the obligations; or (vi) any right of offset, counterclaim or defense of any Owner, including, without limitation, those which have been waived by Franchise Owners pursuant to this Franchise Owner Agreement.

5. Transfers. Franchise Owners acknowledge and agree that we have granted the Franchise Agreement to Franchisee in reliance on Franchise Owners' business experience, skill, financial resources, and personal character. Accordingly, Franchise Owners agree not to sell, encumber, assign, transfer, convey, pledge, merge, or give away any direct or indirect interest in this Franchisee, unless Franchise Owners first comply with the sections in the Franchise Agreement regarding Transfers. Franchise Owners acknowledge and agree that attempting to Transfer an interest in the Franchisee without our express written consent, except those situations provided in the Franchise Agreement where our consent is not required, will be a breach of this Franchise Owner Agreement and the Franchise Agreement. We may, from time to time, without notice to Franchise Owners, assign or transfer any or all of Franchise Owners' rights, duties and obligations or any interest therein in this Franchise Owner Agreement and, notwithstanding any assignment(s) or transfer(s), the rights, duties and obligations shall be and remain for the purpose of this Franchise Owner Agreement. Each and every immediate and successive assignee or transferee of any of the rights, duties or obligations of any interest therein shall, to the extent of such party's interest in the rights duties and/or obligations, be entitled to the benefits of this Franchise Owner Agreement to the same extent as if such assignee or transferee were us.

6. Notices.

6.1 Method of Notice. Any notices given under this Franchise Owner Agreement shall be in writing and delivered in accordance with the provisions of the Franchise Agreement.

6.2 Notice Addresses. Our current address for all communications under this Franchise Owner Agreement is:

Medi-Weightloss Franchising USA, LLC
302 Knights Run Avenue, Suite 1010
Tampa, Florida 33602

The current address of each Franchise Owner for all communications under this Franchise Owner Agreement is designated on the signature page of this Franchise Owner Agreement. Any party may designate a new address for notices by giving written notice to the other parties of the new address according to the method set forth in the Franchise Agreement.

7. Enforcement of This Franchise Owner Agreement.

7.1 Dispute Resolution. Any claim or dispute arising out of or relating to this Franchise Owner Agreement shall be subject to the dispute resolution provisions of the Franchise Agreement. This agreement to engage in such dispute resolution process shall survive the termination or expiration of this Franchise Owner Agreement.

7.2 Choice of Law; Jurisdiction and Venue. This Franchise Owner Agreement and any claim or controversy arising out of, or relating to, any of the rights or obligations under this Franchise Owner Agreement, and any other claim or controversy between the parties, will be governed by the choice of law, jurisdiction, and venue provisions of the Franchise Agreement.

7.3 Equitable Remedies. Franchise Owners acknowledge and agree that the covenants and obligations of the Franchise Owners relate to special, unique and extraordinary matters and that a violation of any of the terms of such covenants and obligations will cause us irreparable injury for which adequate remedies are not available at law. Therefore, Franchise Owners agree that we shall be entitled to an injunction, restraining order or such other equitable relief (without the requirement to post bond) as a court of competent jurisdiction may deem necessary or appropriate to restrain Franchise Owners from committing any violation of the covenants and obligations contained in this Franchise Owner Agreement. If equitable relief is granted, Franchise Owners' only remedy will be the court's dissolution of the injunctive relief. If equitable relief was wrongfully issued, Franchise Owners expressly waive all claims for damages they incurred as a result of the wrongful issuance.

8. Miscellaneous.

8.1 No Other Agreements. This Franchise Owner Agreement constitutes the entire, full, and complete agreement between the parties, and supersedes any earlier or contemporaneous negotiations, discussions, understandings, or agreements. There are no representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Franchise Owner Agreement, other than those in this Franchise Owner Agreement. No other obligations, restrictions, or duties that contradict or are inconsistent with the express terms of this Franchise Owner Agreement may be implied into this Franchise Owner Agreement. Except for unilateral reduction of the scope of the covenants permitted in Section 3.3 (or as otherwise expressly provided in this Franchise Owner Agreement), no amendment, change, or variance from this Franchise Owner Agreement will be binding on either party unless it is mutually agreed to by the parties and executed in writing. Time is of the essence.

8.2 Severability. Each provision of this Franchise Owner Agreement, and any portions thereof, will be considered severable. If any provision of this Franchise Owner Agreement or the application of any provision to any person, property, or circumstances is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Franchise Owner Agreement will be unaffected and will still remain in full force and effect. The parties agree that the provision found to be invalid or unenforceable will be modified to the extent necessary to make it valid and enforceable, consistent with the original intent of the parties (i.e., to provide maximum protection for us and to effectuate the Franchise Owners' obligations under the Franchise Agreement to the fullest extent permitted by law), and the parties agree to be bound by the modified provisions.

8.3 No Third-Party Beneficiaries. Nothing in this Franchise Owner Agreement is intended to confer upon any person or entity (other than the parties and their heirs, successors, and assigns) any rights or remedies under or by reason of this Franchise Owner Agreement.

8.4 Construction. Any term defined in the Franchise Agreement which is not defined in this Franchise Owner Agreement will be ascribed the meaning given to it in the Franchise Agreement. The language of this Franchise Owner Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Franchise Owner Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as you, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation.

8.5 Binding Effect. This Franchise Owner Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Franchise Owner Agreement is binding on the parties and their respective heirs, executors, administrators, personal representatives, successors, and (permitted) assigns.

8.6 Successors. References to "Franchisor," "Franchise Owners," "the undersigned," or "you" include the respective parties' heirs, successors, assigns, or transferees.

8.7 Nonwaiver. Our failure to insist upon strict compliance with any provision of this Franchise Owner Agreement shall not be a waiver of our right to do so. Delay or omission by us respecting any breach or default shall not affect our rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Franchise Owner Agreement shall be cumulative.

8.8 No Personal Liability. Franchise Owners agree that fulfillment of any and all of our obligations written in the Franchise Agreement or this Franchise Owner Agreement, or based on any oral communications which may be ruled to be binding in a court of law, shall be our sole responsibility and none of our owners, officers, agents, representatives, nor any individuals associated with us shall be personally liable to Franchise Owners for any reason.

8.9 Franchise Owner Agreement Controls. In the event of any discrepancy between this Franchise Owner Agreement and the Franchise Agreement, this Franchise Owner Agreement shall control.

IN WITNESS WHEREOF, the parties have entered into this Franchise Owner Agreement as of the Effective Date of the Franchise Agreement.

(Signature page follows)

OWNER(S):	**SPOUSE(S):**
Signature:	Signature:
Printed Name: [Insert Name of Owner 1]	Printed Name: [Insert Name of Spouse 1]
Address: [Insert Address of Owner 1]	Address: [Insert Address of Spouse 1]
Signature:	Signature:
Printed Name: [Insert Name of Owner 2]	Printed Name: [Insert Name of Spouse 2]
Address: [Insert Address of Owner 2]	Address: [Insert Address of Spouse 2]
Signature:	Signature:
Printed Name: [Insert Name of Owner 3]	Printed Name: [Insert Name of Spouse 3]
Address: [Insert Address of Owner 3]	Address: [Insert Address of Spouse 3]

EXHIBIT D

AREA DEVELOPMENT AGREEMENT

MEDI-WEIGHTLOSS FRANCHISING USA, LLC

AREA DEVELOPMENT AGREEMENT

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MEDI-WEIGHTLOSS FRANCHISING USA, LLC

AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT ("Area Development Agreement") is made and entered into by and between Medi-Weightloss Franchising USA, LLC, a Florida limited liability company ("we," "us," or "our"), and the area developer identified in the signature page of this Area Development Agreement ("you" or "your") as of the date specified as the "Effective Date" in Attachment A to this Area Development Agreement. If more than one person or entity is listed as Area Developer, each such person or entity shall be jointly and severally liable for all rights, duties, restrictions and obligations under this Area Development Agreement.

WITNESSETH:

WHEREAS, we offer franchise rights relating to the establishment, development and operation of franchises ("Medi-Weightloss Franchise(s)") that provide proprietary weight loss, wellness, nutritional and weight loss products and services ("Medi-Weightloss Business(es)");

WHEREAS, in addition to this Area Development Agreement, you and we have entered into a franchise agreement (the "Initial Franchise Agreement") for the right to establish and manage a single Medi-Weightloss Business; and

WHEREAS, you desire to purchase an option to establish and operate multiple Medi-Weightloss Franchises within the territory described in Attachment A ("Development Territory"), under the development schedule described in Attachment B ("Development Schedule") and pursuant to the terms and conditions of this Area Development Agreement.

NOW, THEREFORE, in consideration for the promises, rights and obligations set forth in this Area Development Agreement, the parties mutually agree as follows:

1. GRANT

1.1 We hereby grant to you the right to establish and operate the number of Medi-Weightloss Franchises indicated in Section 1 of Attachment B within the Development Territory described in Attachment A. Each Medi-Weightloss Franchise shall be operated according to the terms of our then-current form of individual franchise agreement which may contain materially different terms from the Initial Franchise Agreement including a different royalty rate. Your individual franchise agreements may also vary if you open Medi-Weightloss Franchises in multiple states.

1.2 If you comply with the terms of this Area Development Agreement, including the Development Schedule, the individual franchise agreements entered into as a part of this Area Development Agreement, and any other agreements entered into with us or our affiliates, then we will not directly or indirectly cause or allow other Medi-Weightloss Franchises to be franchised or licensed in the Development Territory during the Term of this Area Development Agreement, subject to limited exceptions. You acknowledge that the Development Territory may already include existing Medi-Weightloss Franchises, and that you may not develop a Medi-Weightloss Franchise that infringes on the territorial rights of existing Medi-Weightloss Franchises. We and our affiliates have the right to operate, and to license others to operate, Medi-Weightloss Businesses at any location outside the Development Territory, even if doing so could affect your operation of any of your Medi-Weightloss Businesses.

We and our affiliates, and any other authorized person or entity (including any other Medi-Weightloss Franchise), reserve the right at any time, to conduct any other type of activities within your Development Territory that we and our affiliates are permitted to conduct under the Initial Franchise Agreement and any subsequent franchise agreements. We also retain the right, for ourselves, our affiliates, and any other authorized person or entity (including any other Medi-Weightloss Franchises), to act in the manner permitted in any franchise agreement.

We reserve all rights not expressly granted to you, including the right for ourselves and our affiliates to engage in any other business activities not expressly prohibited by this Area Development Agreement. This includes, but is not limited to, the right to: (i) use the Medi-Weightloss trademarks (the "Marks") and system (the "System") to sell any products or services similar to those which you will sell through any alternate channels of distribution within or outside of the Development Territory (even if these businesses compete with you). This includes, but is not limited to, other channels of distribution such as television, catalog sales, wholesale to unrelated retail outlets or over the Internet. We exclusively reserve the Internet as a channel of distribution for us, and you may not independently market on the Internet or conduct e-commerce without our permission; (ii) own, franchise, license or operate Medi-Weightloss Businesses at any location outside of the Development Territory regardless of the proximity to your Medi-Weightloss Businesses, even if doing so will or might affect your operation of Medi-Weightloss Businesses; (iii) use and license the use of other proprietary and non-proprietary marks or methods which are not the same as or confusingly similar to the Marks, whether in alternative channels of distribution or in the operation of a business offering products similar to those offered by Medi-Weightloss Businesses, at any location, including within the Development Territory, which may be similar to or different from the Medi-Weightloss Business(es) operated by you; (iv) engage in any transaction, including to purchase or be purchased by, merge or otherwise acquire competitive businesses, whether located inside or outside the Development Territory, provided that any businesses located inside your Development Territory will not operate under the Marks, but may operate under the System; and (v) implement multi-area marketing programs, which may allow us or others to solicit or sell to customers anywhere. We also reserve the right to issue mandatory policies to coordinate such multi-area marketing programs.

We are not required to pay you if we exercise any of the rights specified above within the Development Territory, including orders accepted or solicited by other Medi-Weightloss franchisees. You agree that you may face competition from us, from other franchisees and from other channels of distribution or competitive brands that we control within the Development Territory.

Upon the expiration or termination of this Area Development Agreement, you shall have no further right to construct, equip, own, open or operate additional Medi-Weightloss Franchises which are not, at the time of such termination or expiration, the subject of a then-existing franchise agreement between you (or an affiliate of you) and us, which is then in full force and effect.

1.3 This Area Development Agreement is not a franchise agreement and does not grant you the right to use the Marks or System in any manner. Each Medi-Weightloss Franchise will be governed by the individual franchise agreement signed by you or your affiliate and us for each Medi-Weightloss Business.

1.4 You must own at least a 51% equity interest in any legal entity that develops or operates each Medi-Weightloss Business developed under this Area Development Agreement. You shall identify all of your equity owners and leadership and management personnel (officers, directors, managers, etc.) by completing the "Statement of Ownership" attached to this Area Development Agreement as Attachment C. You agree to execute an updated form of Attachment C within ten business days of any change in your equity ownership. Failure of you to provide us with an updated Attachment C within the time frame specified in this Section 1.4 shall constitute a default of this Area Development Agreement.

2. TERM

Unless earlier terminated due to default as provided in Section 8, the term of this Area Development Agreement will expire upon the earlier of the following: (a) the termination date listed on Section 2 of Attachment B; or (b) completion of the obligations of the Development Schedule, and no notice shall be required to evidence or effectuate such expiration, which shall occur automatically upon the fulfilment of either of the foregoing conditions. Upon expiration or termination of this Area Development Agreement, the only territorial protections that you will retain are those under each individual franchise agreement. During the term of this Area Development Agreement (and following termination of this Area Development Agreement), you shall be subject to all confidentiality and non-compete provisions contained in any franchise agreements, Franchise Owner Agreements and similar agreements you have signed with us or our affiliates.

3. DEVELOPMENT FEE

You must pay us the total "Development Fee" set forth in Attachment A upon execution of this Area Development Agreement. The Development Fee is uniformly calculated, payable when you sign this Area Development Agreement, and is non-refundable under any circumstances, even if you fail to open any Medi-Weightloss Businesses. The Development Fee replaces the initial franchise fee in the Initial Franchise Agreement, as well as the initial franchise fees for subsequent franchise agreements signed under this Area Development Agreement.

4. MANNER FOR EXERCISING DEVELOPMENT RIGHTS

In order to exercise your development rights under this Area Development Agreement, you must enter into separate franchise agreements for each Medi-Weightloss Franchise to be developed under this Area Development Agreement. The Initial Franchise Agreement shall be executed and delivered concurrently with the execution and delivery of this Area Development Agreement. All subsequent Medi-Weightloss Franchises developed under this Area Development Agreement shall be established and operated pursuant to the form of franchise agreement and ancillary documents then being used by us for a Medi-Weightloss Franchise. You acknowledge that the then-current form of franchise agreement may differ from the Initial Franchise Agreement. You further acknowledge that the legal or corporate structure of your Medi-Weightloss Franchises may differ significantly if you are developing Medi-Weightloss Businesses in multiple states. You may not exercise any development rights under this Area Development Agreement while you are in default of any other agreement with us, including the Initial Franchise Agreement or any other franchise agreement between us and you.

5. DEVELOPMENT SCHEDULE

5.1 Acknowledging that time is of the essence, you agree to exercise your development rights according to Section 4 and according to the Development Schedule set forth in Attachment B, which designates the number of Medi-Weightloss Franchises that must be opened prior to the expiration of each of the designated development periods (each a "Development Period") for the operation of Medi-Weightloss Franchises in the Development Territory.

5.2 During any Development Period, you may, with our prior written consent, develop more than the number of Medi-Weightloss Businesses than you are required to develop during that Development Period by executing multiple franchise agreements during a single Development Period. Any franchise agreements executed during a Development Period in excess of the minimum number to be executed prior to expiration of that Development Period shall be applied to satisfy your development obligation during the next succeeding Development Period. You are not permitted to develop more than the total number of Medi-Weightloss Franchises permitted under the Development Schedule.

5.3 You shall open each Medi-Weightloss Business in accordance with the terms of the applicable franchise agreement and shall execute the franchise agreements in accordance with the Development Schedule set forth in Attachment B.

5.4 Your failure to adhere to the Development Schedule shall constitute an event of default under this Area Development Agreement, for which we may exercise any or all our rights under Section 8.1 of this Area Development Agreement.

5.5 If we are not legally able to deliver a Franchise Disclosure Document to you by reason of any lapse or expiration of our franchise registration, or because we are in the process of amending any such registration, or for any reason beyond our reasonable control, we may delay delivery of a franchise agreement, until such time as we are is legally able to deliver a Franchise Disclosure Document. Your Development Schedule would be equally extended by such delay.

5.6 Franchisor may approve, in its sole discretion, a request for an extension of a Development Period under the Development Schedule. In such case, the development period will be extended for a one-month period ("Extension Date"). The Extension Date will only extend the development period for the single Medi-Weightloss Business requested. Franchisee must request an extension in writing no later than 90 days prior to the end of the applicable development period. No extension of any development period shall affect the duration of any other development period or any of Franchisee's other development obligations. Franchisee must prepay a non-refundable development extension fee of $500 for each month that each development period is extended. Under no circumstances will Franchisor grant extensions for a development period totaling more than 12 months. Approval of any extension request is at Franchisor's sole discretion.

6. LOCATION OF MEDI-WEIGHTLOSS BUSINESSES

The location of each Medi-Weightloss Business shall be selected by you and approved by us in accordance with the terms set forth in each franchise agreement signed by you, within the Development Territory.

7. FRANCHISE AGREEMENT

You shall not commence construction on or open any Medi-Weightloss Business until, among other things, the individual franchise agreement for that Medi-Weightloss Franchise has been signed by both you and us.

8. DEFAULT AND TERMINATION

8.1 Upon your first failure to adhere to the Development Schedule (or extension, if granted), you will lose the exclusivity granted for the Development Territory. You will be in default of this Area Development Agreement if you (or your affiliate(s)): (a) fail to comply with the Development Schedule (or any extension not renewed); (b) fail to perform any of your obligations under this Area Development Agreement or any individual franchise agreement; or (c) fail to comply with the transfer provisions contained in this Area Development Agreement. Upon default, we shall have the right, at our option, and in our sole discretion, to do any or all of the following:

(a) terminate this Area Development Agreement;

(b) reduce the size of your Development Territory;

(c) permit you to extend the Development Schedule; or

(d) pursue any other remedy we may have at law or in equity, including, but not limited to, a suit for non-performance.

8.2 In addition, if any individual franchise agreement signed by you or your affiliate, whether or not signed in connection with or pursuant to this Area Development Agreement, is terminated for any reason, we shall have the right to terminate this Area Development Agreement on immediate written notice to you. Upon termination or expiration of the term of this Area Development Agreement, we shall have the right to open, or license others to open, Medi-Weightloss Businesses within the Development Territory (subject to the territorial rights granted, if any, for any then-existing Medi-Weightloss franchise agreements); and you shall be subject to all confidentiality and non-competition covenants contained in any franchise agreements, Franchise Owner Agreements and similar agreements you have signed with us or our affiliates. For purposes of this Section 8.2, any franchise agreement signed by us and you or your approved affiliates, or any corporation, partnership or joint venture, or their affiliates, in which you or any stockholder, partner or joint venturer of you has any direct or indirect ownership or participation interest shall be deemed a franchise agreement issued to you.

8.3 In the event of a default by you, all of our costs and expenses arising from such default, including reasonable accountant fees, attorney fees and administrative fees shall be paid to us by you within five days after cure or upon demand by us if such default is not cured. You will remain bound by all franchise agreements.

9. ASSIGNMENT

9.1 We shall have the absolute right to transfer or assign all or any part of our rights or obligations hereunder to any person or legal entity which assumes our obligation under this Area Development Agreement and we shall thereby be released from any and all further liability to you. For the avoidance of doubt, a change of control includes any direct or indirect change in the ability to control or direct Franchisee, including through a change in the governance, trusteeship, or control of any trust or other entity that directly or indirectly owns an interest in Franchisee.

9.2 Upon the death or Permanent Disability (as defined below) of you or any equity owner of you (if you are an entity) or of your Responsible Owner (as defined below), we shall allow a period of up to 180 days after such death or Permanent Disability for his or her heirs, personal representatives or conservators (the "Heirs") to seek and obtain our consent to the assignment of his or her rights and interests in this Area Development Agreement (or the assignment of his or her equity and voting power) to another equity owner or third-party approved by us. If, within said 180-day period, said Heir(s) fail to receive our consent or to effect such consent to assignment, then we shall have the right to immediately terminate this Area Development Agreement. We may withhold or grant such consent in our sole discretion. For purposes of this Section 9.2, a "Permanent Disability" shall mean any physical, emotional or mental injury, illness or incapacity which would prevent a person from performing the obligations set forth in this Area Development Agreement or in the guaranty made part of this Area Development Agreement for at least 90 consecutive days, and from which condition recovery within 90 days from the date of determination of disability is unlikely. If the parties disagree as to whether a person is disabled, a licensed practicing physician selected by us will examine the person and determine if he or she has a Permanent Disability. If the person refuses to submit to an examination, such person shall automatically be deemed Permanently Disabled as of the date of such refusal for the purpose of this Section 9.2. The costs of any examination required by this Section 9.2 shall be paid by us. Upon the death or claim of Permanent Disability of you or any Responsible Owner, you or your representative must notify us of such death or claim of Permanent Disability within 15 days. The Heirs must request our approval for the right to transfer to the next of kin within 120 calendar days after the death or disability. The "Responsible Owner" means the individual that you designate, and we approve who is primarily responsible for communicating with us about any of your Medi-Weightloss Business(es) and all matters related to this Area Development Agreement.

9.3 You may not assign this Area Development Agreement or any rights to the Development Territory except in compliance with Section 9.2. The provisions of this Section shall not restrict you from transferring an open and operating Medi-Weightloss Franchise in compliance with the assignment provisions contained in such franchise agreement.

10. FORCE MAJEURE

In the event that you are unable to comply with the Development Schedule due to strike, riot, civil disorder, war, epidemic, fire, natural catastrophe or other similar events which are beyond your control and cannot be overcome by use of reasonable commercial measures ("Force Majeure"), and upon notice to us, the Development Schedule and this Area Development Agreement shall be extended for a corresponding period, not to exceed 90 days. An event of Force Majeure does not relieve a party from liability for an obligation which arose before the occurrence of the event, nor does that event affect any obligation to pay money owed under this Area Development Agreement or any franchise agreement or to indemnify us, whether such obligation arose before or after the Force Majeure event. An event of Force Majeure shall not affect your obligations to comply with any restrictive covenants in this Area Development Agreement during or after the Force Majeure event.

11. ENTIRE AGREEMENT

This Area Development Agreement constitutes the entire understanding of the parties with respect to the development of the Development Territory and shall not be modified except by a written agreement signed by the parties. However, nothing in this Area Development Agreement or any related agreement is intended to disclaim representations made in our Franchise Disclosure Document. Where this Area Development Agreement and any franchise agreement between the parties conflicts with respect to the payment terms of Development Fees or equity interests held by you or your operating partners, the terms of this Area Development Agreement shall govern. Under no circumstances do the parties intend that this Area Development Agreement be interpreted in a way as to grant you any rights to grant sub-franchises in the Development Territory.

Any email correspondence or other form of informal electronic communication shall not be deemed to modify this Area Development Agreement unless such communication is signed by both parties and specifically states that it is intended to modify this Area Development Agreement. The attachments are part of this Area Development Agreement, which, together with any amendments or addenda executed on or after the Effective Date, constitutes the entire understanding and agreement of the parties, and there are no other oral or written understandings or agreements between us and you about the subject matter of this Area Development Agreement.

This Section is intended to define the nature and extent of the parties' mutual contractual intent, and serves to show that there is no intention to enter into contract relations other than the terms contained in this Area Development Agreement. The parties acknowledge that these limitations are intended to achieve the highest possible degree of certainty in the definition of the contract being formed, in recognition of the fact that uncertainty creates economic risks for both parties which, if not addressed as provided in this Area Development Agreement, would affect the economic terms of this bargain.

12. OUR RELATIONSHIP

Nothing in this Area Development Agreement creates a fiduciary relationship between the parties or is intended to make either party an agent, legal representative, partner or employee of the other party. Neither party may: (a) make any express or implied agreement, warranty or representation, or incur any debt, in the name of or on behalf of the other; or (b) represent that our relationship is other than franchisor and franchisee. Neither party is obligated by any agreement or representation made by the other party unless expressly authorized by this Area Development Agreement. You shall enter into contracts for the development of the Development Territory contemplated by this Area Development Agreement at your sole risk and expense, and shall be solely responsible for the direction, control, supervision and management of your agents and employees. You acknowledge that you do not have authority to incur any obligations, responsibilities or liabilities on behalf of us, or to bind us by any representations or warranties, and agree not to hold yourself out as having this authority.

You or your affiliate (if applicable) must determine appropriate staffing levels for each of your Medi-Weightloss Businesses developed under this Area Development Agreement to ensure full compliance with each of the individual franchise agreements and our System standards. You or your affiliate are solely responsible to hire, train and supervise employees or independent contractors to assist with the proper operation of the Medi-Weightloss Businesses. You or your affiliate must pay all wages, commissions, fringe benefits, worker's compensation premiums and payroll taxes (and other withholdings levied or fixed by any city, state or federal governmental agency, or otherwise required by law) due for your employees or as applicable, for your independent contractors. These employees and independent contractors will be your or your affiliate's employees or contractors, not ours. We do not control the day-to-day activities of your employees or independent contractors or the manner in which they perform their assigned tasks. You or your affiliate must inform your employees and independent contractors that you are exclusively responsible for supervising their activities and dictating the manner in which they perform their assigned tasks. In this regard, you or your affiliate must use your legal business entity name (not our Marks or a fictitious name) on all employee applications, paystubs, pay checks, employment agreements, consulting agreements, time cards and similar items.

You have sole responsibility and authority for all employment-related decisions, including employee selection and promotion, firing, hours worked, rates of pay and other benefits, work assignments, training and working conditions, compliance with wage and hour requirements, personnel policies, recordkeeping, supervision and discipline. We will not provide you with any advice or guidance on these matters. You must require your employees and independent contractors to review and sign any acknowledgment form we prescribe that explains the nature of the area development and/or franchise relationship and notifies the employee or independent contractor that you are his or her sole employer. You must also post a conspicuous notice for employees and independent contractors in the back-of-the-house area explaining your area development and/or franchise relationship with us and that you (and not we) are the sole employer. We may prescribe the form and content of this notice. You agree that any direction you receive from us regarding employment/engagement policies should be considered as examples, that you alone are responsible for establishing and implementing your own policies, and that you understand that you should do so in consultation with local legal counsel competent in employment law.

13. INDEMNIFICATION

You agree to protect, defend, indemnify and hold us and our affiliates, the respective officers, directors, managers, partners, shareholders, members, employees, agents and contractors of these entities (collectively, the "Indemnified Parties") harmless from and against all claims, actions, proceedings, damages, costs, expenses and other losses and liabilities, directly or indirectly incurred as a result of, arising from, out of, or in connection with your carrying out your obligations hereunder; your employment or other contractual relationship with your employees, workers, managers, or independent contractors, including but not limited to any allegation, claim, finding, or ruling that we are an employer or joint employer of your employees; your marketing, selling, or providing of items and services; and any breach of violation of any agreement (including this Area Development Agreement or any franchise agreement between you and us); or any law, regulation or ruling, by any act, error or omission (active or passive) of you, any party associated with you or your affiliate, and your respective officers and employees.

You agree to reimburse us within 30 days of us submitting an invoice to you for all costs of defending the matter, including all attorney fees we incur, whether or not your insurer assumes defense of us promptly when requested. We have the right to approve any resolution or course of action, including, but not limited to, the selection of an attorney for the defense of a matter that could directly or indirectly have any adverse effect on us or our Marks or System, or could serve as a precedent for other matters.

14. General Provisions

14.1 This Area Development Agreement shall be binding upon and inure to the benefit of each of the parties hereto and their heirs, successors, permitted assigns and personal representatives. If more than one person or Entity is listed as the area developer, each such person or Entity shall be jointly and severally liable for all rights, duties, restrictions and obligations under this Area Development Agreement.

14.2 We have the right in our sole and absolute discretion to delegate to third party designees, whether these designees are our agents or independent contractors with whom we have contracted the performance of any portion or all of our obligations under this Area Development Agreement, and any right that we have under this Area Development Agreement. If we do so, such third-party designees will be obligated to perform the delegated functions for you in compliance with this Area Development Agreement.

14.3 The headings in this Area Development Agreement are for convenience only and do not define, limit or construe the contents of the sections or subsections. All references to Sections refer to the Sections contained in this Area Development Agreement unless otherwise specified. All references to days in this Area Development Agreement refer to calendar days unless otherwise specified. The term "you" as used in this Area Development Agreement is applicable to one or more persons or an Entity, and the singular usage includes the plural and the masculine and neuter usages include the other, the feminine and the possessive.

14.4 All provisions that expressly or by their nature survive the termination, expiration or transfer of this Area Development Agreement will continue in full force and effect, even after the termination, expiration or transfer of this Area Development Agreement, until they are fully satisfied or expire by their own terms.

14.5 This Area Development Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original.

14.6 Nothing in this Area Development Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Area Development Agreement; provided, however, that the Indemnified Parties are intended third party beneficiaries under this Area Development Agreement with respect to your indemnification obligations.

14.7 We and you may, by written instrument, unilaterally waive or reduce any obligation of or restriction upon the other. Any waiver granted by us shall apply only the to the specifically waived provisions and shall not affect any other rights we may have. We and you shall not be deemed to have waived or impaired any right, power or option reserved by this Area Development Agreement (including the right to demand exact compliance with every term, condition and covenant in this Area Development Agreement, or to declare any breach of this Area Development Agreement to be a default, and to terminate the Area Development Agreement before the expiration of its Term) by virtue of: (i) any custom or practice of the parties that varies with the terms of this Area Development Agreement; (ii) any failure, refusal or neglect of us or you to exercise any right under this Area Development Agreement or to insist upon exact compliance by the other with its obligations under this Area Development Agreement, including any mandatory specification, standard or operating procedure; (iii) any waiver, forbearance, delay, failure or omission by us to exercise any right, power or option, whether of the same, similar or different nature, relating to other Medi-Weightloss area developers; or (iv) the acceptance by us of any payments due from you after breach of this Area Development Agreement.

14.8 Each section, subsection, term and provision of this Area Development Agreement, and any portion thereof, shall be considered severable. If any applicable and binding law imposes mandatory, non-waivable terms or conditions that conflict with a provision of this Area Development Agreement, the terms or conditions required by such law shall govern to the extent of the inconsistency and supersede the conflicting provision of this Area Development Agreement. If a court concludes that any promise or covenant in this Area Development Agreement is unreasonable and unenforceable, including without limitation, the Brand Covenants: (i) the court may modify such promise or covenant to the minimum extent necessary to make such promise or covenant enforceable; or (ii) we may unilaterally modify such promise or covenant to the minimum extent necessary to make such promise or covenant enforceable and consistent with the original intent of the parties (i.e., to provide maximum protection for us and to effectuate your obligations under the Area Development Agreement to the fullest extent permitted by law), and you agree to be bound by the modified provisions. No provision herein expressly identifying any term or breach of this Area Development Agreement as material shall be construed to imply that any other term or breach which is not so identified is not material. Nothing in this Area Development Agreement is intended to disclaim any of the representations we made in the franchise disclosure document.

14.9 You understand and agree that nothing in this Area Development Agreement creates a fiduciary relationship between you and us or is intended to make either party a general or special agent, legal representative, subsidiary, joint venture, partner, employee or servant of the other for any purpose. During the Term, you must conspicuously identify yourself at your base of operations, and in all dealings with third parties, as an area developer of ours. Neither we nor you are permitted to make any express or implied agreement, warranty or representation, or incur any debt, in the name of or on behalf of the other, or represent that our relationship is other than franchisor and area developer. In addition, neither we nor you will be obligated by or have any liability under any agreements or representations made by the other that are not expressly authorized by this Area Development Agreement. You further agree that fulfillment of any and all of our obligations written in the Area Development Agreement, or based on any oral communications which may be ruled to be binding in a court of law, shall be our sole responsibility and none of our owners, officers, agents, representatives, nor any individuals associated with us shall be personally liable to you for any reason.

15. APPLICABLE LAW

Except as governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051, et seq.), this Area Development Agreement and the area developer relationship shall be governed by the laws of the State of Florida (without reference to its principles of conflicts of law), but any law of that State that regulate the offer and sale of franchises or business opportunities or governs the relationship of a franchisor and its area developer or franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Section.

If applicable law implies a covenant of good faith and fair dealing in this Area Development Agreement, we and you agree that the covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Area Development Agreement. Additionally, if applicable law shall imply the covenant, you agree that: (i) this Area Development Agreement (and the relationship of the parties that is inherent in this Area Development Agreement) grants us the discretion to make decisions, take actions and/or refrain from taking actions consistent with our explicit rights and obligations under this Area Development Agreement that may affect your interests favorably or unfavorably; (ii) we will use our judgment in exercising the discretion based on our assessment of our own interests and balancing those interests against the interests of our franchisees and area developers generally (including us and our affiliates, if applicable), and specifically without considering your individual interests or the individual interests of any other particular area developer or franchisee; (iii) we will have no liability to you for the exercise of our discretion in this manner, so long as the discretion is not exercised in bad faith; and (iv) in the absence of bad faith, no trier of fact in any arbitration or litigation shall substitute its judgment for our judgment so exercised.

16. NOTICE

Whenever this Area Development Agreement requires notice, it shall be in writing and shall be deemed so delivered at the time delivered by hand; one business day after electronically confirmed transmission by email (to the last email address provided by the recipient) or other electronic system; one business day after delivery by any trackable delivery method, or three business days after placement in the United States mail by priority mail, delivery confirmation and addressed: (a) to us at 302 Knights Run Ave, Ste 1010, Tampa, FL 33602, unless written notice is given of a change of address; and (b) to you at the address set forth in Attachment A of this Area Development Agreement, unless written notice is given of a change of address.

17. DISPUTE RESOLUTION

We and you agree that any dispute between the parties arising out of the terms of this Area Development Agreement shall be governed in accordance with the terms and conditions set forth in the Initial Franchise Agreement, including those provisions requiring mediation and/or arbitration (subject to limited exceptions for certain claims), and such terms and conditions are incorporated into this Area Development Agreement. We and you each agree that our and your respective obligations to comply with the dispute resolution terms set forth in the Initial Franchise Agreement shall survive any termination, expiration or renewal of the Initial Franchise Agreement and shall survive any termination or expiration of this Area Development Agreement.

18. ACKNOWLEDGEMENTS

18.1 You acknowledge and recognize that different area development agreements and franchise agreements may have different terms and conditions, including different fee structures, than this Area Development Agreement, regardless of when those other agreements were or will be executed. We do not represent that all area development agreements or franchise agreements are or will be identical.

18.2 Nothing in this Area Development Agreement is intended to confer upon any person or entity (other than the parties and their heirs, successors, and assigns) any rights or remedies under or by reason of this Area Development Agreement.

18.3 You represent to us that you have the business acumen, corporate authority and financial wherewithal to enter into this Area Development Agreement and to perform all of your obligations provided under this Area Development Agreement, and, that the execution of this Area Development Agreement is not in conflict with any other written or oral obligation you may have.

18.4 You acknowledge and accept that it is your obligation to train, manage, pay, recruit, and supervise employees of the Medi-Weightloss Businesses.

18.5 You acknowledge and agree that this offering is not a security as that term is defined under applicable Federal and State security laws.

(Signature page follows)

IN WITNESS WHEREOF, the parties hereto have duly signed and delivered this Area Development Agreement on the dates written below.

FRANCHISOR:

MEDI-WEIGHTLOSS FRANCHISING USA, LLC,
a Florida limited liability company

Sign:
Printed Name:
Title:
Date:

AREA DEVELOPER:

[Name of Area Developer]
[Area Developer Entity Info]

Sign:
Printed Name: [Area Developer Signatory]
Title:
Date:

Or if Area Developer is an individual(s)

Sign:
Printed Name: [Area Developer Signatory]
Date:

Sign:
Printed Name: [Area Developer Signatory]
Date:

ATTACHMENT A

DATA SHEET

1. Effective Date. The Effective Date of this Area Development Agreement, set forth in the introductory Paragraph of this Area Development Agreement is:

[Effective Date]

2. Area Developer. The Area Developer set forth in the introductory Paragraph of this Area Development Agreement is:

[Name of Area Developer] [Area Developer Entity Info]

3. Description of the Development Territory:

[Description of the Development Territory]

4. Development Fee.

Check One	Number of Franchises	Development Fee
	2 units	$55,000 each
	3 - 5 units	$45,000 each
	6 - 9 units	$40,000 each
	10+ units	$35,000 each

5. Notice Address. The notice address for the area developer, as set forth in Section 16 of this Area Development Agreement, is:

[Area Developer Notice Address]

(Signature page follows)

FRANCHISOR:	**AREA DEVELOPER:**

MEDI-WEIGHTLOSS FRANCHISING USA, LLC,
a Florida limited liability company

Sign:	
Printed Name:	
Title:	
Date:	

[Name of Area Developer]
[Area Developer Entity Info]

Sign:	
Printed Name:	[Area Developer Signatory]
Title:	
Date:	

Or if Area Developer is an individual(s)

Sign:	
Printed Name:	[Area Developer Signatory]
Date:	

Sign:	
Printed Name:	[Area Developer Signatory]
Date:	

ATTACHMENT B

DEVELOPMENT SCHEDULE

1. Number of Medi-Weightloss Franchises to be developed under this Area Development Agreement (including the Initial Franchise Agreement):

[Number of Medi-Weightloss Franchises To Be Developed]

2. The termination date of this Area Development Agreement shall be the earlier of the date the Development Schedule is complete or:

[Termination Date]

3. Development Schedule:

Medi-Weightloss Franchises Open	Unit Open By:	Franchise Agreement Execution Deadline
1	_____	Date of execution of Area Development Agreement
2	_____	
3	_____	

(Signature Page Follows)

FRANCHISOR:

MEDI-WEIGHTLOSS FRANCHISING USA, LLC,
a Florida limited liability company

Sign:
Printed Name:
Title:
Date:

AREA DEVELOPER:

[Name of Area Developer]
[Area Developer Entity Info]

Sign:
Printed Name: [Area Developer Signatory]
Title:
Date:

Or if Area Developer is an individual(s)

Sign:
Printed Name: [Area Developer Signatory]
Date:

Sign:
Printed Name: [Area Developer Signatory]
Date:

ATTACHMENT C

STATEMENT OF OWNERSHIP

1. **Area Developer:**

[Name of Area Developer] [Area Developer Entity Info]

2. **Form of Ownership: (Check One)**

____ **Individual** ____ **Partnership** ____ **Corporation** ____ **Limited Liability Company**

3. **State and Date of Formation/Incorporation**:

[State and Date of Formation/Incorporation]

4. **Ownership and Management of the Area Developer:**

Name of Individual*	**Ownership Title** (if any) (member, managing member, partner, shareholder, individual, trustee)	**Management Position** (if any) (managers, officers, board of directors, etc.)	**Address**	**Percentage Owned** (if any)
*If any owner is a legal entity, please list the owners of such entities up through the individuals.				

5. **Identification of Responsible Owner**. Your Responsible Owner is [Responsible Owner Name].

(Signature Page Follows)

AREA DEVELOPER:

[Name of Area Developer]
[Area Developer Entity Info]

Sign:
Printed Name: [Area Developer Signatory]
Title:
Date:

Or if Area Developer is an individual(s)

Sign:
Printed Name: [Area Developer Signatory]
Date:

Sign:
Printed Name: [Area Developer Signatory]
Date:

EXHIBIT E

LIST OF CURRENT AND FORMER FRANCHISEES AND AREA DEVELOPERS

Current Franchisees as of December 31, 2025:

Entity Name	Address	City	State	Zip Code	Phone
AK Aspires Wellness LLC	655 S Dobson Rd. B-216	Chandler	Arizona	85224	(623) 469-5553
Clark Wellness, LLC*	5601 North Oracle Road Ste. 121	Tucson	Arizona	85704	(520) 526-1258
Pollard Wellness, Inc.	700 West Parr Ave. Ste. I	Los Gatos	California	95032	(408) 871-7726
Health and Wellness of Fairfield LLC	55 Walls Dr. Ste. 307	Fairfield	Connecticut	06824	(203) 763-1700
CT Optimal Wellness, LLC	100 Oxford Rd.	Oxford	Connecticut	06478	(203) 828-0014
Wellness Stamford, Inc.	764 Washington Blvd.	Stamford	Connecticut	06901	(203) 658-6556
CT Optimal Wellness, LLC	115 Technology Dr.	Trumbull	Connecticut	06611	(203) 318-6606
MWL Wallingford, LLC	1243 S. Broad St.	Wallingford	Connecticut	06492	(203) 446-4555
Optimal Wellness of West Hartford, LLC	1001 Farmington Ave.	West Hartford	Connecticut	06107	(860) 213-8365
MWL Wethersfield, LLC	1283 Silas Deane Hwy	Wethersfield	Connecticut	06109	(860) 249-8659
Wellness Norwalk, Inc.	70 Danbury Rd.	Wilton	Connecticut	06897	(203) 349-6334
Saramaya, LLC	4229 Concord Pike Unit 4443	Wilmington	Delaware	19803	(302) 660-0050
Wellness Clinic of Brandon, LLC	203 W. Bloomington Ave.	Brandon	Florida	33511	(813) 654-1110
MW Wellness XIII, LLC	26236 US Hwy 19 North	Clearwater	Florida	33761	(727) 953-3599
MWL PB-BR, LLC	2466 East Commercial Blvd Ste. 101	Fort Lauderdale	Florida	33308	(754) 216-7177
Central Florida Wellness, LLC	1061 South Sun Dr. #1041	Lake Mary	Florida	32746	(407) 603-0000

Entity Name	Address	City	State	Zip Code	Phone
Maulorico and McFadden Holding Company, LLC	3234 S. Florida Ave., Ste. F	Lakeland	Florida	33803	(863) 619-9740
Willett Wellness Clinic, LLC	24420 State Rd. 54	Lutz	Florida	33559	(813) 909-1700
Central Florida Wellness, LLC	1800 W Hibiscus Blvd., Ste. 131	Melbourne	Florida	32901	(321) 234-4200
MW Wellness XIII, LLC	2445 Country Place Blvd Ste. 101	New Port Richey	Florida	34655	(727) 440-4006
Central Florida Wellness, LLC	8081 Turkey Lake Rd., Ste. 650	Orlando	Florida	32819	(407) 226-2993
Inspire Wellness Services LLC	651 Grand Panama Blvd. Ste. 103	Panama City Beach	Florida	32407	(850) 220-7722
InnerGlow Empowered Wellness LLC*	13011 Summerfield Square Drive	Riverview	Florida	33578	(813) 656-1020
MW Wellness I, LLC	3202 W. Kennedy Blvd., Unit 2.	Tampa	Florida	33609	(813) 923-9006
RNL Wellness, LLC*	11967 Sheldon Road	Tampa	Florida	33626	(813) 776-4400
Central Florida Wellness, LLC	5563 E. SR44, Unit 5	Wildwood	Florida	34785	(352) 604-0000
Central Florida Wellness, LLC	15516 W Colonial Drive Ste. 111	Winter Garden	Florida	34787	(407) 530-3500
Central Florida Wellness, LLC	1850 West Fairbanks Ave.	Winter Park	Florida	32789	(407) 673-5555
F&M Wellness, LLC	614 Mullins Colony Dr	Evans	Georgia	30809	(706) 760-7272
Menke Investment, Inc.	277 Highway 74 North Ste. 210	Peachtree City	Georgia	30269	(770) 628-5660
Liahona Wellness, LLC*	624 Holcomb Bridge Road Ste. 7	Roswell	Georgia	30076	(678) 619-0001
Liahona Wellness, LLC*	13190 Hwy 92 Ste. 110	Woodstock	Georgia	30188	(678) 540-7827
Premier Medical Associates, LLC*	2201 N Ironwood Ste. 200	Coeur d' Alene	Idaho	83814	(208) 269-5311

Entity Name	Address	City	State	Zip Code	Phone
GS3 Algonquin, LLC	2298 County Line Rd Unit A	Algonquin	Illinois	60102	(847) 805-3630
Twin Cities Wellness, LLC	1603 Tullamore Ave Unit A	Bloomington	Illinois	61704	(309) 808-6407
GS3 Wellness, LLC*	901 Biesterfield Road Ste. 203	Elk Grove Village	Illinois	60007	(847) 262-4300
Maggiolino Medical, S.C.	840 South Waukegan Road Ste. 102	Lake Forest	Illinois	60045	(847) 920-6334
Naperville Weight Loss, LLC	1979 Mc Dowell Rd Ste. 103	Naperville	Illinois	60563	(331) 229-3975
Peoria Weightloss Clinic, LLC	2426 W. Cornerstone Ct. Ste. 100	Peoria	Illinois	61614	(309) 966-3137
Black Clover Holdings LLC	7225 Heritage Square Dr. suite 240	Granger	Indiana	46530	(574) 387-6992
J & M Wellness, LLC	14350 Mundy Drive #500	Noblesville	Indiana	46060	(317) 922-0909
Quad Cities Wellness, LLC	5359 Eastern Ave	Davenport	Iowa	52807	(563) 306-2660
LHY Weight Management, LLC	2909 Richmond Road Ste. 40	Lexington	Kentucky	40509	(859) 269-2639
Lafayette Weight Loss Clinic, LLC	2621 North Drive	Abbeville	Louisiana	70510	(337) 898-6009
Bliss Health and Wellness LLC*	2801 Napolean Ave 2nd Floor	New Orleans	Louisiana	70115	(504) 323-6334
BENE ESSE, Inc.	28 West Cole Rd. Ste. 105	Biddeford	Maine	04005	(207) 391-4601
BENE ESSE, Inc.	42 State Road Ste. 103	Kittery	Maine	03904	(207) 690-4966
KSA Wellness, Inc.	340 Wood Road Ste. 206	Braintree	Massachusetts	02184	(617) 433-1160
ASK Wellness, LLC	760 Chief Justice Cushing Hwy Unit 1a	Cohasset	Massachusetts	02025	(781) 247-5500

Entity Name	Address	City	State	Zip Code	Phone
MW Wellness Ventures IV, LLC	370 Faunce Corner Rd. Ste. 1se	Dartmouth	Massachusetts	02747	(508) 683-8817
Prima CARE, P.C.	277 Pleasant Street Ste. 309A	Fall River	Massachusetts	02721	(774) 365-4542
JSB Wellness, LLC	997 Osgood Street	North Andover	Massachusetts	01845	(978) 620-5055
JSB Wellness, LLC	99 Chelmsford Road Ste 8	North Billerica	Massachusetts	01862	(978) 244-0411
Bel's Wellness, Inc.	1337 Boston-Providence Highway	Norwood	Massachusetts	02062	(781) 725-2225
Washington Square Weightloss, LLC	111 Washington St. Ste. 104	Plainville	Massachusetts	02762	(508) 699-2222
ASK WELLNESS, LLC	118 Long Pond Road Ste. 101	Plymouth	Massachusetts	02360	(774) 404-3200
Mass Wellness, Inc.	675 Paramount Dr. Ste. 205	Raynham	Massachusetts	02767	(617) 798-6500
KJC Medi Weight Loss LLC	603 Salem St. Ste. 3	Wakefield	Massachusetts	01880	(781) 245-6334
Tramontozzi, LLC	49 Walnut Park Bldg 4B	Wellesley Hills	Massachusetts	02481	(617) 923-6334
Wellness Within Jackson, LLC	2120 Grand River Annex Ste. 700	Brighton	Michigan	48114	(810) 206-1773
Carman 7 LLC	5816 North Sheldon Road	Canton	Michigan	48187	(734) 307-0037
You Be Well, LLC	9468 S Saginaw Road Ste. B	Grand Blanc	Michigan	48439	(810) 445-5500
Wellness Within Jackson, LLC	3343 Spring Arbor Rd Ste. 300	Jackson	Michigan	49203	(517) 748-7399
Michigan Weightloss, LLC	5050 Marsh Road Ste. 5	Okemos	Michigan	48864	(517) 940-8848
Kitestring, LLC*	510 Baxter Rd Ste. 8	Chesterfield	Missouri	63017	(314) 886-4510

Entity Name	Address	City	State	Zip Code	Phone
Health and Wellness NV, LLC	2370 W. Horizon Ridge Pkwy., Ste. 100	Henderson	Nevada	89052	(702) 897-3800
BADS Ventures LLC	8845 W Flamingo Rd. Ste. 100	Las Vegas	Nevada	89147	(702) 530-5030
Mordecai & Caravello Wellness, LLC	1401 Route 70 East Ste. 1	Cherry Hill	New Jersey	08034	(856) 433-8265
Edison Health & Wellness, LLC	1901 Lincoln Hwy	Edison	New Jersey	08817	(732) 317-3836
Bridgewater Health Associates, Inc.	326 US Hwy 22 Ste. 10B	Green Brook	New Jersey	08812	(732) 624-9797
Livingston I Weightloss, LLC	5 Regent Street Ste. 509	Livingston	New Jersey	07039	(973) 251-2437
MW Wellness VII, LLC	81 State Route 10 East	Randolph	New Jersey	07869	(973) 891-1870
MW Wellness X, LLC	1055 Hamburg Turnpike	Wayne	New Jersey	07470	(973) 646-8383
Hylan Health & Wellness, Inc.*	210 North Central Ave Ste. 230	Hartsdale	New York	10530	(914) 535-7701
Medical Associates of Long Island, LLC*	5502A Brush Hollow Road	Westbury	New York	11590	(516) 699-8700
Wellness Investments Group, LLC	305 Ledgestone Way Ste. K-110	Cary	North Carolina	27519	(919) 321-0000
NC Management III, LLC	112 Perkins Dr. Ste. 300	Chapel Hill	North Carolina	27514	(919) 364-3344
Ballantyne Medi, LLC	7940 Williams Pond Ln. Ste. 100	Charlotte	North Carolina	28277	(704) 752-7779
Live Oaks Octagon, LLC	13521 Steelecroft Pkwy Unit D	Charlotte	North Carolina	28278	(704) 315-5845
Southpark Medi, LLC	309 South Sharon Amity Rd., Ste. 102	Charlotte	North Carolina	28211	(704) 926-7546
Huntersville Medi, LLC	9920 Kincey Ave Ste. 140	Huntersville	North Carolina	28078	(704) 820-4197

Entity Name	Address	City	State	Zip Code	Phone
Wellness Investments Group, LLC	1911 Falls Valley Drive Ste. 105	Raleigh	North Carolina	27615	(919) 249-4600
MW Management XIV, LLC	4446 Us Highway 220 North, Ste. E	Summerfield	North Carolina	27358	(336) 290-6669
NC Management II, LLC	3878 Oxford Station Way	Winston-Salem	North Carolina	27103	(336) 517-0072
Tri State Medical, LLC	5633 Tylersville Road Ste. B	Mason	Ohio	45040	(513) 622-9595
Wellness For Me, LLC	505 Corporate Center Drive Ste A	Vandalia	Ohio	45377	(937) 898-2098
Tulsa Wellness Management, LLC	7715 E 91st Street Ste. C-2	Tulsa	Oklahoma	74133	(918) 551-6403
FOG Wellness, LLC*	4655 SW Griffith Dr Ste. 120	Beaverton	Oregon	97005	(971) 439-2345
Future Self Realized LLC	901 Lancaster Avenue Ste. 100	Berwyn	Pennsylvania	19312	(610) 251-2525
Lynnwise Health Solutions, Inc.	525 Highland Boulevard Ste. 116	Coatesville	Pennsylvania	19320	(610) 679-9525
AZ Medical Director PLLC	5037 Township Line Rd.	Drexel Hill	Pennsylvania	19026	(610) 884-1212
Future Self Realized LLC	1502 West Chester Pike Ste. 32	West Chester	Pennsylvania	19382	(610) 886-4976
Southern New England Wellness, LLC	73 Highland Ave Unit C	East Providence	Rhode Island	02914	(401) 414-4545
Lifestyle Medicine of Rhode Island, LLC	1524 Atwood Ave Ste. 336	Johnston	Rhode Island	02919	(401) 228-6844
West GVLSC Wellness LLC	201 N Main St 2nd floor	Greenville	South Carolina	29601	(864) 820-9119
MW Wellness IV, LLC	13359 Highway 183 North Ste. 403	Austin	Texas	78750	(512) 867-6200

Entity Name	Address	City	State	Zip Code	Phone
MW Wellness III LLC	3851 Corporate Center Drive, Ste. 117	Bryan	Texas	77802	(979) 393-0369
Mind-Body Health Coaching of North Texas, LLC	10455 N. Central Expressway STE. 113	Dallas	Texas	75231	(972) 707-7755
Corpore Wellness, LLC	1901 Long Prairie Road Ste. 314	Flower Mound	Texas	75022	(469) 830-2121
Fort Worth Weightloss Clinic I, LLC	6618 Bryant Irvin Road Ste. 101	Fort Worth	Texas	76132	(817) 263-8800
Optimal Living Services, Inc.	952 Echo Lane Ste. 240	Houston	Texas	77024	(713) 955-9324
Enlightened Weigh Wellness Incorporated	22167 Westheimer Pkwy., Ste. 105	Katy	Texas	77450	(281) 305-0735
South Texas Wellness Center LLC	722 N. Main	McAllen	Texas	78501	(956) 467-5920
San Antonio Weightloss, LLC	7410 John Smith Dr., Ste. 212	San Antonio	Texas	78229	(210) 697-9500
Team Thin and Fit, PLLC	3606 Grant Street Ste. F.	Wichita Falls	Texas	76308	(940) 232-9333
Hirt Family Corp.	5695 King Centre Dr Ste. 303	Alexandria	Virginia	22315	(571) 200-6222
Recorian Wellness Services, LLC	12200 Branders Creek Drive	Chester	Virginia	23831	(804) 735-4020
Glen Allen Medi, LLC	11551 Nuckols Rd Ste C	Glen Allen	Virginia	23059	(804) 888-6800
Recorian Wellness Services, LLC	8324 Bell Creek Road Ste. 100	Mechanicsville	Virginia	23116	(804) 522-5500
Midlothian Medi, LLC	230 Browns Way Road	Midlothian	Virginia	23114	(804) 419-9101
Cavery Wellness of Stafford LLC	392 Garrisonville Rd., Ste. 210A	Stafford	Virginia	22554	(540) 930-6334
A Healthy Me LLC	1920 Centerville Turnpike #113	Virginia Beach	Virginia	23464	(757) 916-3187

Entity Name	Address	City	State	Zip Code	Phone
Cavery Wellness of Woodbridge, LLC	14330 Gideon Drive	Woodbridge	Virginia	22192	(571) 408-9139
CMWL, SC	1088 Springhurst Drive	Green Bay	Wisconsin	54304	(920) 330-9033
JK Wellness, LLC	10556 N. Port Washington Rd Ste. 204	Mequon	Wisconsin	53092	(262) 292-1892
Blue Horizon Wellness Inc.*	3333 S. Sunny Slope Rd., Ste. 108	New Berlin	Wisconsin	53151	(262) 317-9660
JK Wellness, LLC	8825 S. Howell Ave., Ste. 101	Oak Creek	Wisconsin	53154	(414) 497-8179

*Denotes franchisee with an active Area Development Agreement.

Franchisees with Unopened Outlets as of December 31, 2025:

Entity Name	Address	City	State	Zip Code	Phone
Minidowns Wellness, LLC	3918 Montclair Rd., Ste. 91	Mountain Brook	Alabama	35213	
Clark Wellness, LLC		Tucson*	Arizona		
Four Crowns Health and Wellness Inc.	280 N. Westlake Blvd., Ste. 210	Westlake Village(1)	California	91362	(805) 601-7931
InnerGlow Empowered Wellness, LLC		Bradenton*	Florida		
InnerGlow Empowered Wellness, LLC		Sarasota*	Florida		
The Lisa Legacy Group Corp.		Coral Springs	Florida		
BLCA Investments, LLC	5344 Spring Hill Dr.	Spring Hill	Florida	34606	(352) 403-2225
RNL Wellness, LLC		St. Petersburg*	Florida		
Liahona Wellness, LLC		John's Creek*	Georgia		
Premier Medical Associates, LLC		Meridian*	Idaho		
Premier Medical Associates, LLC		S. Boise*	Idaho		
GS3 Wellness, LLC		Oak Brook*	Illinois		
GS3 Wellness, LLC		Lake Zurich*	Illinois		
GS3 Wellness, LLC		Tinley Park*	Illinois		
Twin Cities Wellness, LLC		Plainfield	Illinois		
Maggiolino Medical, S.C.	436 Frontage Rd., Ste. 102	Northfield(2)	Illinois	60093	(847) 449-8634
Maggiolino Medical, S.C.		Skokie	Illinois		
Nabil Safi	12337 Hancock St., Ste. 18	Carmel	Indiana	46032	(317) 890-0600

Entity Name	Address	City	State	Zip Code	Phone
Rare Health Co, LLC	2001 Westown Pkwy., Ste. 207	West Des Moines*(3)	Iowa	50265	(515) 612-6334
Rare Health Co, LLC		Cedar Rapids*	Iowa		
Bliss Health and Wellness LLC		Chinchuba*	Louisiana		
Bliss Health and Wellness LLC		Slidell*	Louisiana		
ASK Wellness, LLC		Cape Cod	Massachusetts		
Moore Wellness Corp.	1661 Worcester Rd., Ste. 101	Framingham	Massachusetts	01701	(508) 834-4441
JSB Wellness, LLC		Newburyport	Massachusetts		
Wellness Within Jackson, LLC		Ann Arbor	Michigan		
Kitestring, LLC		Fenton*	Missouri		
Kitestring, LLC		O'Fallon*	Missouri		
Rare Health Co, LLC		Omaha*	Nebraska		
Bergen Wellness Clinic Inc.		Ramsey	New Jersey		
JNH Wellness Corp.	29 Emmons Dr., Ste. G-60	Princeton*	New Jersey	08540	(609) 608-9229
JNH Wellness Corp.		Trenton*	New Jersey		
Bellmore Wellness LLC	2154 Newbridge Rd.	Bellmore	New York	11710	(516) 363-8900
Hylan Health & Wellness, Inc.		Hawthorne*	New York		
Hylan Health & Wellness, Inc.		Rye Brook*	New York		
Medical Associates of Long Island, LLC		Malverne*	New York		
Medical Associates of Long Island, LLC		Uniondale*	New York		
Amara Health, LLC	96 Graham Rd., Ste. A	Cuyahoga Falls(4)	Ohio	44223	(330) 630-6625
FOG Wellness, LLC		Clackamas*	Oregon		
FOG Wellness, LLC		North Portland*	Oregon		
FOG Wellness, LLC		South Portland*	Oregon		
Luma Management, LLC	1335 W. Main St., Ste. 1	Franklin(5)	Tennessee	37064	(615) 541-8245
Kaya Wellness, LLC	101 Cooperative Way, Ste. 405	Georgetown*(6)	Texas	78626	(512) 518-6334
Kaya Wellness, LLC		Pflugerville*	Texas		
Kaya Wellness, LLC		South Austin*	Texas		
Jonothan Sterling		Atascocita	Texas		
South Texas Wellness Center, LLC		Brownsville	Texas		
Michael & Mary Liberman	1300 Dacy Ln., Bldg. 2, Ste. 270	Kyle	Texas	78640	
Enolas Health, LLC	2270 Matlock Rd., Ste. 104	Mansfield	Texas	76063	(682) 400-8613
Akili Wellness, LLC		McKinney	Texas		

Entity Name	Address	City	State	Zip Code	Phone
Akili Wellness, LLC	1700 Alma Dr., Ste. 350	Plano	Texas	75075	(214) 919-9411
Chalexis Ventures Inc.	16525 Lexington Blvd., Ste. 240	Sugar Land	Texas	77479	
Cavery Wellness of Stafford, LLC		Centreville	Virginia		
Cavery Wellness of Fredericksburg, LLC	10708 Ballantraye Dr., Ste. 208	Fredericksburg(7)	Virginia	22407	(540) 299-6334
Green Health & Weight Loss, LLC		Chesapeake	Virginia		
Premier Medical Associates, LLC		Spokane*	Washington		
FOG Wellness, LLC		Vancouver*	Washington		
Blue Horizon Wellness, Inc.		Brookfield*	Wisconsin		
Blue Horizon Wellness, Inc.		Delafield*	Wisconsin		
Health Smart, LLC		Madison	Wisconsin		

*Location to open pursuant to an Area Development Agreement
(1) Thousand Oaks (Westlake Village), CA opened April 22, 2026
(2) Northfield, IL opened March 16, 2026
(3) West Des Moines, IA opened March 31, 2026
(4) Cuyahoga Falls, OH opened March 18, 2026
(5) Franklin, TN opened February 23, 2026
(6) Georgetown, TX opened March 3, 2026
(7) Fredericksburg, VA opened January 26, 2026

Former Franchisees:

The name and last known address of every franchisee who had a Medi-Weightloss Business transferred, terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement during the period January 1, 2025 to December 31, 2025, or who has not communicated with us within ten weeks of the Issuance Date of this Franchise Disclosure Document are listed below. If you buy this Franchise, your contact information may be disclosed to other buyers when you leave the Franchise System.

Entity Name	Address	City	State	Zip Code	Phone
AMA Wellness, LLC	1282 S. Houston Lake Rd.	Warner Robins	Georgia	31088	(478) 313-3509
Double D Health Professionals, LLC	3704 North Blvd., Ste. C	Alexandria	Louisiana	71301	(318) 427-2250
Health and Wellness NV, LLC	2370 W. Horizon Bridge Pkwy., Ste. 100	Henderson	Nevada(1)	89052	(702) 897-3800
Main Line Wellness, LLC	700 S. Henderson Rd., Ste. 108	King of Prussia	Pennsylvania	19406	(267) 699-3900
TPP Wellness, LLC	1502 West Chester Pike, Ste. 32	West Chester	Pennsylvania(2)	19382	(610) 886-4976

(1) This franchise was transferred via a Membership Interest Purchase Agreement.
(2) This franchise was transferred via an Asset Purchase Agreement.

EXHIBIT F

FRANCHISE OPERATIONS MANUAL
TABLES OF CONTENTS

MEDI

WEIGHTLOSS CLINICS

The one that works!®

Operations Manual

John Kaloust
Senior Vice President of Operations

509 South Hyde Park Avenue
Tampa, Florida 33606
(813)228-6360
www.mediweightlossclinics.com

Medi-Weightloss Franchising USA, LLC

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This information has been provided for educational purposes only and is not an exhaustive examination of the subject matter. It is intended for your general knowledge and is not a substitute for legal advice, medical advice, or treatment for a specific medical condition. As an independent physician, you must use your judgement and consult with health care providers or attorneys to ensure all practices and procedures do not violate State rules, regulations, or other guidelines. We strongly adhere to the principal that all patient care must ultimately rest in the hands of a licensed practitioner.

Please refer to Advantage for the latest version of these guidelines.

EXHIBIT G

STATE ADDENDA
AND AGREEMENT RIDERS

STATE ADDENDA AND AGREEMENT RIDERS

ADDENDUM TO FRANCHISE AGREEMENT, SUPPLEMENTAL AGREEMENTS, AND FRANCHISE DISCLOSURE DOCUMENT FOR CERTAIN STATES FOR MEDI-WEIGHTLOSS FRANCHISING USA, LLC

The following modifications are made to the Medi-Weightloss Franchising USA, LLC ("Franchisor," "us," "we," or "our") Franchise Disclosure Document ("FDD") given to franchisee ("Franchisee," "you," or "your") and may supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement between you and us dated ________________________, 20___ ("Franchise Agreement"). When the term "Franchisor's Choice of Law State" is used, it means Florida. When the term "Supplemental Agreements" is used, it means Area Development Agreement.

Certain states have laws governing the franchise relationship and franchise documents. Certain states require modifications to the FDD, Franchise Agreement and other documents related to the sale of a franchise. This State-Specific Addendum ("State Addendum") will modify these agreements to comply with the state's laws. The terms of this State Addendum will only apply if you meet the requirements of the applicable state independently of your signing of this State Addendum. The terms of this State Addendum will override any inconsistent provision of the FDD, Franchise Agreement or any Supplemental Agreements. This State Addendum only applies to the following states: California, Hawaii, Illinois, Iowa, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Ohio, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

If your state requires these modifications, you will sign this State Addendum along with the Franchise Agreement and any Supplemental Agreements.

CALIFORNIA

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the Franchise be delivered together with the FDD 14 days prior to execution of the agreement.

California Corporations Code Section 31125 requires us to give to you an FDD approved by the Department of Financial Protection and Innovation before we ask you to consider a material modification of your Franchise Agreement.

The Franchise Agreement and the Area Development Agreement contain provisions requiring binding arbitration with the costs being awarded to the prevailing party. The arbitration will occur in Franchisor's Choice of Law State. 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 the Franchise Agreement or Area Development Agreement restricting venue to a forum outside the State of California. The Franchise Agreement may contain a mediation provision. If so, the parties shall each bear their own costs of mediation and shall share equally the filing fee and the mediator's fees.

The Franchise Agreement and Area Development Agreement require the application of the law of Franchisor's Choice of Law State. This provision may not be enforceable under California law.

Neither Franchisor nor any other person listed in Item 2 of the FDD 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.

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

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

The Franchise Agreement and the Area Development Agreement contain a covenant not to compete provision which extends beyond the termination of the Franchise. Such provisions may not be enforceable under California law.

Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. Any such provisions contained in the Franchise Agreement or Area Development Agreement may not be enforceable.

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

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

Item 1 of the FDD is amended to include references to California Business and Professions Code Sections 2400 et. seq., (prohibiting corporations, lay entities, or any non-licensed persons or entities from practicing medicine, directly or indirectly employing physicians, owning physician practices, and making business and administrative decisions that have medical implications); 2052 (prohibiting the practice of medicine without a license); and 2052(b) (prohibiting unlicensed persons from advertising or holding themselves out to the public as licensed or engaging in conspiracies to aid and abet the unlicensed practice or sharing of fees).

Item 6 of the FDD is amended to state the highest interest rate allowed by law in California is 10% annually.

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

California's Franchise Investment Law (Corporations Code section 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.

In registering this franchise, the California Department of Financial Protection and Innovation has not reviewed, and makes no statements concerning, the franchisor's compliance with state and federal licensing and regulatory requirements relating to the practice of medicine. You should consult with your attorney concerning these laws, regulations, and ordinances that may affect the operation of your business. If the California Medical Board, or any other agency overseeing the practice of medicine in this state, determines that the operation of the franchise fails to comply with state law, the franchisor may be required to cease operations of the franchised business in California. This may result in the termination of your franchise and loss of your investment.

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

Fee Deferral

The Department of Financial Protection and Innovation requires that the franchisor defer the collection of all initial fees from California franchisees until the franchisor has completed all its pre-opening obligations and franchisee is open for business. For California franchisees who sign a development agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

HAWAII

The following is added to the Cover Page:

THIS FRANCHISE WILL BE/HAS BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED IN THIS FRANCHISE DISCLOSURE DOCUMENT IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO YOU OR SUBFRANCHISOR AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY YOU OR SUBFRANCHISOR OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY YOU, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH US AND YOU.

Registered agent in the state authorized to receive service of process:

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

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

The status of the Franchisor's franchise registrations in the states which require registration is as follows:

1. States in which this proposed registration is effective are listed in Exhibit J of the FDD on the page entitled, "State Effective Dates."

2. States which have refused, by order or otherwise, to register these Franchises are:

None

3. States which have revoked or suspended the right to offer the Franchises are:

None

4. States in which the proposed registration of these Franchises has been withdrawn are:

None

ILLINOIS

Illinois law governs the Agreements.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Section 19 of the Illinois Franchise Disclosure Act sets forth the conditions and notice requirements for termination of a franchise agreement.

Section 20 of the Illinois Franchise Disclosure Act set forth the conditions of non-renewal of a franchise agreement, along with the compensation requirements.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

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.

If you are NOT licensed/certified in Illinois to provide services of the nature described in this disclosure document, you must negotiate the terms of a management agreement with licensed professionals who will provide the services that this franchised business offers. Retain an experienced attorney who will look out for your best interests in this business venture.

In fiscal year 2025, the Franchisor derived 46% (> $12M) of its total revenue from required franchisee purchases.

See the last page of this Exhibit G for your required signature.

Fee Deferral

Item 5 and Item 7 of the Franchise Disclosure Document, Section 6 of the Franchise Agreement, and Section 3 of the Area Development Agreement are hereby amended to state that payment of your initial franchise fees (and development fees, as applicable) are deferred until we have fulfilled all of our pre-opening obligations to you, and you have commenced business operations. The Illinois Attorney General's Office imposed this deferral requirement due to our financial condition.

INDIANA

Item 8 of the FDD is amended to add the following:

Under Indiana Code Section 23-2-2.7-1(4), we will not accept any rebates from any person with whom you do business or associate in relation to transactions between you and the other person, other than for compensation for services rendered by us, unless the rebate is properly accounted for and submitted to you.

Item 17 of the FDD is amended to add the following:

Indiana Code 23-2-2.7-1(7) makes it unlawful for us to unilaterally terminate your Franchise Agreement unless there is a material violation of the Franchise Agreement and termination is not in bad faith.

Indiana Code 23-2-2.7-1(5) prohibits us to require you to agree to a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Act.

The "Summary" column in Item 17.r. of the FDD is deleted and the following is inserted in its place:

No competing business for two years within the Territory.

The "Summary" column in Item 17.t. of the FDD is deleted and the following is inserted in its place:

Notwithstanding anything to the contrary in this provision, you do not waive any right under the Indiana Statutes with regard to prior representations made by us.

The "Summary" column in Item 17.v. of the FDD is deleted and the following is inserted in its place:

> Litigation regarding Franchise Agreement in Indiana; other litigation in Franchisor's Choice of Law State. This language has been included in this Franchise Disclosure Document as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, is fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

The "Summary" column in Item 17.w. of the FDD is deleted and the following is inserted in its place:

> Indiana law applies to disputes covered by Indiana franchise laws; otherwise Franchisor's Choice of Law State law applies.

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the FDD, the Franchise Agreement, or Franchisor's Choice of Law State law, if such provisions are in conflict with Indiana law.

2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the Franchise without good cause or in bad faith, good cause being defined under law as including any material breach of the Franchise Agreement, will supersede the provisions of the Franchise Agreement relating to termination for cause, to the extent those provisions may be inconsistent with such prohibition.

3. Any provision in the Franchise Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.

4. The covenant not to compete that applies after the expiration or termination of the Franchise Agreement for any reason is hereby modified to the extent necessary to comply with Indiana Code 23-2-2.7-1 (9).

5. The following provision will be added to the Franchise Agreement:

> No Limitation on Litigation. Despite the foregoing provisions of this Agreement, any provision in the Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any such contractual provision violates the Indiana Deceptive Franchise Practices Law.

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

IOWA

Any provision in the Franchise Agreement or Compliance Questionnaire which would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Iowa Business Opportunity Promotions Law (Iowa Code Ch. 551A) is void to the extent that such provision violates such law.

The following language will be added to the Franchise Agreement:

NOTICE OF CANCELLATION

_______________ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within three business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.

If you cancel, you must make available to the seller at your residence or business address, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do not agree to return the goods to the seller or if the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to Medi-Weightloss Franchising USA, LLC not later than midnight of the third business day after the Effective Date.

I hereby cancel this transaction.

Franchisee: ___________________________

By: _________________________________

Print Name: __________________________

Its: _________________________________

Date: _______________________________

MARYLAND

AMENDMENTS TO FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENTS AND AREA DEVELOPMENT AGREEMENT

Item 17 of the FDD and the Franchise Agreement are amended to state: "The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the

Maryland Franchise Registration and Disclosure Law."

Representations in the Franchise Agreement and Area Development Agreement are not intended to, nor shall they act as, a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Item 17 of the FDD and sections of the Franchise Agreement and Area Development Agreement are amended to state that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the Franchise.

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

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.).

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.

<u>Fee Deferral</u>

Item 5 of the Disclosure Document, the Franchise Agreement, and Area Development Agreement are amended by adding the following language:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the Franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

MICHIGAN

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

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

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

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

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

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

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

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

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

(i) the failure of the proposed transferee to meet our then-current reasonable qualifications or standards.

(ii) the fact that the proposed transferee is a competitor of us or our subfranchisor.

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

(iv) your or proposed transferee's failure to pay any sums owing to us or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

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

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

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
Consumer Protection Division
Attn: Franchise
670 Law Building
525 W. Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

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.

MINNESOTA

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Minnesota:

1. Any provision in the Franchise Agreement which would require you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22 will be void to the extent that such contractual provision violates such law.

2. Minnesota Statute Section 80C.21 and Minnesota Rule 2860.4400J prohibit the franchisor from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the FDD or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of Minnesota.

3. Minn. Rule Part 2860.4400J prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. Any provision in the Franchise Agreement which would require you to waive your rights to any procedure, forum or remedies provided for by the laws of the State of Minnesota is deleted from any agreement relating to Franchises offered and sold in the State of Minnesota; provided, however, that this paragraph will not affect the obligation in the Franchise Agreement relating to arbitration.

4. With respect to Franchises governed by Minnesota law, we will comply with Minnesota Statute Section 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement; and that consent to the transfer of the Franchise will not be unreasonably withheld.

5. Item 13 of the FDD is hereby amended to state that we will protect your rights under the Franchise Agreement to use the Marks, or indemnify you from any loss, costs, or expenses arising out of any third-party claim, suit or demand regarding your use of the Marks, if your use of the Marks is in compliance with the provisions of the Franchise Agreement and our System standards.

6. Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release. As a result, the FDD and the Franchise Agreement, which require you to sign a general release prior to renewing or transferring your Franchise, are hereby deleted from the Franchise Agreement, to the extent required by Minnesota law.

7. The following language will appear as a new paragraph of the Franchise Agreement:

   No Abrogation. Pursuant to Minnesota Statutes, Section 80C.21, nothing in the dispute resolution section of this Agreement will in any way abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80.C.

8. Minnesota Statute Section 80C.17 states that no action for a violation of Minnesota Statutes, Sections 80C.01 to 80C.22 may be commenced more than three years after the cause of action accrues. To the extent that the Franchise Agreement conflicts with Minnesota law, Minnesota law will prevail.

9. Item 6 of the FDD and Section 6.2 of the Franchise Agreement is hereby amended to limit the Non-Sufficient Funds Fee to $30 per occurrence pursuant to Minnesota Statute 604.113.

10. 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.

Fee Deferral

Due to our financial condition, Item 5 and Item 7 of the Franchise Disclosure Document, Section 6 of the Franchise Agreement, and Section 3 of the Area Development Agreement are hereby amended to state that payment of your initial fees are deferred until we have fulfilled all of our pre-opening obligations to you, and you have commenced business operations.

NEW YORK

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 WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is 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 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.

NORTH DAKOTA

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring that you sign a general release, estoppel or waiver as a condition of renewal and/or assignment may not be enforceable as they relate to releases of the North Dakota Franchise Investment Law.

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

The Commissioner has held that requiring franchisees to consent to the jurisdiction of courts outside of North Dakota is unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Therefore, provisions of the FDD (including Item 17(v)), the Franchise Agreement (including Section 28.4), and the Supplemental Agreements relating to choice of law may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Section 28.5 of the Franchise Agreement requires the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The Commissioner has determined this to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. This provision is hereby amended to state that the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

Any section of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to liquidated damages and/or termination penalties may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of trial by jury may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of exemplary and punitive damages may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Item 17(r) of the FDD and Section 18 of the Franchise Agreement disclose the existence of certain covenants restricting competition to which Franchisee must agree. The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statute, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The FDD and the Franchise Agreement are amended accordingly to the extent required by law.

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

OHIO

The following language will be added to the front page of the Franchise Agreement:

You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right.

Initials_______________Date___________

NOTICE OF CANCELLATION

_______________ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to Medi-Weightloss Franchising USA, LLC not later than midnight of the fifth business day after the Effective Date.

I hereby cancel this transaction.

Franchisee:

Date: ___________________________

By: ___________________________________
Print Name: ____________________________
Its: ___________________________________

RHODE ISLAND

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." The FDD, the Franchise Agreement, and the Supplemental Agreements are amended accordingly to the extent required by law.

The above language has been included in this FDD as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement and the Supplemental Agreements, including all choice of law provisions, are fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement, the Supplemental Agreements, and all other documents signed by them, including, but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

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

SOUTH DAKOTA

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.

Fee Deferral

All initial fees and payments shall be deferred until such time as the franchisor completes its initial obligations under the Franchise Agreement, Medical Practice Management Addendum and the Area Development Agreement.

VIRGINIA

Item 17(h). The following is added to Item 17(h):

"Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement or Supplemental Agreements involve the use of undue influence by the Franchisor to induce a franchisee to surrender any rights given to franchisee under the Franchise, that provision may not be enforceable."

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the FDD for Medi-Weightloss Franchising USA, LLC for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to Item 8 and Item 17.h.

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

Under subsection D of § 13.1-559 of the Virginia Retail Franchising Act, for all franchises located in Virginia, the franchise contract or agreement offered or entered into pursuant to terms of this chapter shall be governed by the laws of the Commonwealth of Virginia.

Under subdivision A 4 of § 13.1-563 of the Virginia Retail Franchising Act ("Act"), it is unlawful to offer or enter into a franchise agreement that restricts the right of a franchisee to engage in the business of offering, selling, or distributing goods or services at retail after termination or expiration of the franchise agreement. However, subsection B of § 13.1-563 of the Act provides that if a franchisee sells a franchise at a mutually agreed upon price to a third party or back to the franchisor, such sale may include a term restricting the right of such franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period of no more than two years after such sale.

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.

Fee Deferral

Due to our financial condition, Item 5 and Item 7 of the Franchise Disclosure Document, Section 6 of the Franchise Agreement, and Section 3 of the Area Development Agreement are hereby amended to state that payment of your initial fees are deferred until we have fulfilled all of our pre-opening obligations to you, and you have commenced business operations.

WASHINGTON

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are

void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor.

    As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments.** 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.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker,

franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. Section 28.5 of the Franchise Agreement is amended to state franchisor is only entitled to recovery of attorneys' fees if franchisor is the substantially prevailing party in a suit.

20. **Fee Deferral.** In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (b) is open for business. Because franchisor has material pre-opening obligations with respect to each franchised business Franchisee opens under the Development Agreement, payment of the franchise fee will be released proportionally with respect to each franchise outlet opened and until franchisor has met all its pre-opening obligations under the Agreement and Franchisee is open for business with respect to each such location.

The undersigned parties do hereby acknowledge receipt of this Addendum.
Dated this ______________ day of _________________________________20______.

______________________________	______________________________
Signature of Franchisor Representative	Signature of Franchisee Representative
______________________________	______________________________
Title of Franchisor Representative	Title of Franchisee Representative

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement if such provision is in conflict with that law. The Franchise Disclosure Document, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

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.

(Signatures on following page)

APPLICABLE ADDENDA

If any one of the preceding Addenda for specific states ("**Addenda**") is checked as an "Applicable Addenda" below, then that Addenda shall be incorporated into the Franchise Disclosure Document, Franchise Agreement and any other specified agreement(s) entered into by us and the undersigned Franchisee. To the extent any terms of an Applicable Addenda conflict with the terms of the Franchise Disclosure Document, Franchise Agreement and other specified agreement(s), the terms of the Applicable Addenda shall supersede the terms of the Franchise Agreement.

☐California	☐Michigan	☐Rhode Island
☐Hawaii	☐Minnesota	☐South Dakota
☐Illinois	☐New York	☐Virginia
☐Iowa	☐North Dakota	☐Washington
☐Indiana	☐Ohio	☐Wisconsin
☐Maryland		

Dated: ____________________ , 20____

FRANCHISOR:

MEDI-WEIGHTLOSS FRANCHISING USA, LLC

Sign:	
Printed Name:	
Title:	

FRANCHISEE:

____

Sign:	
Printed Name:	
Title:	

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EXHIBIT H

CONTRACTS FOR USE WITH THE MEDI-WEIGHTLOSS FRANCHISE

The following contracts contained in Exhibit H are contracts that Franchisee is required to utilize or execute after signing the Franchise Agreement in the operation of the Medi-Weightloss Franchising USA, LLC Franchise. The following are the forms of contracts that Medi-Weightloss Franchising USA, LLC uses as of the Issuance Date of this Franchise Disclosure Document. If they are marked "Sample," they are subject to change at any time.

EXHIBIT H-1

MEDI-WEIGHTLOSS FRANCHISE

SAMPLE GENERAL RELEASE AGREEMENT

WAIVER AND RELEASE OF CLAIMS

This Waiver and Release of Claims ("Release") is made as of ____________________, 20___ by ______________________________________, a(n) _____________________________ ("Franchisee"), and each individual holding an ownership interest in Franchisee (collectively with Franchisee, "Releasor") in favor of Medi-Weightloss Franchising USA, LLC, a Florida limited liability company ("Franchisor," and together with Releasor, the "Parties").

WHEREAS, Franchisor and Franchisee have entered into a Franchise Agreement ("Agreement") pursuant to which Franchisee was granted the right to own and operate a Medi-Weightloss Franchise;

WHEREAS, (Franchisee has notified Franchisor of its desire to transfer the Agreement and all rights related thereto, or an ownership interest in Franchisee, to a transferee/enter into a successor franchise agreement/amend the Agreement) or **(the Agreement is being terminated/or indicate other reason for the requirement of this waiver and release)**, and Franchisor has consented to such **(transfer/successor franchise agreement/amendment/termination/other reason)**; and

WHEREAS, as a condition to Franchisor's consent to **(transfer the Agreement/enter into a successor franchise agreement/amend the Agreement/terminate the Agreement/other reason)**, Releasor has agreed to execute this Release upon the terms and conditions stated below.

NOW, THEREFORE, in consideration of Franchisor's consent, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, Releasor hereby agrees as follows:

1. Representations and Warranties. Releasor represents and warrants that it is duly authorized to enter into this Release and to perform the terms and obligations herein contained, and has not assigned, transferred, or conveyed, either voluntarily or by operation of law, any of its rights or claims against Franchisor or any of the rights, claims, or obligations being terminated and released hereunder. Each individual executing this Release on behalf of Franchisee represents and warrants that he/she is duly authorized to enter into and execute this Release on behalf of Franchisee. Releasor further represents and warrants that all individuals that currently hold a direct or indirect ownership interest in Franchisee are signatories to this Release.

2. Release. Releasor and its subsidiaries, affiliates, parents, divisions, successors and assigns, and all persons or firms claiming by, through, under, or on behalf of any or all of them, hereby release, acquit, and forever discharge Franchisor, any and all of its affiliates, parents, subsidiaries, or related companies, divisions, and partnerships, and its and their past and present officers, directors, agents, partners, shareholders, employees, representatives, successors and assigns, and attorneys, and the spouses of such individuals (collectively, the "Released Parties"), from any and all claims, liabilities, damages, expenses, actions, or causes of action which Releasor may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, including without limiting the generality of the foregoing, all claims, liabilities, damages, expenses, actions, or causes of action directly or indirectly arising out of or relating to the execution and performance of the Agreement and the offer and sale of the franchise related thereto, except to the extent such liabilities are payable by the applicable indemnified party

in connection with a third-party claim. Releasor represents and warrants to the Released Parties, and agrees, that it may later learn of new or different facts, but that still, it is Releasor's intention to fully, finally, and forever release all of the claims that are released above. This includes the Releasor's waiver of state laws that might apply to limit a release (such as Calif. Civil Code Section 1542, which states that "[a] general release does not extend to claims which the creditor does not know or suspect exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor").

3. Nondisparagement. Releasor expressly covenants and agrees not to make any false representation of facts, or to defame, disparage, discredit, or deprecate any of the Released Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Released Parties, their business, or their reputation.

4. Confidentiality. Releasor agrees to hold in strictest confidence and not disclose, publish, or use the existence of, or any details relating to, this Release to any third party without Franchisor's express written consent, except as required by law.

5. Miscellaneous.

a. Releasor agrees that it has read and fully understands this Release and that the opportunity has been afforded to Releasor to discuss the terms and contents of said Release with legal counsel and/or that such a discussion with legal counsel has occurred.

b. This Release shall be construed and governed by the laws of the State of Florida.

c. Each individual and entity that comprises Releasor shall be jointly and severally liable for the obligations of Releasor.

d. In the event that it shall be necessary for any Party to institute legal action to enforce or for the breach of any of the terms and conditions or provisions of this Release, the prevailing Party in such action shall be entitled to recover all of its reasonable costs and attorneys' fees.

e. All of the provisions of this Release shall be binding upon and inure to the benefit of the Parties and their current and future respective directors, officers, partners, attorneys, agents, employees, shareholders, and the spouses of such individuals, successors, affiliates, and assigns. No other party shall be a third-party beneficiary to this Release.

f. This Release constitutes the entire agreement and, as such, supersedes all prior oral and written agreements or understandings between and among the Parties regarding the subject matter hereof. This Release may not be modified except in a writing signed by all of the Parties. This Release may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document.

g. If one or more of the provisions of this Release shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect or impair any other provision of this Release, but this Release shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

h. Releasor agrees to do such further acts and things and to execute and deliver such additional agreements and instruments as any Released Party may reasonably require to consummate, evidence, or confirm the Release contained herein in the matter contemplated hereby.

i. This Release is inapplicable with respect to claims arising under the Washington Franchise Investment Protection Act, chapter 19.100 RCW, and the rules adopted thereunder in accordance with RCW 19.100.220.

IN WITNESS WHEREOF, Releasor has executed this Release as of the date first written above.

FRANCHISEE:

____, a ____

Sign:
Printed Name:
Title:

FRANCHISEE'S OWNERS:

Sign:
Printed Name:
Date:

Sign:
Printed Name:
Date:

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EXHIBIT H-2

AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM

Franchisee Information:

Franchisee Name	Business No.
Franchisee Mailing Address (street)	Franchisee Phone No.
Franchisee Mailing Address (city, state, zip)	
Contact Name, Address and Phone number (if different from above)	
Franchisee Fax No.	Franchisee Email Address

Bank Account Information:

Bank Name		
Bank Mailing Address (street, city, state, zip)	☐ Checking ☐ Savings	
Bank Account No.	(check one)	Bank Routing No. (9 digits)
Bank Mailing Address (city, state, zip)		Bank Phone No.

Authorization:

Franchisee hereby authorizes Medi-Weightloss Franchising USA, LLC ("Franchisor") to initiate debit entries to Franchisee's account with the Bank listed above, and Franchisee authorizes the Bank to accept and to debit the amount of such entries to Franchisee's account. Each debit shall be made from time to time in an amount sufficient to cover any fees payable to Franchisor pursuant to any agreement between Franchisor and Franchisee as well as to cover any purchases of goods or services from Franchisor or any affiliate of Franchisor. Franchisee agrees to be bound by the National Automated Clearing House Association (NACHA) rules in the administration of these debit entries. Debit entries will be initiated only as authorized above. This authorization is to remain in full force and effect until Franchisor has received written notification from Franchisee of its termination in such time and in such manner as to afford Franchisor and the Bank a reasonable opportunity to act on it. Franchisee shall notify Franchisor of any changes to any of the information contained in this authorization form at least 30 days before such change becomes effective.

Sign:
Printed Name:
Title:
Date:
Federal Tax ID:

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK ACCOUNT.

EXHIBIT H-3

MEDI-WEIGHTLOSS FRANCHISE

SAMPLE APPROVAL OF REQUESTED ASSIGNMENT

This Approval of Requested Assignment ("Approval Agreement") is entered into on ____________________, 20_____, between Medi-Weightloss Franchising USA, LLC ("Franchisor"), a Florida limited liability company, ___________________________ ("Former Franchisee"), a[n] [State] [entity type], the undersigned owners of Former Franchisee ("Owners") and _________________________________, a[n] [State] [entity type] ("New Franchisee").

RECITALS

WHEREAS, Franchisor and Former Franchisee entered into that certain franchise agreement dated ____________________________, 20______ ("Former Franchise Agreement"), in which Franchisor granted Former Franchisee the right to operate a Medi-Weightloss franchise located at ______________________________________ ("Franchised Business"); and

WHEREAS, Former Franchisee desires to assign ("Requested Assignment") the Franchised Business to New Franchisee, New Franchisee desires to accept the Requested Assignment of the Franchised Business from Former Franchisee, and Franchisor desires to approve the Requested Assignment of the Franchised Business from Former Franchisee to New Franchisee upon the terms and conditions contained in this Approval Agreement, including that New Franchisee sign Franchisor's current form of franchise agreement together with all exhibits and attachments thereto ("New Franchise Agreement"), contemporaneously herewith.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements herein contained, the parties hereto hereby covenant, promise, and agree as follows:

1. Payment of Fees. In consideration for the Requested Assignment, Former Franchisee acknowledges and agrees to pay Franchisor the Transfer Fee, as required under the Franchise Agreement ("Franchisor's Assignment Fee").

2. Assignment and Assumption. Former Franchisee hereby consents to assign all of its rights and delegate its duties with regard to the Former Franchise Agreement and all exhibits and attachments thereto from Former Franchisee to New Franchisee, subject to the terms and conditions of this Approval Agreement, and conditioned upon New Franchisee's signing the New Franchise Agreement pursuant to Section 5 of this Approval Agreement.

3. Consent to Requested Assignment of Franchised Business. Franchisor hereby consents to the Requested Assignment of the Franchised Business from Former Franchisee to New Franchisee upon receipt of the Franchisor's Assignment Fee from Former Franchisee and the mutual execution of this Approval Agreement by all parties. Franchisor waives its right of first refusal set forth in the Former Franchise Agreement.

4. Termination of Rights to the Franchised Business. The parties acknowledge and agree that effective upon the date of this Approval Agreement, the Former Franchise Agreement shall terminate and all of Former Franchisee's rights to operate the Franchised Business are terminated and that from the date of this Approval Agreement only New Franchisee shall have the sole right to operate the Franchised Business under the New Franchise Agreement. Former Franchisee and the undersigned Owners agree to

comply with all of the covenants in the Former Franchise Agreement that expressly or by implication survive the termination, expiration, or transfer of the Former Franchise Agreement. Unless otherwise precluded by state law, Former Franchisee shall execute Franchisor's current form of General Release Agreement.

5. New Franchise Agreement. New Franchisee shall execute the New Franchise Agreement for the Franchised Business (as amended by the form of Addendum prescribed by Franchisor, if applicable), and any other required contracts for the operation of a Medi-Weightloss franchise as stated in Franchisor's Franchise Disclosure Document.

6. Former Franchisee's Contact Information. Former Franchisee agrees to keep Franchisor informed of its current address and telephone number at all times during the three-year period following the execution of this Approval Agreement.

7. Acknowledgement by New Franchisee. New Franchisee acknowledges and agrees that the purchase of the rights to the Franchised Business ("Transaction") occurred solely between Former Franchisee and New Franchisee. New Franchisee also acknowledges and agrees that Franchisor played no role in the Transaction and that Franchisor's involvement was limited to approving the Requested Assignment and any required actions regarding New Franchisee's signing of the New Franchise Agreement for the Franchised Business. New Franchisee agrees that any claims, disputes, or issues relating to New Franchisee's acquisition of the Franchised Business from Former Franchisee are between New Franchisee and Former Franchisee, and shall not involve Franchisor.

8. Representation. Former Franchisee warrants and represents that it has not heretofore assigned, conveyed, or disposed of any interest in the Former Franchise Agreement or Franchised Business. New Franchisee hereby represents that it received Franchisor's Franchise Disclosure Document and did not sign the New Franchise Agreement or pay any money to Franchisor or its affiliate for a period of at least 14 calendar days after receipt of the Franchise Disclosure Document.

9. Notices. Any notices given under this Approval Agreement shall be in writing, and if delivered by hand, or transmitted by U.S. certified mail, return receipt requested, postage prepaid, or via telegram or telefax, shall be deemed to have been given on the date so delivered or transmitted, if sent to the recipient at its address or telefax number appearing on the records of the sending party.

10. Further Actions. Former Franchisee and New Franchisee each agree to take such further actions as may be required to effectuate the terms and conditions of this Approval Agreement, including any and all actions that may be required or contemplated by the Former Franchise Agreement.

11. Affiliates. When used in this Approval Agreement, the term "Affiliates" has the meaning as given in Rule 144 under the Securities Act of 1933.

12. Miscellaneous. This Approval Agreement may not be changed or modified except in a writing signed by all of the parties hereto. This Approval Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same document. This Approval Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

13. Governing Law. This Approval Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

(Signatures on following page)

IN WITNESS WHEREOF, the parties have executed this Approval Agreement under seal, with the intent that this be a sealed instrument, as of the day and year first above written.

FRANCHISOR:

MEDI-WEIGHTLOSS FRANCHISING USA, LLC

Sign:	
Printed Name:	
Title:	

FORMER FRANCHISEE:

____

Sign:	
Printed Name:	
Title:	

NEW FRANCHISEE:

____

Sign:	
Printed Name:	
Title:	

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EXHIBIT H-4

MEDI-WEIGHTLOSS FRANCHISE

LEASE ADDENDUM

This Addendum to Lease ("**Addendum**"), dated ______________________________, 20___, is entered into by and between ____ ("**Landlord**"), ____ ("**Tenant**") and Medi-Weightloss Franchising USA, LLC ("**Franchisor**"), collectively referred to herein as the "**Parties**."

A. Landlord and Tenant have entered into a certain Lease Agreement dated ______________________________, 20___, and pertaining to the premises located at ____ ("**Lease**").

B. Landlord acknowledges that Tenant intends to operate a franchised business from the leased premises ("**Premises**") pursuant to a Franchise Agreement ("**Franchise Agreement**") with Franchisor under Franchisor's trademarks and other names designated by Franchisor (herein referred to as "**Franchised Business**" or "**Franchise Business**").

C. The parties now desire to supplement the terms of the Lease in accordance with the terms and conditions contained herein.

NOW, THEREFORE, it is hereby mutually covenanted and agreed among the Parties as follows:

1. Use of the Premises. During the term of the Franchise Agreement, the Premises shall be used only for the operation of the Franchised Business.

2. Franchise System. Landlord hereby consents to Tenant's use of such proprietary marks, signs, interior and exterior décor items, color schemes and related components of the Franchised Business required by Franchisor. Tenant's use of such items shall at all times be in compliance with all applicable laws, ordinances, rules and regulations of governmental authorities having jurisdiction over the Premises.

3. Assignment. Tenant shall have the right, without further consent from Landlord, to sublease or assign all of Tenant's right, title, and interest in the Lease to a Franchise Assignee (defined below) at any time during the term of the Lease, including any extensions or renewals thereof. In addition, if Tenant fails to timely cure any default under either the Lease or the Franchise Agreement, Franchise Assignee, will, at its option, have the right, but not the obligation, to take an assignment of Tenant's interest under the Collateral Assignment of Lease or other form of assignment and assumption document reasonably acceptable to Landlord, provided such Franchise Assignee cures any then-existing defaults of the Lease no later than ten days following the end of Tenant's cure period. No assignment shall be effective until: (i) the Franchise Assignee gives Landlord written notice of its acceptance of the assignment and assumption of the Lease; and (ii) Tenant or the Franchise Assignee has cured all material defaults of the Lease for which it has received notice from Landlord. Nothing contained herein or in any other document shall create any obligation or liability of Franchisor, any Franchise Assignee, or guarantor thereof under the Lease unless and until the Lease is assigned to, and accepted in writing by a Franchise Assignee. In the event of any assignment or purported assignment under this Addendum, Tenant shall remain liable under the terms of the Lease and the assignee or subtenant shall retain all of the Tenant's rights granted in the Lease including without limitation: (x) any grant of a protected territory or use exclusivity; and (y) the renewal or extension of the Lease term. With respect to any assignment proposed or consummated under this Addendum,

Landlord hereby waives any rights it may have to: (A) recapture the Premises; (B) terminate the Lease; or (C) modify any terms or conditions of the Lease. If Franchisor accepts an assignment and assumes the Lease under this section, Franchisor shall have the right to further sublet or reassign the Lease to another Franchise Assignee without Landlord's consent in which event Franchisor shall be released from any obligation or liability under the Lease. As used in this Addendum, "**Franchise Assignee**" means: (i) Franchisor or Franchisor's parent, subsidiary, or affiliate; or (ii) any franchisee of Franchisor or of Franchisor's parent, subsidiary, or affiliate.

4. Default and Notice.

a. If Tenant defaults on or breaches the Lease and Landlord delivers a notice of default to Tenant, Landlord shall contemporaneously send a copy of such default notice to Franchisor. Franchisor shall have the right, but not the obligation, to cure the default during Tenant's cure period plus an additional ten (10) day period. Franchisor will notify Landlord whether it intends to cure the default prior to the end of Tenant's cure period.

b. All notices to Franchisor shall be sent by a reputable overnight delivery service to the following address:

Franchise Administration Department
Attn: Colette Trebon, Esq., General Counsel
302 Knights Run Avenue, Suite 1010
Tampa, Florida 33602

Franchisor may change its address for receiving notices by giving Landlord written notice of the new address. Landlord agrees that it will notify both Tenant and Franchisor of any change in Landlord's mailing address to which notices should be sent.

c. Tenant and Landlord agree not to terminate, or materially amend the Lease during the term of the Franchise Agreement or any renewal thereof without Franchisor's prior written consent. Any attempted termination, or material amendment shall be null and void and have no effect as to Franchisor's interests thereunder; and a clause to the effect shall be included in the Lease.

5. Termination or Expiration.

a. If Franchisor does not elect to take an assignment of the Tenant's interest, Landlord will allow Franchisor to enter the Premises, without being guilty of trespass and without incurring any liability to Landlord, to remove all signs, awnings, and all other items identifying the Premises as a Franchised Business and to make other modifications (such as repainting) as are reasonably necessary to protect the Franchisor's trademarks and franchise system and to distinguish the Premises from a Franchised Business provided that Franchisor repairs any damage caused to the Premises by exercise of its rights hereunder.

b. If any Franchise Assignee purchases any assets of Tenant, Landlord shall permit such Franchise Assignee to remove all the assets being purchased, and Landlord waives any lien rights that Landlord may have on such assets.

6. Consideration; No Liability.

a. Landlord acknowledges that the Franchise Agreement requires Tenant to receive Franchisor's approval of the Lease prior to Tenant executing the Lease and that this Addendum is a material requirement for Franchisor to approve the Lease. Landlord acknowledges Tenant would not lease the

Premises without this Addendum. Landlord also hereby consents to the Collateral Assignment of Lease from Tenant to Franchisor as evidenced by Attachment 1.

b. Landlord further acknowledges that Tenant is not an agent or employee of Franchisor, and Tenant has no authority or power to act for, or to create any liability on behalf of, or to in any way bind Franchisor or any Franchise Assignee, and that Landlord has entered into this with full understanding that it creates no duties, obligations, or liabilities of or against any Franchise Assignee.

7. Amendments. No amendment or variation of this Addendum shall be valid unless made in writing and signed by the Parties hereto.

8. Reaffirmation of Lease. Except as amended or modified herein, all of the terms, conditions, and covenants of the Lease shall remain in full force and effect and are incorporated herein by reference and made a part of this Addendum as though copies herein in full.

IN TESTIMONY WHEREOF, witness the signatures of the Parties hereto as of the day, month, and year first written above.

LANDLORD:

____

Sign:
Printed Name:
Title:

TENANT:

____

Sign:
Printed Name:
Title:

FRANCHISOR:

____

Sign:
Printed Name:
Title:

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EXHIBIT H-4

ATTACHMENT 1 TO LEASE ADDENDUM

COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, as of the ___, 20___ ("**Effective Date**"), the undersigned, ___________________________________ ("**Assignor**") hereby assigns, transfers and sets over unto ________________________ ("**Assignee**") all of Assignor's right, title, and interest as tenant, in, to and under that certain lease, a copy of which is attached hereto as **Exhibit A** ("**Lease**") with respect to the premises located at ____. This Collateral Assignment of Lease ("**Assignment**") is for collateral purposes only and except as specified herein, Assignee shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment unless Assignee expressly assume the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that it has full power and authority to so assign the Lease and its interest therein, and that Assignor has not previously, and is not obligated to, assign or transfer any of its interest in the Lease or the premises demised thereby.

Upon a default by Assignor under the Lease or under that certain franchise agreement for a franchise between Assignee and Assignor ("**Franchise Agreement**"), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, Assignee shall have the right and is hereby empowered, in Assignee's sole discretion, to: (i) cure Assignor's default of the Lease; (ii) take possession of the premises demised by the Lease; (iii) expel Assignor from the premises, either temporarily or permanently; (iv) terminate Assignor's rights, title, and interest in the Lease; and/or (v) assume the Lease. If Assignee expends sums to cure a default of the Lease, Assignor shall promptly reimburse Assignee for the cost incurred by Assignee in connection with such performance, together with interest thereon at the rate of two percent per month, or the highest rate allowed by law.

Assignor agrees it will not suffer or permit any surrender, termination, amendment, or modification of the Lease without the prior written consent of Assignee. Through the term of the Franchise Agreement and any renewals thereto, Assignor agrees that it shall elect and exercise all options to extend the term of or renew the Lease not less than 30 days before the last day that said option must be exercised, unless Assignee otherwise agrees in writing. Upon failure of Assignee to otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as stated herein, Assignor hereby irrevocably appoints Assignee as its true and lawful attorney-in-fact, which appointment is coupled with an interest to exercise the extension or renewal options in the name, place, and stead of Assignor for the sole purpose of effecting the extension or renewal.

(Signatures on following page)

IN WITNESS WHEREOF, Assignor and Assignee have signed this Collateral Assignment of Lease as of the Effective Date first above written.

ASSIGNOR:

Sign:
Printed Name:
Title:

ASSIGNEE:

Sign:
Printed Name:
Title:

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EXHIBIT H-5

MEDI-WEIGHTLOSS FRANCHISE

SAMPLE MANAGEMENT AGREEMENT

This Management Agreement (the "Agreement") is made, entered into, and effective as of [MONTH DAY, 202_] (the "Effective Date") by and among [FRANCHISEE/MSO], a [FRANCHISEE/MSO STATE] [FRANCHISEE/MSO ENTITY TYPE] ("Manager"), [NAME OF PROFESSIONAL ENTITY], a [STATE] professional [ENTITY TYPE] (the "Authorized Medical Practice" or "Practice"), and [PHYSICIAN NAME], a licensed physician and [member/shareholder] of the Practice ("Physician Owner"). Each of Manager, Practice, and Physician Owner shall also be referred to herein as a "Party" and collectively as the "Parties."

RECITALS

A. Practice is a professional medical corporation or other professional entity of the State of [STATE] (the "State") which operates a medical practice at [PRACTICE ADDRESS] (the "Operations"). Practice is principally focused on establishing a weight loss and wellness practice offering nutritional and weight loss products and services, and is in need of business consulting, accounting, administrative, technological, managerial, human resources, financial, intellectual property, and related services in order to appropriately provide such services to its patients.

B. Manager is engaged in the business of providing administrative and management services to healthcare entities and has the capacity to manage and administer the Operations of Practice and to furnish Practice with appropriate managerial, administrative, financial, and technological support (the "Administrative Services").

C. Manager also is the [tenant/owner] of medical office space ("Premises") that Manager is willing to [lease/sublease] to the Practice. Manager is also the owner of valuable medical equipment ("Medical Equipment") described in Attachment 2.4 that will be useful to Practice in the Operations, and Manager is willing to lease such equipment to Practice (collectively with the Premises lease, the "Leases").

D. Manager is the licensee of valuable intellectual property and trademarks ("IP") described on Attachment 4.1 hereto by virtue of and subject to the terms of its franchise agreement ("Franchise Agreement") with Medi-Weightloss Franchising USA, LLC ("Franchisor") that will be useful to Practice in the branding development and ongoing expansion of its Operations. Manager is willing to sublicense IP to Practice ("Sublicense"), and Franchisor has approved the same, subject to the terms and conditions of this Agreement.

E. Physician Owner as the sole [shareholder/member] and medical director of Practice, has undertaken a review of Franchisor's IP relating to the clinical model, services, and products developed by clinicians on behalf of Franchisor ("Clinical IP"). Based on Physician Owner's detailed review of Clinical IP, Physician Owner has endorsed and approves of all aspects of the Clinical IP, including without limitation all services and products.

F. Practice desires to focus its energies, expertise, and time on the delivery of medical services to patients. To accomplish this goal, Practice desires to engage Manager to provide it with the Administrative Services as are necessary and appropriate for the day-to-day administration and management of the

Operations, and Manager desires to provide the Administrative Services to Practice, all upon the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Parties, the Parties agree as follows:

TERMS OF AGREEMENT

1. ENGAGEMENT

1.1 Engagement of Manager. Practice hereby engages Manager to provide the Administrative Services for the Operations on the terms and conditions described herein, and Manager accepts such engagement. Manager shall be the sole and exclusive provider of the Administrative Services to be provided to or on behalf of Practice for the Operations. Manager in its sole discretion shall determine which Administrative Services shall be provided to Practice from time to time.

1.2 Agency. Practice hereby appoints Manager as Practice's true and lawful agent throughout the Term of this Agreement, and Manager hereby accepts such appointment.

1.3 Power of Attorney. In connection with billing, collection, banking, and related services incident to or under the Administrative Services to be provided hereunder, Practice, in accordance with applicable law, hereby grants to Manager an exclusive special power of attorney and appoints Manager as Practice's exclusive true and lawful agent and attorney-in-fact, and Manager hereby accepts such special power of attorney and appointment (the "Power of Attorney"), for the following purposes:

1.3.1 To submit bills in Practice's name and on Practice's behalf, including all claims for reimbursement or indemnification from health plans, all other third-party payors, and its patients for all medical services provided to patients.

1.3.2 To collect and deposit all amounts received, including all cash received, patient co-payments, cost reimbursements, co-insurance and deductibles, and accounts receivable, into the "Manager's Account," which shall be and at all times remain in Practice's name through accrual on Practice's accounting records.

1.3.3 To make demand with respect to, settle, and compromise such claims and to coordinate with collections agencies in the name of Practice or Manager, and to commence any suit, action or proceeding to collect any such claims.

1.3.4 To take possession of and endorse in the name of Practice on any note, check, money order, insurance payment or any other instrument received.

1.3.5 To effectuate the payment of Practice expenses, including to the Manager for the Management Fee as it becomes due.

1.3.6 To sign checks, drafts, bank notes or other instruments on behalf of Practice and to make withdrawals from the Manager's Account for other payments specified in this Agreement and as determined appropriate by the Manager.

1.4 Documentation to Bank. Upon request of Manager, Practice shall execute and deliver to the financial institution wherein the Manager's Account is maintained, such additional documents or instruments as may be necessary to evidence or effect the Power of Attorney. Practice will not take any action that interferes with the transfer of funds to or from Manager's Account, nor will Practice or its agents remove, withdraw, or authorize the removal or withdrawal of any funds from the Manager's Account for any purpose.

1.5 Expiration of Power of Attorney. The Power of Attorney shall expire on the earlier of the date that (i) this Agreement is terminated or (ii) as otherwise determined by Manager.

2. DUTIES AND RESPONSIBILITIES OF MANAGER

2.1 General Responsibilities. During the Term of this Agreement, Manager shall, in its sole discretion, provide such services as are necessary and appropriate for the day-to-day administration and management of Practice's business in a manner consistent with good business practice, including without limitation: human resources, information technology, equipment and supplies, banking, accounting and finance, insurance procurement, risk management, contract negotiation, real estate management, marketing, management of patient records, and licensing of intellectual property, trade names and trademarks, as all are more specifically set forth below.

2.1.1 Personnel. Manager shall assist Practice to develop and implement guidelines and procedures for the recruitment, selection, hiring, firing, compensation, terms, conditions, obligations and privileges of employment or engagement of clinical and physician employees working for Practice. Manager will also assist Practice in recruiting new employees and will carry out such administrative functions as may be appropriate for such recruitment, including advertising for and identifying potential candidates, assisting Practice in examining and investigating the credentials of such potential candidates, and arranging interviews with such potential candidates. Practice will make the ultimate decision as to whether to employ or retain a specific candidate. Practice shall be solely responsible for compensating its employees. Practice expressly acknowledges its responsibility and liability to provide for the payment and withholding of appropriate amounts for income tax, social security, unemployment insurance, state disability insurance taxes, and any authorized payroll deductions from the paychecks of Practice personnel. Manager shall assist Practice with these administrative functions, as reasonably requested.

2.1.2 Manager Personnel. Manager shall employ or contract with and provide all necessary personnel it reasonably needs to provide the Administrative Services hereunder. Such personnel shall be under the direction, supervision, and control of Manager, and shall be employees of Manager. Manager shall be responsible for setting and paying the compensation and providing the fringe benefits of all Manager personnel.

2.1.3 Training. Manager shall provide reasonable training to Practice's personnel in all aspects of the Operations material to the role of such personnel, including but not limited to administrative, financial, and equipment maintenance matters. To the extent required by Franchisor, Practice shall attend all medical training required by the Franchise Agreement.

2.1.4 Insurance. Manager shall assist Practice in Practice's purchase of necessary insurance coverage.

2.1.5 Accounting. Manager shall establish and administer accounting procedures and controls and systems for the development, preparation, and keeping of records and books of accounting related to the business and financial affairs of Practice.

2.1.6 Tax Matters. Manager shall oversee the preparation of the annual report and tax information returns required to be filed by Practice. All of Practice's tax obligations shall be paid by

Manager out of Practice's funds managed by Manager. Practice shall give to personnel of Manager (or its designated affiliate) all appropriate authority necessary for them to act as Practice's attorney-in-fact under a power of attorney, for such purposes and to the extent permitted by law. Practice shall also make such reserves and set asides for taxes as directed by Manager throughout the year.

2.1.7 Reports and Information. Manager shall furnish Practice in a timely fashion, quarterly or more frequently, with operating reports and other business reports as reasonably requested by Practice, including without limitation (i) copies of bank statements and checks relating to Practice's bank accounts and (ii) financial statements.

2.1.8 Budgets. Manager shall prepare for review and approval by Practice all capital and annual operating budgets as needed, and such approval shall not be unreasonably withheld.

2.1.9 Expenditures. Manager shall manage all cash receipts and disbursements of Practice, including the payment on behalf of Practice for any of the items set forth in this Section 2, such as taxes, assessments, licensing fees, and other fees of any nature whatsoever in connection with the Operations as the same become due and payable, unless payment thereof is being contested in good faith by Practice.

2.1.10 Contract Negotiations. Manager shall advise Practice with respect to and negotiate, either directly or on Practice's behalf, as appropriate and permitted by applicable law, such contractual arrangements with third parties as are reasonably necessary and appropriate for Practice's Operations.

2.1.11 Billing and Collection. On behalf of and for the account of Practice, Manager shall establish and maintain credit and billing and collection policies and procedures and shall exercise reasonable efforts to bill and collect in a timely manner all professional and other fees for all billable services provided by Practice.

2.1.12 Office and Clinical Space. Manager shall Lease to Practice such office space and clinical space (the "Premises") as are needed for the Operations, under financial arrangements and conditions as may be agreed to by the Parties from time to time. Manager shall be responsible for the repair, maintenance and replacement of the Premises, other than such repairs, maintenance and replacement necessitated by the negligence or willful misconduct of the Practice, the Providers or other personnel employed or engaged by the Practice. Additionally, Manager will provide, to the extent possible, necessary utilities and other services, including, without limitation, heat, water, gas, electricity, air conditioning, and telephone necessary for the Practice to conduct the Operations on the Premises. Practice shall be a 'mere license holder' for such space during the Term of this Agreement and shall not be a tenant or subtenant of Manager and/or landlord.

2.1.13 Subordinated Loan. Manager shall provide to Practice, from time to time, operating loans, up to a maximum amount to be determined by Manager. Such loans shall be evidenced by a subordinated note in the form attached hereto as Attachment 2.1.13 (the "Subordinated Promissory Note"). In the event that Practice has inadequate gross revenue to cover its expenses, including amounts owed to Manager in Section 4.7 and Section 6.1 below, the Parties may increase the maximum amount of the loan by mutual written consent.

2.1.14 All Other Matters Reasonably Needed for Operations. Manager shall perform all tasks required for the good governance and operation of the Operations in its discretion.

2.2 Responsibilities as Agent. In connection with the appointment of Manager as agent of Practice under Section 1.2 above, Manager shall undertake the following:

2.2.1 Billing. Manager shall bill, in Practice's name and on Practice's behalf, any claims for reimbursement, cost offset, or indemnification from members, insurance companies and plans, all state or federally funded benefit plans, and all other third-party payors or fiscal intermediaries.

2.2.2 Collections. Manager shall collect and receive on Practice's behalf, all accounts receivable generated by such billings and claims for reimbursement, to take possession of, and deposit into the Manager's Account (accruing such deposits on the general ledger of Practice) any cash, notes, checks, money orders, insurance payments, and any other instruments received in payment of accounts receivable, to administer such accounts including, but not limited to, extending the time for payment of any such accounts for cash, credit or otherwise; discharging or releasing the obligors of any such accounts; suing, assigning or selling at a discount such accounts to collection agencies; or taking other measures to require the payment of any such accounts.

2.2.3 Banking. The Parties shall cooperate in opening such bank accounts as shall be required for prudent administration of the Operations, including (i) a Manager's Account, opened by and under the control and domain of Manager for the deposit of collections and the disbursement of expenses and other purposes as set forth herein, and (ii) such other accounts as Manager determines in its sole discretion are reasonable and necessary. Manager shall sign checks, drafts, bank notes or other instruments on behalf of Practice, and make withdrawals from Manager's Account for payments specified in this Agreement. Manager, in its sole discretion, may make a pledge or assignment of Practice's accounts to support financing instruments. Manager may commingle Practice's funds with those of other entities for whom Manager provides similar administrative services, so long as Manager separately accounts for and provides Practice with a record of its separate deposits and withdrawals to and from Manager's Account.

2.2.4 Litigation Management. Manager shall (a) manage and direct the defense of all claims, actions, proceedings, or investigations against Practice or any of its officers, directors, employees, or agents in their capacity as such, and (b) manage and direct the initiation and prosecution of all claims, actions, proceedings, or investigations brought by Practice against any person other the Manager.

2.2.5 Marketing, Advertising, and Public Relations Programs. Manager shall propose and, with Practice's approval, implement marketing and advertising programs to be implemented by Practice to effectively notify the community of the services offered by Practice. Manager shall advise and assist Practice in implementing such marketing and advertising programs, including, but not limited to, analyzing the effectiveness of such programs, preparing marketing, and advertising materials, negotiating marketing and advertising contracts on Practice's behalf, and obtaining services necessary to produce and present such marketing and advertising programs. The Parties expressly acknowledge and agree that Practice shall exercise control over all policies and decisions relating to every element of such advertising. Manager and Practice agree that all marketing and advertising programs shall be conducted in compliance with all applicable standards of ethics, laws, and regulations.

2.2.6 Information Technology and Computer Systems. Manager shall set up workstations and other information technology required for the Operations.

2.2.7 Supplies. Manager shall order and purchase all supplies in connection with the Administrative Services and the Operations, including all necessary forms, supplies, and postage, provided that all such supplies acquired shall be reasonably necessary in connection with the Operations, subject to the approval of the Practice.

2.3 Furnishings. Manager Leases to the Practice the use of "Furnishings", which includes all fittings and other accessories, decorative or otherwise, that are not included in the Master Leases. Manager will be responsible for the repair, maintenance and replacement of the Furnishings other than such repairs, maintenance and replacement necessitated by the negligence or willful misconduct of the Practice, the Providers or other personnel employed or engaged by the Practice. The provisions and obligations in this Agreement are subject and subordinate to the provisions and obligations contained in any financing, security interest, mortgage, lien or other encumbrance Manager may on its own behalf, but not on behalf of the Practice, in its reasonable discretion, place upon the Furnishings. The Practice shall use the Furnishings only in connection with the conduct of the Practice and shall have no right to alter, repair, augment or remove any of the Furnishings from the Premises without the prior written consent of Manager, which approval may be granted or withheld in Manager's sole discretion.

2.4 Equipment. Manager Leases to the Practice the use of the Medical Equipment, set forth in Attachment 2.4, purchased in accordance with its Medi-Weightloss franchise agreement, and all items of furniture, fixtures and equipment, including computer hardware and information systems, and telephone systems (collectively, the "Equipment") reasonably necessary to support the Operations of the Practice. The provisions and obligations in this Agreement are subject and subordinate to the provisions and obligations contained in any financing, security interest, mortgage, lien or other encumbrance Manager may, on its own behalf, but not on behalf of the Practice, in its reasonable discretion place upon the Equipment. During the Term, the Practice shall use the Equipment only in connection with the conduct of the Practice and shall have no right to remove the Equipment from the Premises without the prior written consent of Manager, which approval may be granted or withheld in Manager's sole discretion. Except for equipment that is expressly purchased and owned by Practice, title to all Equipment shall be and shall remain at all times the property of the Manager (subject to the rights of the equipment lessors or vendors, as the case may be) and shall remain in the name of the Manager. Manager shall be responsible for the repair, maintenance and replacement of the Equipment, other than such repairs, maintenance and replacement necessitated by the negligence or willful misconduct of the Practice, its Providers or other personnel employed or engaged by the Practice. Manager may select and replace Equipment in consultation with Practice subject to Practice approval.

3. RELATIONSHIP OF THE PARTIES

3.1 Sole Authority to Practice. Notwithstanding any other provision of this Agreement and Shareholder's prior review and approval of Franchisor's clinical model, services, and products, Practice shall have exclusive authority and control over the healthcare aspects of Practice and its practice to the extent they constitute the practice of a licensed profession, including, without limitation, all diagnosis, treatment, and ethical determinations with respect to patients which are required by law to be decided by a licensed professional. Any delegation of authority by Practice to Manager that would require or permit Manager to engage in the practice of a licensed profession shall be prohibited and deemed ineffective, and Practice shall have the sole authority with respect to such matters. Manager shall not be required or permitted to engage in, and Practice shall not request Manager to engage in, activities that constitute the practice of medicine, nursing, or another similar profession in the State. Manager shall not direct, control, attempt to control, influence, restrict or interfere with Practice's or any of the Practice's physicians' exercise of independent clinical, medical, or professional judgment in providing healthcare or medical related services.

3.2 Compliance with Corporate Practice of Medicine. The Parties have made all reasonable efforts to ensure that this Agreement complies with the corporate practice of medicine prohibitions in the State. The Parties understand and acknowledge that such laws may change, be amended, have guidance, or have a different interpretation and the Parties intend to comply with such laws in the event of such occurrences. Under this Agreement, Practice and its physicians shall have the exclusive authority and control over the medical aspects of Practice's practice to the extent they constitute the practice of medicine, while Manager shall have the particular authority to manage the business aspects of Practice as more fully described in Section 2 of this Agreement. Practice shall have final say over (1) hiring and firing of clinical personnel and supervisors thereof, (2) choice of modalities and medical services offered through the Operations, (3) financial issues, including banking and pricing (subject to day-to-day operational delegations to Manager hereunder), (4) choice of medical equipment, and (5) content of any advertising subject to applicable [State] laws and regulations.

3.3 Independent Contractor Relationship. Nothing contained herein shall be construed as creating a partnership, trustee, fiduciary joint venture, or employment relationship between Manager and Practice. In performing all services required hereunder, Manager shall be in the relation of an independent contractor to Practice, providing the Administrative Services to the Operations operated by Practice.

3.4 No Patient Referrals. Manager shall neither have nor exercise, any control or direction over the number, type, or recipient of patient or member referrals and nothing in this Agreement shall be construed as directing or influencing any such referrals. Nothing in this Agreement is to be construed to restrict the professional judgment of any physician to use any medical practice, facility, or pharmacy where necessary or desirable in order to provide proper and appropriate treatment or care to a patient. No part of this Agreement shall be construed to induce, encourage, solicit, or reimburse the referral of any patients or business, including any patient or business funded in whole or in part by federal or state government programs (i.e., Medicare, Medi-Cal, etc.). The Parties acknowledge that there is no requirement under this Agreement or any other agreement among the Parties to refer patients either to the other or to any of their respective affiliates. No payment made under this Agreement shall be in return for the referral of patients or business, including those paid in whole or in part by federal or state government programs.

4. LICENSING OF INTELLECTUAL PROPERTY AND TRADEMARKS

4.1 Ownership of Intellectual Property and Trademarks. Manager represents and Practice and Physician Owner acknowledge that Manager licenses the property rights and related rights in the IP through and from Franchisor under the terms of the Franchise Agreement. Manager hereby represents and warrants that, to the best of its knowledge, it has, by virtue of the franchise, a license in and to the IP, that no third party has any claim or right of interest therein, and that Practice's sublicensing and use of the IP will not infringe in any way on any third party's proprietary rights as regards to the IP. Practice and Physician Owner understand and acknowledge that neither Manager nor Franchisor is transferring or providing to Practice any IP hereunder and that the Sublicense is subject to Manager's license in and to the IP as set forth in the Franchise Agreement. Practice is expressly prohibited from asserting any rights in the nature of a license or grant for any rights of any trade names, trademarks, commercial symbols, or other proprietary marks owned by or associated with Franchisor or Manager or any rights in the IP of any nature whatsoever except as expressly set forth in this Agreement. If for any reason Manager becomes aware that any third party makes a claim that the IP infringes on such third party's patent or other rights, Manager shall immediately notify Practice of such claim. For sake of clarity, all of the IP is owned by Franchisor, and the IP currently being licensed by Manager and sublicensed hereunder to Practice includes, but is not limited to, the intellectual property reflected on Attachment 4.1 hereto.

4.2 Further Acts of Practice and Physician Owner. Practice and Physician Owner agree to execute such documents and take all such further acts as may be requested by Manager or Franchisor to assure the continued ownership or licensing of Franchisor's rights in the IP.

4.3 Sublicense Grant. Manager hereby grants a nonexclusive, terminable, royalty-bearing right and Sublicense to Practice to use the IP in and for the provision of medical and patient care services at the Premises.

4.4 Sublicensing. Practice is not permitted to further sublicense the IP.

4.5 Rights Retained by Franchisor. In granting the Sublicense hereunder: (a) Manager is not permitted to grant a license to any other parties; and (b) no restriction will be placed on Franchisor's retained right to make, use, and to permit other entities under a written agreement to make, use, and employ the IP for any reason, subject to the terms of the Franchise Agreement.

4.6 Fictitious Name. To the extent that state law requires the registration or permitting of any fictitious or assumed name, Manager agrees to cooperate with Practice to enable Practice to apply for and obtain such fictitious name permit in names to be determined by Manager and approved by Franchisor, in consultation with Practice, including but not limited to "[NAME OF PROFESSIONAL CORPORATION]." The Parties acknowledge that there is no assurance that any state entity will issue such name permit(s). Upon termination of this Agreement or termination of the License, Practice and Physician Owner agree that they shall cooperate with Manager to promptly (and no later than two (2) days following termination) sign and file any necessary documentation to cancel or transfer any fictitious name permits. To the extent that an authorized representative of Practice is not immediately available to execute the Notifications of Physician Owner Change, Applications for Cancellation of a fictitious name permit, or other applicable document with the appropriate agency, Practice and Physician Owner hereby grant Manager a limited power of attorney (which shall not be revocable so long as Practice and/or Physician Owner maintain fictitious name permit(s) related to the name [NAME OF PROFESSIONAL CORPORATION]) for the sole purpose to sign on its behalf and file any document required on its own. In addition, Practice and Physician Owner agree to sign such documents, which Manager shall hold in escrow pending termination of this Agreement or termination of the License. Should Practice and Physician Owner fail to deliver requested documents within two (2) days following such termination, Practice and Physician Owner irrevocably authorize Manager to date and file, and obtain any new owner's signature, for all filings with respect to related names that are being held in escrow by Manager. In addition, Practice and Physician Owner acknowledge and agree to file a termination statement or other filing in all counties for which a trade name application has been submitted for [NAME OF PROFESSIONAL CORPORATION] upon termination of this Agreement or the License. The Parties recognize that the remedies and covenants under this Section are reasonable and necessary to protect Manager's interests in the name [NAME OF PROFESSIONAL CORPORATION], and related names under the circumstances.

4.7 Amount of Royalty. For use of the Sublicense as set forth herein, Practice shall pay to Manager as earned royalty to be determined by Manager after input from Practice to establish fair value for sublicensed IP ("Royalty"). The Royalty shall be a percentage of Practice's gross revenues unless prohibited by the applicable laws of the State.

4.8 Royalty Payment Dates and Reporting. On or before the fifteenth (15th) of the month following the close of each fiscal quarter, Practice shall remit the Royalty amount due to Manager. The Parties shall cooperate in accounting and accruing the appropriate gross revenues of Practice from which the Royalty may be calculated on a monthly or other periodic basis.

4.9 Payment Obligation is Absolute. The obligation of Practice to make all payments under this Agreement is absolute and unconditional and is not, except as expressly set out in this Agreement, affected by any circumstance, including without limitation any set-off, compensation, counterclaim, recoupment, defense, or other right which Practice may have against Manager.

4.10 Deemed Sale. A service is deemed to have been sold by Practice so that such sale is to be included in the gross revenues on an accrual basis on the date of the provision of service.

4.11 Taxes. Practice will pay all taxes and any related interest or penalty designated in any manner and imposed as a result of the existence or operation of this Agreement, including without limitation tax which Practice may be required to withhold or deduct from payments to Manager. The Royalties payable hereunder are exclusive of taxes; such tax amounts will not be deducted from the Royalties payable hereunder. Practice will provide to Manager evidence as may be required by authorities to show that taxes due were paid. If Manager becomes required to collect a tax to be paid as a result of the transactions hereunder, Practice will either pay such tax directly upon demand, or reimburse Manager such payments it has made for such taxes.

4.12 Proprietary Rights. The Practice recognizes and acknowledges that all IP, records, files, reports, protocols, policies, manuals, data bases, processes, procedures, computer systems, materials and other documents used by the Manager in rendering services hereunder, or relating to the operations of the Manager, belong to and shall remain the property of the Franchisor as described in the Franchise Agreement, and constitute proprietary information and trade secrets that are valuable, special, and unique assets of the Franchisor's business ("Confidential Information"). The Practice shall not, and shall assure that its physicians and staff shall not, during or after the term of this Agreement, disclose any Confidential Information of the Manager or Franchisor, or the terms and conditions of this Agreement to any other firm, person, corporation, association, or other entity for any reason or purpose whatsoever, without the written consent of the Manager and Franchisor or each of their respective affiliates.

4.12.1 Derivative IP, as defined in Attachment 4.1, which are at any time conceived or reduced to practice by Practice and/or any of its physicians or staff, acting alone or in conjunction with others, in connection with the Manager's management of the Practice or, during the course of the Practice's employment or engagement of physicians or staff (or, if based on or related to any Confidential Information, made by Practice and/or any physician or staff during or after such management by the Manager or employment or engagement by the Practice) and all concepts and ideas known to Practice or any physician or staff at any time during the Manager's management of the Practice which relate to the Manager's or Franchisor's present, past or prospective activities, services and products ("Concepts and Ideas") or any modifications thereof held by or known to Practice and/or any physician or staff on the date of this Agreement or acquired by Practice and/or any physician or staff during the term of this Agreement shall be the property of the Franchisor, free of any reserved or other rights of any kind on Practice and/or any physician or staff part with respect thereto, and Practice and/or any such physician or staff hereby assign all rights therein to the Franchisor.

4.12.2 Practice and/or its physicians and staff shall promptly make full disclosure of any such Derivative IP, Concepts and Ideas or modifications thereof to the Manager, and Manager shall promptly make a full disclosure to Franchisor. Further, Manager and/or Practice and/or its physicians and staff shall, at the Franchisor's cost and expense, promptly execute formal applications for copyrights and also do all other acts and things (including executing and delivering instruments of further assurance or confirmation) deemed by the Franchisor to be necessary or desirable at any time or times in order to effect the full assignment to the Franchisor rights and title to such Derivative IP, Concepts and Ideas or modifications, without payment therefor and without further compensation. In order to confirm the Franchisor's rights, Manager, Practice and/or its physicians and staff will also assign to the Franchisor any and all copyrights and reproduction rights to any written material prepared by the Manager, Practice and/or its physicians and staff in connection with the Manager's management of the Practice or the physician and staff's employment or engagement by the Practice. Manager, Practice and/or its physicians and staff further understand that the absence of a request by the Franchisor for information, or for the making of an oath, or for the execution of any document, shall in no way be construed to constitute a waiver of the rights of the Franchisor. This Agreement shall not be construed to limit in any way any "shop rights" or other common law or contractual rights of the Practice or the Manager in or to any Derivative IP, Concepts and Ideas or modifications which the Franchisor has or may have by virtue of the Franchise Agreement, Manager's management activities hereunder or the Practice's engagement of its physicians and staff.

4.12.3 Practice and Physician Owner agree to sign any confidentiality agreement or similar agreement required by Franchisor related to the Franchise Agreement.

5. RESPONSIBILITIES OF PRACTICE

5.1 General Responsibilities of Practice. Practice shall operate the clinical aspects of the Operations during the Term of this Agreement. Practice understands and acknowledges that Manager has entered into the Franchise Agreement, which contains specific obligations for the Operation. To the extent not prohibited by Section 3 above, Manager will outline the obligations for the Operation under the Franchise Agreement, and the Practice agrees to follow the same.

5.2 Physicians and Staff. Practice shall be responsible for employing all individual physicians, nurses, physician assistants, chiropractors and other professionals licensed or authorized in the State (collectively, the "Providers"). Practice shall ensure that all technicians or other non-physicians responsible for patient care employed or contracted by Practice are appropriately supervised with respect to the provision of services to patients in accordance with all applicable laws. Practice shall consult with Manager prior to engaging new physicians. Practice shall not modify or amend any employment agreement or independent contractor agreement with a physician without Manager's prior written consent. Notwithstanding the foregoing, Practice retains the right to modify or amend any employment agreement or independent contractor agreement with a Provider without Manager's consent if the modification is made solely with regards to issues related to the practice of medicine. Practice shall consult with Manager from time to time regarding the number, work schedules, and evaluation of the physicians employed or engaged by Practice. Practice shall staff its practice as required for the efficient operation of Practice, and as otherwise necessary to meet the requirements of payor contracts and applicable law. Practice shall provide full and prompt medical coverage consistent with comparable practice standards. In addition, each physician employed by or providing services to Practice shall:

5.2.1 Maintain an unrestricted license to practice in the State, maintain all narcotics and controlled substances numbers and licenses, including, without limitation, a DEA registration or permit, and maintain good standing with the applicable professional boards;

5.2.2 Perform services and otherwise operate in accordance with all laws and with prevailing and applicable standards of care;

5.2.3 Maintain his or her skills through continuing education and training;

5.2.4 Maintain eligibility for professional liability insurance for his or her specialty;

5.2.5 Comply with such other requirements for the orderly operation of the Practice (not including those relating to the practice of medicine) established from time to time by Manager;

5.2.6 Avoid all personal acts, habits, and usages that might injure in any way, directly or indirectly, his or her professional judgment or professional reputation; and

5.2.7 Not be (and shall avoid being) suspended or excluded from any federal or state healthcare program.

5.3 Actions Requiring Manager's Consent. As inducement to Manager to enter into this Agreement, Practice agrees that it shall not take certain governance actions without Manager's consent. Therefore, notwithstanding anything in this Agreement to the contrary, Practice agrees that the following actions by Practice shall require the prior written consent of Manager:

5.3.1 A sale of shares of capital stock of Practice by Physician Owner;

5.3.2 The issuance of capital stock of Practice or of any security convertible into shares of capital stock of Practice;

5.3.3 The payment of any dividends on the capital stock of Practice or other distribution to the shareholders of Practice;

5.3.4 Any consolidation, conversion, merger, or stock/share exchange of Practice;

5.3.5 Any sale, assignment, pledge, lease, exchange, transfer, or other disposition, excluding salaries, but including without limitation a mortgage or other security device, of assets, including Practice's accounts receivable, constituting in the aggregate five percent (5%) or more (in any transaction or series of transactions over any consecutive five (5) year period) of the total assets of Practice at the end of its most recent fiscal year ending prior to such disposition;

5.3.6 Any purchase or other acquisition of assets at any aggregate cost to Practice exceeding One Thousand Dollars ($1,000.00);

5.3.7 Any incurrence of loans or other indebtedness by Practice in an amount in excess of One Thousand Dollars ($1,000.00);

5.3.8 Any reclassification or recapitalization of the capital stock of Practice;

5.3.9 Any redemption or purchase of any shares of capital stock of Practice;

5.3.10 Any amendment to the Articles of Incorporation or Bylaws of Practice;

5.3.11 The dissolution or liquidation of Practice;

5.3.12 The authorization for the employment or discharge of any employees, or the engagement or termination of engagement of any independent contractor, at a compensation in excess of Five Thousand Dollars ($5,000.00) per annum, or for the execution and delivery of any employment agreements or contracts with independent contractors or consultants, or the modification or termination thereof;

5.3.13 The entering into of any contract by Practice at an aggregate contract price to Practice in excess of One Thousand Dollars ($1,000.00); and

5.3.14 The creation of any indebtedness or any other obligation of Practice to any of the shareholders of Practice or of any of the shareholders of Practice to Practice.

5.4 Assignable Option. As a material inducement for Manager to enter into this Agreement, Physician Owner, who owns [NUMBER OF SHARES] shares of common stock in the Practice (representing one hundred percent (100%) of the issued stock in the Practice, which is all of the total number of shares that the Practice is authorized to issue), hereby grants Manager the option to sell and transfer all of Practice's assets or all of Physician Owner's shares in the Practice as more fully described in that certain Assignable Option Agreement in the form attached hereto as Attachment 5.4 (the "Assignable Option Agreement"). In connection with this grant of an assignable option, Physician Owner makes the following representations and warranties to Manager:

5.4.1 Physician Owner owns the Practice's shares free and clear of any material liens, claims, encumbrances, or security interests of any kind or nature whatsoever; and

5.4.2 Physician Owner is not precluded, by agreement or operation of law or otherwise, from entering into the Assignable Option Agreement, and needs no further authority or authorization for this agreement.

5.5 Exclusivity. During the term of this Agreement, Manager shall serve as Practice's sole and exclusive manager and provider of the Administrative Services, and Practice shall not engage any other person or entity to furnish Practice with any sites for conduct of its Operations, any policies or procedures for conduct of the Operations, or any of the financial or other services provided hereunder by Manager.

5.6 Provision of Medical Services/Quality/Compliance. Practice shall be responsible for the provision of excellent patient care services through its Providers. Practice shall also be responsible for quality improvement (following Manager's policies and procedures), and for all aspects of compliance with all healthcare and general rules and regulations governing the delivery of healthcare services.

6. FINANCIAL ARRANGEMENTS

6.1 Management Fee. For the Term of this Agreement, as compensation for services hereunder, Practice shall pay Manager, monthly, a management fee (the "Management Fee"), which the Parties agree represents the fair market value for the Leases and Administrative Services, as of the Effective Date. The Management Fee shall be determined by Manager after input from the Practice, and shall be a percentage of Practice's gross revenues unless prohibit by applicable laws of the State. The Parties shall cooperate in the allocation of costs and expenses between them.

6.2 Fee for Extraordinary Services. In the event Manager renders extraordinary services outside the scope of its duties, Manager shall bill Practice on a quarterly basis, describing such extraordinary services, the dates of service, and the costs and fees related thereto, which shall be calculated at fair market value. Notwithstanding the above, Practice shall not be obligated to pay such bonus if Practice is operating at a deficit pursuant to Section 2.1.13.

7. TERM AND TERMINATION

7.1 Term. This Agreement shall commence as of the Effective Date and continue in full force and effect for a period of ten (10) years (the "Initial Term"), unless terminated as provided herein. Following the Initial Term, this Agreement shall automatically renew for one (1) year renewal terms ("Renewal Term", and combined with the Initial Term, the "Term").

7.2 Termination by Mutual Agreement. The Parties may terminate this Agreement by mutual written agreement.

7.3 Without Cause Termination.

7.3.1 Practice may terminate this Agreement by giving one hundred eighty (180) days advance written notice of the intent to terminate the Agreement to Manager.

7.3.2 Manager may terminate this Agreement by giving thirty (30) days advance written notice of the intent to terminate the Agreement to Practice.

7.3.3 This Agreement will terminate automatically upon the termination or expiration of the Franchise Agreement.

7.4 Immediate Termination by Manager. Manager shall have the right, but not the obligation, to terminate this Agreement immediately upon notice to Practice and the Physician Owner of any of the following events:

7.4.1 The conviction of the Physician Owner or anyone employed or engaged by Practice, of any crime punishable as a felony under federal or state law;

7.4.2 The date upon which any of the stock in Practice is transferred or attempted to be transferred voluntarily, by operation of law or otherwise to any person without the prior approval of the Manager;

7.4.3 The merger, consolidation, reorganization, conversion, sale, liquidation, dissolution, or other disposition of all or substantially all of the stock or assets of Practice without the prior written approval of the Manager;

7.4.4 Failure to pay the Management Fee or Royalty in a timely fashion;

7.4.5 Practice materially altering or changing the scope of the Operations without Manager's approval;

7.4.6 Practice's breach of this Agreement regarding banking arrangements;

7.4.7 Death or disability or other interference with Physician Owner's ability to practice medicine; or

7.4.8 Material failure of Practice to follow Manager's policies.

7.5 Rights upon Termination. Upon expiration or termination of this Agreement for any reason, Practice will immediately surrender to Manager (or Franchisor, if requested by Franchisor) any property or proprietary information of Manager or Franchisor in the possession of Practice at the time of termination and Manager will immediately surrender to Practice all books, records and electronic files pertaining to Practice that are not the property or proprietary information of Manager and/or Franchisor. Termination of this Agreement will not release or discharge either Party from any obligation, debt or liability which will have previously accrued and remain to be performed upon the date of termination.

8. RECORDS AND RECORD KEEPING

8.1 Medical/Patient Records. Practice appoints Manager to be responsible for the confidentiality, privacy, maintenance, storage, retention, and custody of all medical/patient records of Practice. To the extent permitted by applicable law, Manager shall be permitted to retain true and complete copies of such records for archival purposes, at its expense. The Parties agree to comply with all state and federal patient confidentiality and privacy laws regarding medical/patient records. The Parties shall fully comply with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). In furtherance thereof, the Parties are entering into a Business Associate Agreement of even date hereof and attached hereto as Attachment 8.1.

8.2 Access to Information. Each Party hereby authorizes and grants the other Parties full and complete access to all information, instruments, and documents which may be reasonably requested by the other Party to perform its obligations hereunder or to conduct the Operations. Each Party shall disclose and make available to representatives of the other Parties for review and photocopying all relevant books, agreements, papers, and records of such Party. At all times during and after the Term of this Agreement, all business records and information, including, but not limited to, all books of account and general administrative records and all information generated under or contained in the management information systems pertaining to Practice, relating to the business and activities of Manager, shall be and remain the sole property of Manager, unless the same is owned by Franchisor under the terms of the Franchise Agreement. For purposes of accessing information, to the extent permitted by law, Practice agrees and acknowledges that Manager shall grant access to any such information as required under the Franchise Agreement. Practice will have reasonable access during normal business hours to the business records kept by Manager relating to the Operations, and Practice may copy any or all such records. After termination of this Agreement, each Party will have reasonable access during normal business hours to the business records of the other Parties as determined by such Party accessing records to be necessary to carry out its affairs or for the defense of any legal or administrative action or claim relating to such records.

9. GENERAL

9.1 Indemnification.

9.1.1 Indemnification by Practice. Practice hereby agrees to indemnify, defend, and hold harmless Manager, Franchisor, their managers, officers, directors, owners, members, employees, agents, affiliates, and subcontractors, from and against any and all claims, damages, demands, diminution in value, losses, liabilities, actions, lawsuits and other proceedings, judgments, fines, assessments, penalties, awards, costs, and expenses (including reasonable attorneys' fees) related to third party claims, whether or not covered by insurance, arising from or relating to any willful misconduct relating to the breach of this Agreement by Practice. The provisions of this Section 9.1.1 shall survive termination or expiration of this Agreement. Notwithstanding the foregoing, Practice shall not indemnify Manager for the acts or omissions of any physicians or others employed or engaged by Manager to perform non-clinical work under the supervision of Manager. Practice shall immediately notify Manager of any lawsuits or actions, or any threat thereof, that are known or become known to Practice that might adversely affect any interest of Practice or Manager whatsoever.

9.1.2 Indemnification by Manager. Manager hereby agrees to indemnify, defend, and hold harmless Practice, its respective officers, directors, shareholders, employees and agents from and against any and all claims, damages, demands, diminution in value, losses, liabilities, actions, lawsuits and other proceedings, judgments, fines, assessments, penalties, and awards, costs, and expenses (including reasonable attorneys' fees), whether or not covered by insurance, arising from or relating to (a) any material breach of this Agreement by Manager, (b) any acts or omissions by Manager and its employees. The provisions of this Section 9.1.2 shall survive termination or expiration of this Agreement. Manager shall immediately notify Practice of any lawsuits or actions, or any threat thereof, that are known or become known to Manager that might adversely affect any interest of Manager or Practice whatsoever.

9.1.3 Effect of Insurance. The Parties agree that no indemnification hereunder shall be in lieu of or to the detriment to any policy of insurance or recovery thereunder that responds to any damage or loss for which indemnification is sought; all recoveries for indemnification shall be non-duplicative of recoveries received under any policy of insurance, and shall be paid only to the extent that such insurance recoveries do not compensate the injured Party for the full amount of loss otherwise payable under the indemnification clause.

9.2 Dispute Resolution. In the event that any disagreement, dispute, or claim arises among the Parties hereto with respect to the enforcement or interpretation of this Agreement or any specific terms and provisions hereof or with respect to whether an alleged breach or default hereof has or has not occurred (collectively, a "Dispute"), such Dispute shall be settled in accordance with the following procedures:

9.2.1 Meet and Confer. In the event of a Dispute among the Parties hereto, a Party may give written notice to all other Parties setting forth the nature of such Dispute (the "Dispute Notice"). The Parties shall meet and confer to discuss the Dispute in good faith within ten (10) days following the other Parties' receipt of the Dispute Notice in an attempt to resolve the Dispute. All representatives shall meet at such date(s) and time(s) as are mutually convenient to the representatives of each participant within the Meet and Confer Period (defined below).

9.2.2 Mediation. If the Parties are unable to resolve the Dispute within thirty (30) days following the date of receipt of the Dispute Notice by the other Parties (the "Meet and Confer Period"), then the Parties shall attempt in good faith to settle the Dispute through nonbinding mediation under the Rules of Practice and Procedures (the "Rules") of JAMS, Inc. ("JAMS") or such other neutral service as the Parties may agree. A single disinterested third-party mediator located in [CITY, STATE] shall be selected by JAMS in accordance with its then-current Rules. The parties to the Dispute shall share the expenses of the mediator and the other costs of mediation on a pro rata basis.

9.2.3 Arbitration. Any Dispute which cannot be resolved by the Parties within sixty (60) days following the end of the Meet and Confer Period shall be resolved by final and binding arbitration (the "Arbitration"). The Arbitration shall be initiated and administered by and in accordance with the then-current Rules of JAMS. The Arbitration shall be held before a single disinterested third-party arbitrator selected in accordance with the then-current Rules of JAMS, in [COUNTY, STATE], unless the parties mutually agree to have such proceeding in some other locale; the exact time and location shall be decided by the arbitrator in accordance with the then-current Rules of JAMS. The arbitrator shall apply [STATE] substantive law, or federal substantive law where state law is preempted. The arbitrator selected shall have the power to enforce the rights, remedies, duties, liabilities, and obligations of discovery by the imposition of the same terms, conditions, and penalties as can be imposed in like circumstances in a civil action by a court of competent jurisdiction of the State of [STATE]. The arbitrator shall have the power to grant all legal and equitable remedies provided by [STATE] law and award compensatory damages provided by [STATE] law, except that punitive damages shall not be awarded. The arbitrator shall prepare in writing and provide to the Parties an award including factual findings and the legal reasons on which the award is based. The arbitration award may be enforced through an action thereon brought in the Superior Court for the State of [STATE] in [COUNTY]. The prevailing Party in any Arbitration hereunder shall be awarded reasonable attorneys' fees, expert and non-expert witness costs and any other expenses incurred directly or indirectly with said Arbitration, including without limitation the fees and expenses of the arbitrator.

THIS ELECTION OF AN ALTERNATIVE DISPUTE PROCESS IS AN AFFIRMATIVE WAIVER OF THE PARTIES' RIGHTS TO A JURY TRIAL UNDER [STATE] LAW. BY SIGNING BELOW, EACH PARTY IS EXPLICITLY WAIVING JURY TRIAL AND AUTHORIZING ANY AND ALL PARTIES TO FILE THIS WAIVER WITH ANY COURT AS THE WAIVER REQUIRED UNDER [STATE] LAW:

(Signatures on following page)

JURY TRIAL WAIVED:

[FRANCHISEE/MSO]	[PHYSICIAN], an individual
By:__________________________ Name: [FRANCHISEE/MSO CEO] Title: [CEO]	By:__________________________ Name: [PHYSICIAN]
	[NAME OF PROFESSIONAL CORPORATION]
	By:__________________________ Title: President

9.3 Entire Agreement; Amendment. This Agreement constitutes the entire agreement among the Parties related to the subject matter hereof and supersedes all prior agreements, understandings, and letters of intent relating to the subject matter hereof. This Agreement may be amended or supplemented only by a writing executed by all Parties.

9.4 Notices. All notices, requests, demands, or consents hereunder shall be in writing and shall be deemed given and received when delivered, if delivered in person, or four (4) days after being mailed by certified or registered mail, postage prepaid, return receipt requested, or one (1) day after being sent by overnight courier such as Federal Express, to and by the Parties at the following addresses, or at such other addresses as the Parties may designate by written notice in the manner set forth herein:

If to Manager:	[FRANCHISEE/MSO] [FRANCHISEE/MSO ADDRESS]
If to Physician Owner:	[PHYSICIAN] [PHYSICIAN ADDRESS]
If to Practice:	[NAME OF PROFESSIONAL CORPORATION] [PRACTICE ADDRESS]

9.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which, when taken together, will constitute one and the same instrument. Each counterpart may be delivered by facsimile transmission or email (as a PDF similar attachment), which transmission shall be deemed delivery of an originally executed counterpart hereof.

9.6 Governing Law. This Agreement shall be construed and governed in accordance with the laws of the State, without reference to conflict of law principles.

9.7 Assignment. This Agreement shall not be assignable by any Party hereto without the express written consent of the other Parties; provided, however, that this Agreement shall be assignable by Manager to any of its wholly owned affiliates or successors without the consent of the other Parties.

9.8 Waiver. Waiver of any agreement or obligation set forth in this Agreement by any Party shall not prevent that Party from later insisting upon full performance of such agreement or obligation and no course of dealing, partial exercise or any delay or failure on the part of any Party hereto in exercising any right, power, privilege, or remedy under this Agreement or any related agreement or instrument shall impair or restrict any such right, power, privilege or remedy or be construed as a waiver therefor. No waiver shall be valid against any Party unless made in writing and signed by the Party against whom enforcement of such waiver is sought.

9.9 Binding Effect. Subject to the provisions set forth in this Agreement, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and upon their respective successors and assigns.

9.10 Third Party Beneficiary. Manager and Practice acknowledge that Franchisor is an express third party beneficiary of this Agreement, and may directly or indirectly, enforce any right of the Manager hereunder.

9.11 Waiver of Rule of Construction. Each Party has had the opportunity to consult with its own legal counsel in connection with the review, drafting, and negotiation of this Agreement. Accordingly, the rule of construction that any ambiguity in this Agreement shall be construed against the drafting party shall not apply.

9.12 Severability. If anyone or more of the provisions of this Agreement is adjudged to any extent invalid, unenforceable, or contrary to law by a court of competent jurisdiction, each and all of the remaining provisions of this Agreement will not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

9.13 Force Majeure. Each Party shall be excused for failures and delays in performance of its respective obligations under this Agreement due to any cause beyond the control and without the fault of such Party, including without limitation, any act of God, war, terrorism, bio-terrorism, riot or insurrection, law or regulation, strike, flood, earthquake, water shortage, fire, explosion, or inability due to any of the aforementioned causes to obtain necessary labor, materials, or facilities. This provision shall not release such Party from using its best efforts to avoid or remove such cause and such Party shall continue performance hereunder with the utmost dispatch whenever such causes are removed. Upon claiming any such excuse or delay for non-performance, such Party shall give prompt written notice thereof to the other Parties, provided that failure to give such notice shall not in any way limit the operation of this provision.

9.14 Authorization for Agreement. The execution and performance of this Agreement by Practice and Manager have been duly authorized by all necessary laws, resolutions, and corporate action, and this Agreement constitutes the valid and enforceable obligations of Practice and Manager in accordance with its terms.

9.15 Duty to Cooperate. The Parties acknowledge that the Parties' cooperation is critical to the ability of Manager and Practice to successfully and efficiently perform their respective duties hereunder. Accordingly, each Party agrees to cooperate fully with the other in formulating and implementing goals and objectives which are in Practice's best interests.

(Signatures on following page)

IN WITNESS WHEREOF, the Parties agree to the foregoing terms of agreement through the execution below by their respective, duly authorized representatives as of the Effective Date.

"MANAGER"

By: ______________________________
Name: [FRANCHISEE/MSO CEO]
Title:[CEO]

"PHYSICIAN OWNER"

By: ______________________________
[PHYSICIAN], an individual

"PRACTICE"

By:_______________________________
Name: [PHYSICIAN]
Title:President

(EXHIBIT H-5 CONTINUED)

ATTACHMENT 4.1 OF MANAGEMENT AGREEMENT

INTELLECTUAL PROPERTY

IP, which is owned by Franchisor and licensed to Manager pursuant to the Franchise Agreement, and sublicensed hereunder to Practice include the following:

3. A license for the name and trade name: "[NAME OF PROFESSIONAL CORPORATION]" and any derivative thereof as well as all logos, trade dress, signage and related promotional depictions, and artwork of the name and logos related thereto;

2. A limited, nonexclusive sublicense to use Manager's licensed Trademarks under the Franchise Agreement.

3. Trade secrets, proprietary information, and confidential information of Manager (or licensed to Manager under the Franchise Agreement) ("Confidential Information") including, but not limited to: (i) any software or source code, (ii) passwords, (iii) access to systems, (iv) products and future developments, (v) services, suppliers, partners, (vi) human resources issues, co-workers, (vii) salaries, financial matters, investors, (viii) market share; (ix) identity of current, past, or prospective clients, (x) referral sources, (xi) marketing, present and planned business activities, and (xii) any contracts of Manager. Confidential Information includes any form of information regardless of whether it is in verbal, written, depicted or electronic form. Physician Owner and Practice expressly agree that all Confidential Information shall be and shall remain the property of Manager, subject to Franchisor's rights under the Franchise Agreement, and that Physician Owner and Practice shall not duplicate, photocopy, or transcribe any such information, records, or property from Manager. Further, Physician Owner and Practice will not disclose or use in any way adverse to Manager or Franchisor any Confidential Information or other proprietary information of Manager or Franchisor. For the avoidance of doubt, the parties expressly acknowledge that Confidential Information includes any information obtained from an affiliated and/or related entity of Manager or Franchisor; and

4. Intellectual property of any kind created by Physician Owner or Practice using the Confidential Information ("Derivative IP") including, but not limited to, products, deliverables, inventions, patents, copyrights, software, etc. used by Practice. For the avoidance of doubt, the parties expressly acknowledge that Derivative IP includes any intellectual property created by any physician, employee, or agent working on behalf of Practice.

(EXHIBIT H-5 CONTINUED)

ATTACHMENT 4.6 OF MANAGEMENT AGREEMENT

FICTITIOUS NAMES

[NAME OF PROFESSIONAL CORPORATION]

(EXHIBIT H-5 CONTINUED)

ATTACHMENT 2.1.13 OF MANAGEMENT AGREEMENT

SUBORDINATED PROMISSORY NOTE

Effective Date: [MONTH DAY, 20__]

Maximum Amount: [MAXIMUM AMOUNT ($●)]

FOR VALUE RECEIVED, [NAME OF PROFESSIONAL CORPORATION], a [State] professional medical corporation ("Maker" or the "Practice"), hereby promises to pay to the order of [FRANCHISEE/MSO], a [FRANCHISEE/MSO STATE] [FRANCHISEE/MSO ENTITY TYPE] ("Holder"), the principal amount of [MAXIMUM AMOUNT ($●)], or as much thereof as may have been then advanced and is the outstanding (the "Note") together with interest on the Note as set forth below, subject to the terms and conditions set forth hereinbelow. Until the Maturity Date (defined below), Maker may borrow, repay, and reborrow funds, all of which shall nevertheless be evidenced by this Note.

1. Payment. Beginning with the first month following the Effective Date, and on the first business day of each succeeding month thereafter, the Practice shall pay interest in respect of the outstanding principal balance of this Note monthly in arrears at the rate of ten percent (10%) on the basis of a 360-day year of twelve 30-day months. The principal amount of this Note together with accrued and unpaid interest thereon, shall be due and payable on the first to occur of (i) ten (10) years from the Effective Date set forth above, or (ii) the date that the Management Agreement of even date herewith between the parties terminates for any reason. ("Maturity Date"). Notwithstanding the foregoing, until such time as holders of Senior Indebtedness demand, following a default in payment of such Senior Indebtedness, Maker may pay interest and principal on this Note in accordance with its terms.

2. Subordination.

(a) Subordination to Senior Indebtedness. The indebtedness evidenced by this Note, and the payment of the principal hereof and interest hereon, is wholly subordinated, junior and subject in right of payment, to the extent and in the manner hereinafter provided, to the prior payment of all Senior Indebtedness of the Practice now outstanding or hereinafter incurred. "Senior Indebtedness" means the principal of, and premium, if any, and interest on (i) all indebtedness of the Practice for monies borrowed from banks, trust companies, insurance companies and other financial institutions, including commercial paper and accounts receivable sold or assigned by the Practice to such institutions, (ii) all indebtedness of the Practice for monies borrowed by the Practice from other persons or entities, (iii) principal of, and premium, if any, and interest on any indebtedness or obligations of others of the kinds described above assumed or guaranteed in any manner by the Practice, (iv) deferrals, renewals, extensions and refunding of any such indebtedness or obligations described above, and (v) any other indebtedness of the Practice which the Practice and Holder may hereafter from time to time expressly and specifically agree in writing shall constitute Senior Indebtedness.

(b) Rights of Holders Unimpaired. The provisions of this Section 2 are, and are intended solely, for the purposes of defining the relative rights of the Holder and the holders of Senior Indebtedness and nothing in this Section 2 shall impair, as between the Practice and Holder, the obligation of the Practice, which is unconditional and absolute, to pay to Holder the principal thereof, in accordance with the terms of this Note, nor shall anything herein prevent Holder from exercising all remedies otherwise permitted by applicable law or hereunder upon default under this Note, subject to the rights set forth above of holders of

Senior Indebtedness to receive cash, property or securities otherwise payable or deliverable to Holder, in any bankruptcy or insolvency proceeding.

3. Repayment of the Subordinated Note.

(a) Repayment at the Maturity Date. On the Maturity Date, the Practice shall repay all, but not less than all, of the outstanding principal amount of this Note, and all accrued and unpaid interest thereon.

(b) Prepayment Prior to the Maturity Date. The Practice may prepay all or any portion of the outstanding principal amount of this Note, together with all accrued and unpaid interest thereon, at any time or from time to time without premium or penalty.

(c) Cancellation of Subordinated Note. Immediately upon repayment in full of this Note, this Note shall no longer be deemed to be outstanding and all rights with respect to this Note shall immediately cease and terminate as of the date of such repayment.

(d) Waiver. Maker waives presentment, protest and demand, notice of protest, demand and dishonor and nonpayment of this Note.

(e) Personal Responsibility. It is expressly understood and agreed that no shareholder, officer, director, or employee of Maker has any personal obligation or responsibility for payment of this Note.

4. Payment of Principal. All payments due and payable from Maker to Holder under this Note shall be made in lawful currency of the United States of America.

5. Waiver of Principal and Interest. If Maker is not able to generate enough revenues from the operations of the Maker's business to repay the amounts due under this Note before the Maturity Date, Holder shall either (i) forgive the amounts due under this Note or (ii) sell this Note to such person as shall be designated by Maker at its then fair market value, whichever results in a more advantageous tax treatment to Maker's shareholders.

6. Default. Upon the occurrence of an Event of Default (as defined below), the entire unpaid portion of the principal amount of this Note, and all accrued and unpaid interest due Holder hereunder, shall automatically become due and payable. As used in this Note, "Event of Default" shall mean: (i) a receiver, trustee, custodian or similar officer is appointed for Maker, or for any substantial part of its property and such appointment or proceedings remain unstayed or undismissed for a period of 90 days, (ii) any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar proceedings under the laws of any jurisdiction is instituted (by petition, application or otherwise) against Maker and such appointment or proceedings remain unstayed or undismissed for a period of 90 days, (iii) Maker admits in writing its inability to pay its debts when due, (iv) Maker makes an assignment for the benefit of creditors, (v) Maker applies for or consents to the appointment of any receiver, trustee, custodian or similar officer for Maker or for any substantial part of its property, or (vi) Maker institutes (by petition, application or otherwise) or consents to any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar proceedings under the laws of any jurisdiction against Maker.

7. Replacement. Whenever this Note shall be surrendered at the principal executive office of the Practice for transfer or exchange, accompanied by a written instrument of transfer in form reasonably satisfactory to the Practice duly executed by the Holder hereof or his, her or its attorney duly authorized in writing, the Practice shall execute and deliver in exchange therefore a new Note or Notes, as may be requested by such Holder, in the same aggregate unpaid principal amount and payable on the same date as the principal amount of the Note or Notes so surrendered; each such new Note shall be in such principal amount and registered in such name or names as such Holder may designate in writing. Upon receipt by the Practice of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Note and of indemnity reasonably satisfactory to it, and upon reimbursement to the Practice of all reasonable expenses incidental thereto, and upon surrender and cancellation of this Note (in case of mutilation) the Practice will make and deliver in lieu of this Note a new Note of like tenor and unpaid principal amount.

8. General.

(a) Successors and Assigns. This Note, and the obligations and rights of the Practice hereunder, shall be binding upon and inure to the benefit of the Practice, the Holder of this Note, and their respective heirs, successors and assigns.

(b) Notices. All notices, requests, demands, or consents hereunder shall be in writing and shall be deemed given and received when delivered, if delivered in person, or four (4) days after being mailed by certified or registered mail, postage prepaid, return receipt requested, or one (1) day after being sent by overnight courier such as Federal Express, to and by the parties at the following addresses, or at such other addresses as the parties may designate by written notice in the manner set forth herein:

If to Holder: [FRANCHISEE/MSO]
[FRANCHISEE/MSO ADDRESS]

If to Practice: [NAME OF PROFESSIONAL CORPORATION]
[PRACTICE ADDRESS]

(c) Governing Law. This Note shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of [State], without regard to its principles of choice of law.

(d) No Waiver. No delay or omission on the part of the Holder in exercising any right under this Note shall operate as a waiver of such right or of any other right of such Holder, nor shall any delay, omission or waiver on any one occasion be deemed a bar to or waiver of the same or any other right on any future occasion.

(e) Costs of Collection. The Practice agrees to pay on demand all costs of collection, including reasonable attorney's fees, incurred by the Holder in enforcing the obligations of the Practice under this Note.

(f) Confidentiality. By his, her or its acceptance hereof, the Holder of this Note agrees that he, she or it will keep confidential and will not disclose, divulge or use for any unauthorized purpose any confidential, proprietary or secret information which such Holder may obtain from the Practice (i) pursuant to financial statements, reports and other materials submitted by the Practice to such Holder or (ii) pursuant to visitation or inspection rights granted to such Holder, unless such information is known, or until such information becomes known, to the public.

(g) Headings. The headings in this Note are for purposes of reference only and shall not limit or otherwise affect the meaning of any provision of this Note.

(Signatures on following page)

IN WITNESS WHEREOF, this Note has been executed and delivered on the date first above written by the undersigned authorized representative of the Practice.

"HOLDER"

By: ______________________________
Name: [FRANCHISEE/MSO CEO]
Title:[CEO]

"PRACTICE"

By:______________________________
Name: [PHYSICIAN]
Title:President

(EXHIBIT H-5 CONTINUED)

ATTACHMENT 2.4 TO MANAGEMENT AGREEMENT

MEDICAL EQUIPMENT

Medical Equipment leased by Manager to Practice:

Name	Description

(EXHIBIT H-5 CONTINUED)

ATTACHMENT 5.4 OF MANAGEMENT AGREEMENT

ASSIGNABLE OPTION AGREEMENT

This Assignable Option Agreement ("Agreement") is made, entered into, and effective as of [MONTH DAY, 20__] (the "Effective Date") by and among [FRANCHISEE/MSO], a [FRANCHISEE/MSO STATE] [FRANCHISEE/MSO ENTITY TYPE] ("Manager"), [NAME OF PROFESSIONAL BUSINESS ENTITY], a [STATE] professional [ENTITY TYPE] ("Authorized Medical Practice" or "Practice"), and [PHYSICIAN NAME], a licensed physician and [member/shareholder] of the Practice ("Physician Owner"). Each of Manager, Practice, and Physician Owner shall also be referred to herein as a "Party" and collectively as the "Parties."

RECITALS

NOW, THEREFORE, in consideration of the foregoing promises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, Practice, Shareholder, and Manager agree as follows:

A. Practice owns and operates a medical practice ("Practice").

B. Practice and Manager entered into that certain Management Agreement ("MA") of even date herewith.

C. Manager has expended substantial time and effort and incurred substantial expenses and risk in entering into the MA.

D. Furthermore, and as a condition to entering into the MA, Shareholder desires to grant to Manager, and Manager desires to acquire from Shareholder (i) an assignable option to purchase all of the assets of Practice, and (ii) the right to designate the purchaser ("Successor Physician") of all of the issued and outstanding stock in Practice. When used in this Agreement, the term "Assets" shall mean all of Practice's and Shareholder's right, title, interest and estate in and to all the assets of every kind and description used in or pertaining to the Practice. When used in this Agreement, the term "Stock" shall mean all of Shareholder's right, title, interest and estate in and to all of issued and outstanding stock in Practice's corporation, including any rights to any additional stock, preemptive rights, warrants, and the like, as set forth on Attachment X.

1. Grant of Option

1.1 Practice hereby grants to Manager an assignable option to purchase all of the Assets (the "Assets Option"), on the terms and subject to the conditions set forth in this Agreement.

1.2 Practice and Shareholder hereby grant to Manager the assignable right to designate a Successor Physician, which person must be a duly licensed physician in the State of [State] or otherwise permitted by law to be a shareholder in a [State] professional corporation, to purchase all of the Stock (the "Stock Option"), on the terms and subject to the conditions set forth herein. In its sole discretion, Manager may designate all, or a lesser number of, shares of Shareholder's Stock which are to be purchased. The Assets Option and the Stock Option are sometimes collectively referred to herein as the "Option."

1.3 Practice and Shareholder represent and warrant that as of the Effective Date and during the term of this Agreement, Attachment X is a true and complete schedule showing the number of issued and outstanding shares of the Stock, which shall be revised from time to time pursuant to this Agreement to reflect changes.

1.4 Practice shall not recognize any issuance of shares, share transfer, or other action not in compliance with the terms of this Agreement.

1.5 Practice hereby grants to Manager a security interest and lien (to the extent that the creation of such lien does not violate any law or statute) in the Assets, and Shareholder grants a lien on, and pledges to Manager, all of the Stock to secure the rights of Manager to exercise the Option.

2. Term of Agreement. This Agreement shall be effective as of the Effective Date and shall continue until the termination of the MA, including any extensions thereof or until the Option is exercised but shall in all events terminate and expire twenty (20) years after Shareholder's death (the "Term").

3. Option Price. The purchase price for the Option (the "Option Price") is One Thousand Dollars ($1,000.00) and Practice and Shareholder acknowledge receipt of such payment from Manager.

4. Exercise of Option.

4.1 During the Term of this Agreement, Manager may elect to exercise the Option at any time. In the event of a decision by Manager to exercise the Option, Manager may exercise either the Assets Option or the Stock Option, in its sole discretion. Upon Manager's exercise of the Assets Option as to all of the Assets, Shareholder shall execute on behalf of Practice, the Bill of Sale and Assignment in the form attached as Attachment Y. Upon exercise of the Stock Option, Shareholder shall execute the Assignment in the form attached as Attachment Z.

4.2 Notwithstanding the provisions of Section 2 or Section 4.1 hereof, if the MA is terminated by either party, for any reason, Manager's right to exercise the Option is automatically and immediately exercisable as of the termination date of the MA. Notwithstanding anything to the contrary in this Agreement, the terms of this Section 4.2 shall survive the expiration or sooner termination of this Agreement. To the extent that the Assets Option is exercised by Manager, Manager will send Practice a written notice (the "Assets Exercise Notice") specifying that all of the Assets will be purchased. Manager may designate the Successor Physician who will exercise the Assets Option as Manager elects in its sole discretion. The delivery to Practice of the Asset Exercise Notice shall constitute the formation of an agreement to purchase and sell the Assets on the terms and conditions set forth in this Agreement.

4.3 To the extent that the Stock Option is exercised by Manager, Manager will send Practice a written notice (the "Stock Exercise Notice") specifying the shares of Stock to be purchased ("Sale Shares"). Manager may designate the Successor Physician who will exercise the Stock Option. Immediately upon the sale of Stock by Shareholder pursuant to the terms hereof, Shareholder shall resign as a director and as an officer of the Practice. The delivery to Shareholder of the Stock Exercise Notice shall constitute the formation of an agreement to purchase and sell the Sale Shares on the terms and conditions set forth in this Agreement.

4.4 Manager may cancel any Assets Exercise Notice or Stock Exercise Notice (each, an "Exercise Notice") at any time prior to the closing of the transaction.

4.5 Practice and Shareholder shall cooperate with Manager in any due diligence requested prior to completion of the transaction.

4.6 After the closing of the purchase and sale following exercise of either Option, but subject to all applicable state and federal law and regulations, Practice and Shareholder (as applicable) shall have access to all contracts and records for the preparation or examination of any tax returns of Practice up to and including the taxable year in which the Option was exercised and for the defense of any litigation or claim involving the operations of the Practice. Manager and any assignee of Manager shall retain all such contracts and records for a period of seven (7) years after exercise of the Option in order to ensure the right of Practice and Shareholder to such access. The use of any information by Practice or Shareholder described above shall be strictly limited to the uses described in this paragraph. If Practice or Shareholder accesses such records as described herein, the accessing party shall pay Manager a reasonable fee to access/copy such records.

5. Assignment of the Option. Manager may elect to assign either or both Options to any person by a written assignment that specifically designates the Assets Option or Stock Option, and is signed by both Manager and the assignee. Thereafter, only the assignee named in the assignment shall have the right to exercise the Assets Option or Stock Option, as designated, and that assignee, rather than Manager, shall be deemed to have entered into the purchase agreement upon exercise of the Assets Option or Stock Option, as applicable. When the context so requires in this Agreement, the term "Manager" shall be deemed to refer to an assignee holding an assignment of the Assets Option or Stock Option, as applicable, and the terms "party" and "parties" shall be deemed to include that assignee.

6. Purchase Price

6.1 Purchase Price. The purchase price for all of the Assets shall be the greater of (i) the book value of the Assets of the Practice (net of any assumed liabilities) or (ii) One Thousand Dollars ($1,000.00). In the event that the Stock Option is exercised, the purchase price shall be the greater of (x) the net book value of the Practice (i.e. gross assets less all liabilities), or (y) One Thousand Dollars ($1,000.00).

6.2 Payment. For the Assets and the Stock, Manager shall cause the Successor Physician to pay Practice (or Shareholder, as relevant) the purchase price at Closing in the form of immediately available funds transferred by wire to an account at a financial institution designated by Practice (or Shareholder) or in such other manner as Shareholder and Successor Physician mutually agree.

6.3 Closing. The transactions contemplated by this Agreement are to close ("Closing") on a business day specified by the Manager in the Asset or Stock Exercise Notice (which shall be no later than ten (10) days after the date of the Asset or Stock Exercise Notice ("Closing Date"), unless extended by Manager in its sole discretion).

7. Additional Obligations of Practice and Shareholder.

7.1 Affirmative Covenants. Practice and Shareholder shall:

7.1.1 Conduct of Practice. Conduct Practice's business efficiently, without voluntary interruption and in the ordinary course in a manner consistent with any historical business practices of the business or as comparable to similarly situated businesses;

7.1.2 Use. Make use of the Assets with reasonable care and keep the Assets in good repair;

7.1.3 Value. Perform all reasonable acts necessary to maintain, preserve, and protect the Assets;

7.1.4 Notices; Financing Statements. Execute and deliver to Manager all notices and documents that Manager reasonably requests, in order to provide to third parties on notice of this Agreement, and authorizes Manager to file such financing statements (including a financing statement claiming a lien on "All Assets") as Manager deems appropriate to perfect the lien and security interest granted herein;

7.1.5 Access. Permit Manager, its representatives, and its agents to inspect the Assets at any time, and to make copies of records pertaining to it, at reasonable times at Manager's request;

7.1.6 Reports. Furnish Manager the reports relating to the Assets at Manager's request;

7.1.7 Defaults. Notify Manager promptly in writing of any default, potential default, or any development that might have a material adverse effect on the Assets, the Stock, or the Practice, or of any pending or threatened litigation that may have a material adverse effect on the Practice;

7.1.8 Expenses. Pay all expenses, including attorneys' fees, incurred by Manager in the perfection, preservation, realization, enforcement, and exercise of its rights under this Agreement, including but not limited to accounting, correspondence, collection efforts, filing, recording, and recordkeeping;

7.1.9 Indemnity. Indemnify Manager against losses, liabilities, or damages, costs and expenses of any kind, including reasonable attorneys' fees, caused to Manager by reason of its interest in the Assets and/or the Stock;

7.1.10 Taxes. Pay promptly when due all taxes and assessments owed in connection with the Assets and the Stock; and

7.1.11 Delivery of Certificates. Deliver to Manager all certificates heretofore issued representing all of the shares of Practice's capital stock held of record or beneficially owned by Shareholder, to be held by Manager as pledgee, and each certificate hereafter issued representing any share of Practice's capital stock, with each certificate endorsed in blank for transfer. Each such certificate shall have affixed to the back of the certificate a legend substantially as follows:

> "The rights of any holder of any share evidenced by this certificate, including the right to dispose of the securities represented by this certificate or any interest therein, are subject to and restricted by a certain Assignable Option Agreement dated [MONTH DAY, 20__], as amended or supplemented from time to time, among the issuer, all the issuer's shareholders, and Manager. The issuer will mail without charge to any holder of these shares a copy of such agreement, together with any amendments or addenda thereto, within five (5) days of receipt by the issuer of a written request therefor."

7.2 Negative Covenants. Without the prior written consent of Manager, Practice and Shareholder shall not:

7.2.1 Transfer. Sell, lease, transfer, or otherwise dispose of the Assets or Stock;

7.2.2 Debt. Incur, guarantee, assume or otherwise become liable for any borrowing or increase any existing indebtedness; or discharge or cancel any debt owed to Practice;

7.2.3 No Further Hypothecation. Pledge, hypothecate, encumber, redeem or dispose of the Assets, the Stock or any interest therein until all of Practice's obligations under this Agreement have been fully satisfied or the Assets or the Stock has been released;

7.2.4 Location. Move the Assets from their present locations without the prior written consent of Manager;

7.2.5 Use. Use the Assets or the Stock for any unlawful purpose or in any way that would void any effective insurance;

7.2.6 Name and Location Changes. Change the name or place of business or use a fictitious business name without the prior express consent of Manager; and

7.2.7 Issuance of Stock; Change in Ownership; Mergers and Consolidation. Permit any issuance of Stock, other equity, or debt; permit any change in the composition or respective percentage ownership of Practice; permit Practice to be merged, consolidated or otherwise reorganized with or into any other corporation, partnership, trade, business, or the like; amend or otherwise modify its articles of incorporation and bylaws; dissolve; or enter into any agreement with any person to do any of the foregoing.

7.3 Confidentiality. The parties shall use all good faith efforts to keep the contents of this Agreement and all other aspects of the negotiations preceding execution of this Agreement confidential. Unless required by law, Practice, Manager, and Shareholder shall not disclose the contents of this Agreement or the negotiations leading to this Agreement to third parties without the prior written consent of the other parties. Notwithstanding anything to the contrary in this Section 7.3, Manager may disclose information in connection with the contents of this Agreement or the negotiations leading to this Agreement to third parties. Manager shall ensure that all of the assignees likewise comply with the obligations of confidentiality imposed by this Section, except that Manager and the assignees may disclose the contents of such to their respective agents, representatives, contractors, and employees to the extent necessary to exercise their respective rights or perform their respective obligations hereunder.

7.4 General.

7.4.1 Compliance with Law. Practice and Shareholder shall comply with all applicable requirements of applicable state and federal law and regulations, and licensing and accreditation authorities.

7.4.2 Relationship of Parties. In the exercise of and the performance of their respective obligations under this Agreement, Practice and Shareholder on the one hand and Manager (or any assignee) on the other hand are acting in the capacity of the grantor and grantee of an option to purchase all of the Stock and/or all of the Assets, and nothing in this Agreement is intended nor shall be construed to create between the parties an employer/employee relationship, a partnership or joint venture relationship or a landlord/tenant relationship.

7.4.3 Successors and Assigns. Notwithstanding any other provision of this Agreement, neither this Agreement nor the rights and duties of this Agreement may be assigned or delegated by Practice. This Agreement binds the successors, heirs, and authorized assignees of the parties.

7.4.4 Entire Agreement. Except as expressly provided in this Agreement to the contrary, the following constitutes the entire agreement between the parties with respect to the Option, and supersedes all other and prior agreements on the same subject, whether written or oral, and contain all of the covenants and agreements among the parties with respect to the subject matter hereof: (i) this Agreement, including the incorporated exhibits herein; and (ii) the MA, including the incorporated exhibits therein. Except as expressly provided in this Agreement to the contrary, each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any other party hereto, or by anyone acting on behalf of any party hereto, that are not embodied herein, and that no agreement, statement, or promise not contained in this Agreement shall be valid or binding.

7.4.5 Counterparts. This Agreement, and any amendments hereto, may be executed in counterparts, each of which shall constitute an original document, but which together shall constitute one and the same instrument.

7.4.6 Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

7.4.7 Notices. Any notices required or permitted to be given hereunder by any party to another shall be in writing and shall be deemed delivered upon personal delivery, (a) twenty-four (24) hours following (i) deposit with a recognized overnight delivery service, or (ii) sent by email or other electronic means that preserves a record of dispatch and receipt, or (b) or seventy-two (72) hours following deposit in the U.S. Mail, registered or certified mail, postage prepaid, return-receipt requested, addressed to the parties at the following addresses or to such other addresses as the parties may specify in writing:

If to Manager:	[FRANCHISEE/MSO] [FRANCHISEE/MSO ADDRESS]
If to Shareholder:	[PHYSICIAN] [PHYSICIAN ADDRESS]
If to Practice:	[NAME OF PROFESSIONAL CORPORATION] [PRACTICE ADDRESS]

7.4.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of [State] without regard to the conflicts of law principles thereof.

7.4.9 Amendment. This Agreement may be amended at any time by agreement of the parties, provided that any amendment shall be in writing and executed by all parties.

7.4.10 Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions will nevertheless continue in full force and effect, unless such invalidity or unenforceability would defeat an essential business purpose of this Agreement.

7.4.11 Fees and Expenses. Practice, Shareholder, and Manager each shall bear their own expenses, including, without limitation, attorneys' and accountants' fees, incurred in connection with the preparation of this Agreement and the transactions contemplated hereby.

7.4.12 Exhibits and Schedules. All attachments and schedules attached to this Agreement are incorporated herein by this reference and all references herein to "Agreement" shall mean this Agreement together with all such exhibits and schedules.

7.4.13 Attorneys' Fees. Should any of the parties hereto institute any action or procedure to enforce this Agreement or any provision hereof (including without limitation, arbitration), or for damages by reason of any alleged breach of this Agreement or of any provision hereof, or for a declaration of rights hereunder (including, without limitation, by means of arbitration), the prevailing party in any such action or proceeding shall be entitled to receive from the other party all costs and expenses, including without limitation reasonable attorneys' fees, incurred by the prevailing party in connection with such action or proceeding.

7.4.14 Further Assurances. The parties shall take such actions and execute and deliver such further documentation as may reasonably be required in order to give effect to the transactions contemplated by this Agreement and the intentions of the parties hereto.

7.4.15 Rights Cumulative. The various rights and remedies herein granted to the respective parties hereto shall be cumulative and in addition to any other rights any such party may be entitled to under law. The exercise of one or more rights or remedies by a party shall not impair the right of such party to exercise any other right or remedy, at law or equity.

7.4.16 Independent Counsel. Each party understands the advisability of seeking legal counsel to review the agreement, and has exercised its own judgment in this regard. Further, none of the parties have relied on the others in the approval of the terms of the agreement. Practice and Shareholder acknowledge that each has read this agreement and that each of Practice and Shareholder have had the opportunity to confer with separate counsel in negotiating this agreement, and that [MANAGER LAW FIRM] does not represent, nor is it providing advice to Practice or Shareholder. Accordingly, this agreement shall be construed neither for nor against any one of the parties, but shall be given a fair and reasonable interpretation in accordance with the meaning of its terms.

IN WITNESS WHEREOF, the Parties agree to the foregoing terms of agreement through the execution below by their respective, duly authorized representatives as of the Effective Date.

"MANAGER"

By: ______________________________
Name: [FRANCHISEE/MSO CEO]
Title:[CEO]

"SHAREHOLDER"

By: ______________________________
[PHYSICIAN], an individual

"**PRACTICE**"

By:______________________________
Name: [PHYSICIAN]
Title:President

SPOUSAL JOINDER AND CONSENT

I am the spouse of [PHYSICIAN], the sole shareholder (the "Shareholder") of [NAME OF PROFESSIONAL CORPORATION], Practice, a [State] professional corporation ("Practice"). To the extent that I have any interest in any of the Assets or Stock (as those terms are defined in the Assignable Option Agreement (the "Assignable Option Agreement")), entered into as of [MONTH DAY, 20__], by and among [FRANCHISEE/MSO], a [FRANCHISEE/MSO STATE] [FRANCHISEE/MSO ENTITY TYPE] ("Manager"), the Shareholder and Practice, I hereby (i) agree that all of my interest in community property held as such with Shareholder from time to time shall be subject to the claims of Manager, (ii) join in the Assignable Option Agreement and (iii) agree to be bound by the Assignable Option Agreement's terms and conditions to the same extent as my spouse. I have read the Assignable Option Agreement, understand its terms and conditions, and to the extent that I have felt it necessary, have retained independent legal counsel to advise me concerning the legal effect of the Assignable Option Agreement and this Spousal Joinder and Consent.

I understand and acknowledge that the Manager is significantly relying on the validity and accuracy of this Spousal Joinder and Consent in entering into the Assignable Option Agreement.

Executed this _____ day of _______________, _____.

Signature:

Printed or Typed Name: ____________________________

(EXHIBIT H-5 CONTINUED)

ATTACHMENT X OF ASSIGNABLE OPTION AGREEMENT

SHARES

Certificate Number 1 for [ten thousand (10,000)] shares of the common stock of [NAME OF PROFESSIONAL CORPORATION], a [State] professional corporation has been issued to [PHYSICIAN].

(EXHIBIT H-5 CONTINUED)

ATTACHMENT Y OF ASSIGNABLE OPTION AGREEMENT

BILL OF SALE/ ASSIGNMENT

FOR VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, [NAME OF PROFESSIONAL CORPORATION], a [State] professional medical corporation ("Seller"), hereby sells and assigns to ________________________, a ______________________ ("Purchaser"), and its successors and assigns, to have and to hold forever, one hundred percent (100%) of all of the right, title and interest of Seller in every item of property that is listed as follows:

1. All contracts and agreements of Seller, including, but not limited to, all payor contracts, employment agreements and independent contractor agreements.

2. All cash, bank balances, monies in possession of any bank, other cash items, marketable securities of Seller and prepaid deposits relating to the Seller's medical practice.

3. All Accounts Receivable of Seller. As used herein, "Accounts Receivable" shall include all rights to payment for goods or services rendered, whether or not yet earned by performance, all other obligations and receivables from other sources no matter how evidenced relating to the Seller's medical practice, including purchase orders, notes, instruments, drafts and acceptances and all guarantees of the foregoing and security therefor and the rights to all proceeds to such Accounts Receivable, to the extent the Accounts Receivable may not be transferred.

4. All patient records and files relating to Seller's medical practice.

5. All of Seller's goodwill relating to its medical practice, which may include location goodwill, name recognition goodwill, patient allegiance, etc., subject to the terms of the Management Agreement between Seller and [FRANCHISEE/MSO].

6. All business, financial and accounting records and books of account relating to Seller's medical practice, exclusive of Seller's Articles, Bylaws, corporate minutes, stock shares and general ledger.

7. Seller's right to reimbursement for all professional services provided to patients of Seller's medical practice.

8. All trademarks, trade names, fictitious business names, copyrights, logos, licenses, ownership interests in telephone numbers at Seller's medical practice, or related items of Seller that in any way pertain to its medical practice and are owned by Seller.

In addition, Seller hereby sells and assigns to Purchaser one hundred percent (100%) of all of Seller's right, title and interest in Seller's contracts and agreements which are related to Seller's medical practice and Purchaser hereby accepts such assignment and assumes and agrees to be bound by and to perform one hundred percent (100%) of all of the duties and obligations of Seller thereunder first arising after the date hereof.

Purchaser and Seller will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, each and all of such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may reasonably be required by Seller to sell and assign to Purchaser, its successors and assigns, title to the assets sold and assigned by this Bill of Sale/Assignment.

THIS BILL OF SALE/ASSIGNMENT DOES NOT INCLUDE THE ASSUMPTION OF ANY LIABILITIES OR OBLIGATIONS (EXCEPT TO THE EXTENT EXPRESSLY PROVIDED FOR HEREIN), ALL OF WHICH LIABILITIES AND OBLIGATIONS SHALL REMAIN THE SOLE RESPONSIBILITY OF SELLER.

IN WITNESS WHEREOF, Seller and Purchaser have executed this Bill of Sale/Assignment and Assumption Agreement effective as of the _____ day of ______, 20___.

Seller: [NAME OF PROFESSIONAL CORPORATION]

By: ____

Name: [PHYSICIAN]

Its: President

Purchaser: _______________________,

By: ____

Name: _____________________________________

Its: ____

(EXHIBIT H-5 CONTINUED)

ATTACHMENT Z OF ASSIGNABLE OPTION AGREEMENT

ASSIGNMENT SEPARATE FROM CERTIFICATE

FOR VALUE RECEIVED, ("Assignor"), does hereby assign and transfer to ____ shares of common stock of [NAME OF PROFESSIONAL CORPORATION] (the "Corporation"), standing in the name of Assignor on the books of the Corporation represented by Certificate No. [1], and hereby irrevocably constitute and appoint any party to transfer said stock on the books of the Corporation with full power of substitution in the premises.

____
[PHYSICIAN]

Dated: ______________________

This Assignment Separate From Certificate may be executed and delivered via facsimile transmission or via email with scan attachment, which will be deemed an original for all intents and purposes.

(EXHIBIT H-5 CONTINUED)

ATTACHMENT 8.1 OF MANAGEMENT AGREEMENT

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement") is entered into as of [MONTH DAY, 20__] ("Effective Date"), by and between [FRANCHISEE/MSO], a [FRANCHISEE/MSO STATE] [FRANCHISEE/MSO ENTITY TYPE] ("Business Associate") and [NAME OF PROFESSIONAL CORPORATION], a [State] professional medical corporation ("Covered Entity"). The Covered Entity is referred to below as "CE." The Business Associate is referred to below as "BA."

RECITALS

WHEREAS,

A. This Agreement is entered into by CE and BA for the purposes of complying with privacy and security regulations issued by the United States Department of Health and Human Services under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the Health Information Technology for Economic and Clinical Health Act ("HITECH Act").

B. CE is a covered entity as such term is defined under HIPAA, and as such is required to comply with the requirements thereof regarding the confidentiality and privacy of Protected Health Information (defined below).

C. This Agreement will facilitate the ongoing operations of a healthcare enterprise through which CE provides medical services to patients and for which BA provides administrative services pursuant to that certain Management Agreement between them of even date hereof ("Services Agreement").

NOW THEREFORE, in consideration of the promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

TERMS OF AGREEMENT

1. **DEFINITIONS**

For the purposes of this Agreement, the following terms shall have the meanings ascribed to them below:

1.1. "Breach" shall have the meaning given to such term pursuant to 45 C.F.R. § 164.402.

1.2. "Business Associate" shall have the meaning given to such term pursuant to 45 C.F.R. § 160.103.

1.3. "Covered Entity" shall have the meaning given to such term pursuant to 45 C.F.R. § 160.103.

1.4. "Designated Record Set" shall have the meaning given to such term pursuant to 45 C.F.R. § 164.501.

1.5. "Disclosure" shall have the meaning given to such term pursuant to 45 C.F.R. § 160.103.

1.6. "Electronic Protected Health Information" or "ePHI" shall have the meaning given to such term pursuant to 45 C.F.R. § 160.103.

1.7. "Individual" shall have the meaning given to such term pursuant to 45 C.F.R. § 160.103.

1.8. "Individually Identifiable Health Information" shall have the meaning given to such term pursuant to 45 C.F.R. § 160.103.

1.9. "Minimum Necessary" shall have the meaning given to such term pursuant to 45 C.F.R. §§ 164.502(b) and 164.514(d).

1.10. "Privacy Rule" shall mean the privacy standards for the protection of the privacy of Individually Identifiable Health Information at 45 C.F.R. Part 160 and Part 164, Subparts A and E.

1.11. "Protected Health Information" or "PHI" shall have the meaning given to such term pursuant to 45 C.F.R. §§ 160.103.

1.12. "Required by Law" shall have the meaning given to such term pursuant to 45 C.F.R. § 164.103.

1.13. "Secretary" shall have the meaning given to such term pursuant to 45 C.F.R. § 160.103.

1.14. "Security Incident" shall have the meaning given to such term pursuant to 45 C.F.R. § 164.304.

1.15. "Security Rule" shall mean the security standards for the protection of Electronic Protected Health Information at 45 C.F.R. Part 160 and Part 164, Subparts A and C.

1.16. "Subcontractor" shall have the meaning given to such term pursuant to 45 C.F.R. § 160.103.

1.17. "Unsecured Protected Health Information" or "Unsecured PHI" shall have the meaning given to such term pursuant to 45 C.F.R. § 164.402.

1.18. "Use" shall have the meaning given to such term pursuant to 45 C.F.R. § 160.103.

2. OBLIGATIONS OF BUSINESS ASSOCIATE

2.1. Permitted Uses and Disclosures of PHI. BA, its directors, officers, Subcontractors, employees, affiliates, agents, and representatives shall use or disclose PHI: (a) in connection with fulfilling its duties and obligations under this Agreement and the Services Agreement; (b) for the proper management and administration of BA; or (c) to carry out the legal responsibilities of BA.

2.2. Prohibited Uses and Disclosures of PHI. BA shall not use or disclose PHI other than as permitted or Required by Law. BA shall not use or disclose PHI in any manner that violates state or federal laws or would violate such laws if used or disclosed in such manner by CE.

2.3. Performance of CE's Obligation(s). To the extent BA is to carry out CE's obligation(s), BA must comply with all requirements that apply to CE in the performance of such obligation(s).

2.4. Third Party Disclosures. BA shall obtain and maintain an agreement with each Subcontractor that has or will have access to PHI which is received from, created, or received by BA on behalf of CE, pursuant to which agreement such Subcontractor agrees to be bound by the same restrictions, terms, and conditions that apply to BA pursuant to this Agreement with respect to such PHI. BA shall also: (a) obtain reasonable assurances from the Subcontractor that the PHI will be held in confidence and used or further disclosed only as Required by Law or for the purpose for which it was disclosed; and (b) obligate such person to notify BA of any instance in which PHI is used or disclosed that is not provided for in the Services Agreement, including incidents that constitute breaches of Unsecured PHI or any Security Incident of which it becomes aware in which the confidentiality of the PHI has been breached.

2.5. Minimum Necessary. BA and its agents or Subcontractors shall request, use, and disclose only the minimum amount of PHI necessary to accomplish the purpose of the request, use or disclosure. To the extent BA uses or discloses PHI received from, created, or received by BA on behalf of CE, BA will make reasonable efforts to limit PHI to the Minimum Necessary to accomplish the intended purpose of the use, disclosure, or request.

2.6. Access of Individuals to PHI.

2.6.1. BA shall make PHI maintained by BA or its agents or Subcontractors available to CE for inspection and copying within three (3) business days of a written request by CE to enable CE to fulfill its obligations under the Privacy Rule and state law. If BA maintains ePHI, BA shall provide such information in electronic format to enable CE to fulfill its obligations under 45 C.F.R. § 164.524.

2.6.2. In the event an Individual or entity requests access to PHI from BA, BA shall forward such request to CE within two (2) business days. CE is responsible for determining what PHI shall be unavailable to the Individual pursuant to 45 C.F.R. § 164.524.

2.6.3. Any denial of access to PHI determined by CE pursuant to 45 C.F.R. § 164.524, and conveyed to BA by CE, shall be the responsibility of CE, including resolution or reporting of all appeals, and/or complaints arising from denials.

2.7. Amendment of PHI.

2.7.1. As applicable, in order to allow CE to respond to a request by an Individual for an amendment pursuant to 45 C.F.R. § 164.526, BA shall, within three (3) business days of a written request by CE for PHI about an Individual contained in a Designated Record Set, make such PHI available to CE for so long as such information is maintained in the Designated Record Set.

2.7.2. In the event that any Individual requests that the BA amend his or her PHI, BA shall forward such request to CE within two (2) business days. The CE is responsible for determining what PHI is unavailable to the Individual pursuant to 45 C.F.R. § 164.526.

2.7.3. Any denial of an amendment to PHI determined by CE pursuant to 45 C.F.R. § 164.526, and conveyed to BA by CE, shall be the responsibility of CE, including resolution or reporting of all appeals and/or complaints arising from denials.

2.7.4. As applicable, within ten (10) business days of receipt of a request from CE to amend an Individual's PHI in a Designated Record Set, BA shall incorporate any amendments, statements of disagreement, and/or rebuttals approved by CE into its Designated Record Set, as required by 45 C.F.R. § 164.526.

2.8. Accounting of Disclosures.

2.8.1. In order to allow CE to respond to a request by an Individual for an accounting of disclosures of a Designated Record Set pursuant to 45 C.F.R. § 164.528, BA shall, within five (5) business days of a CE's written request for an accounting of disclosures of PHI about an Individual, make such information available to CE. As applicable, BA shall provide CE with the following information: (a) the date of the disclosure; (b) the name of the entity or person who received the PHI, and, if known, the address of such entity or person; (c) a brief description of the PHI disclosed; and (d) a brief statement of the purpose of such disclosure.

2.8.2. In the event an Individual requests an accounting of disclosures of PHI directly from BA, BA shall forward such request to CE within two (2) business days.

2.8.3. As applicable BA shall implement an appropriate recordkeeping process of Designated Records Sets to enable it to comply with the requirements of 45 C.F.R. § 164.528.

2.9. Subpoena or Legal Request for PHI. BA shall notify CE within two (2) business days of receipt of any request, subpoena, or other legal process to obtain PHI received from, or created or received by BA on behalf of CE. CE, in conjunction with BA, shall determine whether BA may disclose PHI pursuant to such request, subpoena, or other legal process. The provisions of this Section 2.9 shall survive the termination of this Agreement.

2.10. Reporting Breaches, Improper Disclosures, and Security Incidents.

2.10.1. Breaches. In the event of a Breach of any Unsecured PHI that BA accesses, maintains, retains, modifies, records, stores, destroys, or otherwise holds or uses on behalf of CE, BA shall report such Breach to CE immediately, but in no event more than twenty-four (24) hours after discovering the breach.

2.10.2. Improper Disclosures. BA shall report any unauthorized or improper use or disclosure of PHI regarding the terms and conditions of this Agreement or applicable federal and state laws to CE as soon as practicable, but in no event later than two (2) business days of the date on which BA becomes aware of such unauthorized or improper use or disclosure. BA shall, in consultation with CE, mitigate to the extent practicable any harmful effect of such improper disclosures.

2.10.3. Security Incidents. BA shall report to CE any Security Incident of which it becomes aware on a quarterly basis.

2.11. Safeguards. BA shall implement appropriate administrative, technical, and physical safeguards, consistent with the size and complexity of BA's operations, to protect the confidentiality and security of PHI that it creates, receives, maintains, or transmits on behalf of CE and to prevent the use or disclosure of PHI in any manner inconsistent with the terms of this Agreement.

2.12. Availability of Books and Records to CE. Within ten (10) calendar days of a written request by CE, BA and its agents or Subcontractors shall permit CE to audit BA's internal practices, books, and records at reasonable times as they pertain to the use and disclosure of PHI received from, or created or received by BA on behalf of CE in order to ensure that CE and BA are in compliance with the requirements of this Agreement, and to the extent that CE determines such examination is necessary to comply with CE's obligations pursuant to HIPAA. The availability of books and records from BA to CE is subject to the following conditions:

2.12.1. BA and CE shall mutually agree in advance upon the scope, timing, and location of such an inspection.

2.12.2. CE shall protect the confidentiality of all confidential and proprietary information of BA to which CE has access during the course of inspection.

2.12.3. CE shall execute a nondisclosure agreement, under terms mutually agreed upon by the parties, if requested by BA.

2.13. Governmental Access to Records. BA shall make its internal practices, books, and records relating to the use and disclosure of PHI available to the Secretary for purposes of determining BA's compliance with the Privacy Rule and the Security Rule. BA shall notify CE within ten (10) calendar days of learning that BA has become the subject of an audit, compliance review, or complaint investigation by the Secretary.

3. OBLIGATIONS OF COVERED ENTITY

3.1. General Obligations. CE warrants that CE, its directors, officers, subcontractors, employees, affiliated agents, and representatives: (a) shall comply with the Privacy Rule in its use or disclosure of PHI; (b) shall not use or disclose PHI in any manner that violates applicable federal and state laws; (c) shall not request BA to use or disclose PHI in any manner that violates applicable federal and state laws if such use or disclosure were done by CE; and (d) may request BA to disclose PHI directly to another party only for the purposes allowed by the Privacy Rule.

3.2. Breach. CE shall provide notice to BA of any pattern of activity or practice of BA that CE believes constitutes a material breach or violation of the BA's obligation under the Services Agreement or this Agreement within ten (10) calendar days of discovery and shall meet with BA to discuss and attempt to resolve the problem as one of the reasonable steps to cure the breach or end the violation.

3.3. Notice of Privacy Practices. CE will notify BA of any limitation(s) in its notice of privacy practices in accordance with 45 C.F.R. § 164.520, to the extent that such limitation may affect BA's use or disclosure of PHI. CE shall provide such notice no later than fifteen (15) days prior to the effective date of the limitation.

3.4. Notification of Changes Regarding Individual Permission. CE shall notify BA of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect BA's use or disclosure of PHI. CE shall provide such notice no later than fifteen (15) days prior to the effective date of the change.

3.5. Notification of Restrictions to Use or Disclosure of PHI. CE shall notify BA of any restriction to the use or disclosure of PHI that CE has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect BA's use or disclosure of PHI. CE shall provide such notice no later than fifteen (15) days prior to the effective date of the restriction.

3.6. Permissible Requests by CE. CE shall not request BA to use or disclose PHI in any manner that would not be permissible under HIPAA if done by CE, except as permitted pursuant to Section 2.

4. TERM AND TERMINATION

4.1. Term. This Agreement shall have a term co-extensive with the Services Agreement.

4.2. Material Breach. This Agreement may be terminated by either party upon a material breach by the other party, provided that the non-breaching party provides the breaching party within fifteen (15) days' written notice of any such breach, during which period of time the breaching party shall have the opportunity to cure any such breach. If any such breach is cured by the breaching party during such period of time, it shall be as if such breach never occurred and this Agreement shall continue in full force and effect, unaffected by the non-breaching party's notice.

4.3. Effect of Termination. Upon termination of this Agreement, BA shall return or destroy all PHI that BA or its agents or Subcontractors maintain in any form and shall retain no copies of such PHI. If return or destruction is not feasible, as determined by BA, BA shall continue to extend the protections of Section 2 of this Agreement to such information, and limit further use of such PHI to those purposes that make the return or destruction of such PHI impractical. All destruction shall be in accordance with HIPAA, the HITECH Act, and applicable state law.

5. INSURANCE AND INDEMNIFICATION

5.1. Insurance. The parties shall obtain and maintain cyber liability insurance covering claims based on a violation of the Privacy Rule or any applicable law or regulation concerning the privacy of patient information and claims based on obligations pursuant to this Agreement with coverage of not less than One Million Dollars ($1,000,000) per occurrence.

5.2. Indemnification. Each party hereby indemnifies and holds the other party and its employees and agents harmless from and against any and all loss, liability, or damages, including reasonable attorneys' fees, arising out of or in any manner occasioned by a breach of any provision of this Agreement by such breaching party, its employees, agents, or Subcontractors. Nothing herein is intended to defeat the application of insurance proceeds in the first instance to make whole a party claiming indemnification hereunder; all such indemnification requests made hereunder are to be made only to the extent the damages suffered have not been covered by insurance proceeds.

6. MISCELLANEOUS

6.1. Amendment. The parties agree to take such action to amend this Agreement from time to time as is necessary to comply with the requirements of HIPAA, the HITECH Act, and state law

6.2. Notices. Notices shall be given in the manner provided by the Services Agreement.

6.3. Disclaimer. BA makes no warranty or representation that compliance by BA with this Agreement, HIPAA, or the HITECH Act will be adequate or satisfactory for CE's own purposes. CE is solely responsible for all decisions made by CE regarding the safeguarding of PHI.

6.4. No Third-Party Beneficiaries. Except as expressly provided for in the Privacy Rule, there are no third party beneficiaries to this Agreement.

6.5. Effect on Services Agreement. Except as specifically required to implement the purposes of this Agreement, or to the extent inconsistent with this Agreement, all other terms of the Services Agreement shall remain in force and effect.

6.6. Interpretation. The provisions of this Agreement shall prevail over any provisions in the Services Agreement that may conflict with or are inconsistent with any provision in this Agreement. This Agreement and the Services Agreement shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, and related state law. The parties agree that any ambiguity in this

Agreement shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act and relevant state laws. State regulations will prevail if and where they are more stringent than Federal regulations.

6.7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of [State].

IN WITNESS WHEREOF, the parties hereto agree to the foregoing through the execution of this Agreement by their respective duly authorized representatives below as of the Effective Date hereof.

COVERED ENTITY
[NAME OF PROFESSIONAL CORPORATION]

By:__________________________
Name: [PHYSICIAN]
Title: President

BUSINESS ASSOCIATE
[FRANCHISEE/MSO]

By:__________________________
Name: [FRANCHISEE/MSO CEO]
Title: [CEO]

EXHIBIT H-6

MEDI-WEIGHTLOSS FRANCHISE

NCP ADDENDUM

THIS NCP ADDENDUM ("**Addendum**") to the Franchise Agreement effective as of ______________, 20____ ("**Franchise Agreement**") by and between **MEDI-WEIGHTLOSS FRANCHISING USA, LLC**, a Florida limited liability company, ("**we**," "**us**," or "**our**"), and ____________________________________, a(n) ______________________ ("**you**," "**your**," or "**Franchisee**"), is made and entered into to be effective for all purposes as of ______________, 20____.

WHEREAS, the parties desire to amend certain sections of the Franchise Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and in reliance upon the representations and warranties hereinafter set forth, the parties hereto hereby agree as follows:

1. **Precedence and Defined Terms**. Terms used but not otherwise defined in this Addendum shall have the same meanings as defined in the Franchise Agreement. This Addendum modifies and supersedes any contrary provision of the Franchise Agreement.

2. **Changes**. Pursuant to the Franchise Agreement, certain modifications to the Franchise Agreement are made in accordance with this Addendum and pursuant to the terms of the Franchise Agreement. Under this Addendum, the Franchised Business will employ Authorized Medical Providers.

3. **Amendment to Definitions of "Royalty Fee"**. In no event shall Royalty Fee be considered to include any revenue derived by the Clinic of a Authorized Medical Provider with which Franchisee may contract from time to time during the Term or any successor term; provided, further, however, that in no event shall Royalty Fee be calculated, fees charged or Gross Sales be deemed to encompass, include or cause any (i) direct or indirect rebate, (ii) kickback, (iii) referral fee, or (iv) client fees or percentage arrangements if sales are tied to the practice of an Authorized Medical Provider in exchange for a referral of clients by or to the Authorized Medical Provider.

4. **Gross Sales**. Consistent with this Addendum, the service fees and other compensation you receive from the practice of an Authorized Medical Provider will not be included in Gross Sales. You will provide space to the Authorized Medical Provider to provide their medical services in your Franchised Business, and may provide certain non-medical Management Services to it.

5. **CPI Adjustment**. The Consumer Price Index adjustment described in the Franchise Agreement will apply to the fixed dollar amounts above.

6. **Scope of Business**. Your Franchised Business will sell foundational elements and branded products and services and other products and services we may designate as part of the System to customers and will charge program participation fees. However, the program participation fees may not include any component for medical services.

7. **Amendment to Definition of "Franchise Operations Manual"**. The definition of the term "Franchise Operations Manual" as used throughout the Franchise Agreement are hereby amended to the degree necessary to reflect the Franchisee/Medical Practice Delineation (as defined below) and/or Franchisee's advertising review rights described above; the parties hereto acknowledge and agree that

notwithstanding the terms, conditions, prohibitions and content of the Franchise Operations Manual, you shall not be required to adhere to or comply with any term, condition, prohibition or content of the Franchise Operations Manual at odds, or in conflict with, the Franchisee/ Practice of a Professional Delineation and that all terms, conditions, prohibitions and content of the Franchise Operations Manual that by their nature conflict with the Franchise Agreement as amended by this Addendum or the spirit or letter of this Addendum shall not be deemed to apply to you.

8. **Amendment of System Standards**. The term "System standards" is hereby amended to the degree necessary so that when that term is applied, utilized, referenced or interpreted in Franchise Agreement, we shall recognize the fact (i) that you will share space pursuant to a lease and administrative services agreement or other agreement or employ the Practice of a Professional (such agreement to be subject to our review for consistency with the Franchise Agreement and Addendum) with one or more Authorized Medical Providers or the like to provide the medical products and services (collectively or separately, a "Practice of a Professional"), (ii) that we shall have no contractual privity with the Clinic, and the Practice of a Professional shall therefore have none of the rights or responsibilities expressed in the Franchise Agreement, (iii) that no individual "System standards" shall be deemed to relate or belong to the Practice of a Professional in the course of an effort by us to apply, utilize, reference or interpret such terms with regard to you, (iv) that the Clinic, and not you, may contract with clients to provide medical products and services, and (v) that, notwithstanding any other term or provision of the Franchise Agreement, you shall in no way be obligated to us for the actions or conduct of the Authorized Medical Providers with respect to the Practice of a Professional and you shall not be responsible for (x) causing the Practice of a Professional to adhere to System standards or the spirit or content of the Franchise Operations Manual or this Franchise Agreement, or (y) any duty or liability associated with the sharing with the Clinic of Confidential Information (collectively, the "Franchise/Medical Practice Delineation"). In connection with this Addendum and set of mutual understandings, the terms "affiliate," "control" and "owner" shall not be construed in any way in the Franchise Agreement to include a Practice of a Professional or their own affiliates, owners, control persons, or otherwise, in such terms, even if you and the Practice of a Professional share affiliates, owners, control persons or otherwise in common.

9. **Franchise Disclosure Document**. The parties acknowledge by the execution of this Addendum that all of the amendments of the Franchise Agreement accomplished hereby shall be deemed to relate to our Franchise Disclosure Document where necessary to effect the purpose and intent of this Addendum and, further, that you shall not be required to honor or observe any contrary standard, term, condition or covenant of our Franchise Disclosure Document at odds with this Addendum or the spirit or letter hereof, including, but not limited to the strategic import to you of the Franchisee/Practice of a Professional Delineation.

10. **Change in Law**. This Addendum and the Franchise Agreement are intended to comply with existing federal laws and regulations and the laws and regulations of the state in which your Franchised Business is located. The parties acknowledge that the existing laws and regulations may change and that the courts or federal and state agencies with jurisdiction over the parties may change their interpretation of existing law. Upon the enactment or amendment of any applicable state law or federal law or regulation, or upon the issuance of any judicial or interpretive ruling of any existing applicable state law or federal law or regulation that renders the Addendum or the Franchise Agreement, or any part of either, illegal or contrary to applicable law, either party shall notify the other party of such event by providing the other party an opinion of counsel to such effect. To the extent the change in law does not permit the severance of a specific provision of the Addendum or the Franchise Agreement without materially frustrating its purpose and substantially altering the essential relationship between the parties, the parties shall use their best efforts during a thirty (30) day period after such notice is sent by either party to mutually agree to such amendments to the Addendum and/or the Franchise Agreement as to permit the valid and legal continuation of each, preserving to the maximum extent possible the relative economic positions of the parties to the

extent permitted by law. If, after such thirty (30) day period, the parties are unable to agree to amend the Addendum and the Franchise Agreement to comply with applicable law, the Addendum and the Franchise Agreement shall be terminable by either party if necessary to prevent the parties from operating in violation of applicable law.

11. **Remaining Terms Unaffected**. Except as expressly amended herein, all other terms and provisions of the Franchise Agreement remain in full force and effect and are hereby ratified and confirmed in all respects.

12. **Counterparts**. This Addendum may be executed in one or more counterparts, each of which counterparts shall be deemed an original and all of which together shall constitute one and the same Addendum.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date first written above.

MEDI-WEIGHTLOSS FRANCHISING USA, LLC	**YOU**
By:____________________	By:____________________
Name:____________________	Name:____________________
Title:____________________	Title:____________________
Date:____________________	Date:____________________

EXHIBIT H-7

MEDI-WEIGHTLOSS FRANCHISE

FRANCHISE IV NUTRITIONAL THERAPY PROGRAM ADDENDUM

THIS FRANCHISE IV NUTRITIONAL THERAPY PROGRAM ADDENDUM ("**Addendum**") is effective as of the last date of signature by all parties. It amends the Franchise Agreement including all addenda and attachments ("**Franchise Agreement**") between **MEDI-WEIGHTLOSS FRANCHISING USA, LLC**, a Florida limited liability company ("**Franchisor**", "**we**," "**us**" or "**our**"), and ______________________, a(n) [State] [entity type], ("**you**"), which operates a MEDI-WEIGHTLOSS Business located at ______________________________ (you and we are sometimes referred to collectively as the "**parties**").

1. **Precedence and Defined Terms**. This Addendum is an integral part of, and is incorporated into, the Franchise Agreement. Nevertheless, this Addendum supersedes any inconsistent or conflicting provisions of the Franchise Agreement. Terms not otherwise defined in this Addendum have the meanings as defined in the Franchise Agreement. **This Addendum is personal to you. The terms and conditions of this Addendum cannot be transferred separate from the Franchise Agreement, or with it. Also, the terms and conditions of this Addendum will not apply to any transferee under a transfer as defined in the Franchise Agreement.**

2. **Prerequisites:** Franchisees which meet certain qualifications we designate may be eligible to participate in the Medi-Weightloss IV Nutritional Therapy Program ("**IV Program**") under the terms of the IV Program and this Addendum. To be eligible for the IV Program, the Franchisee must first comply with the following criteria:

Written Request. At any time during the term of the Franchise Agreement, the Franchise must apply for the IV Program by submitting our IV Program application form to us.

Good Standing. The Franchisee must currently be and remain in substantial compliance with the Franchise Agreement including, but not limited to, timely payment of all fees due, utilization of Franchisor's financial reporting software (currently, our online version of QuickBooks), compliance with System standards to include, without limitation, proper branding, use of our Marks, and use of the System.

3. **TRAINING FEE**: You have agreed to pay to us a fee in the amount of ________ for the required IV implementation and training for the IV Program.

4. **Qualified Staff & Supplies**: Prior to the IV Program implementation, you agree to provide the qualified staff necessary for delivery of services mandated by the IV Program system standards. You and your qualified staff must attend the IV Implementation and System Standards training at the designated training location. You shall obtain all supplies for administration of the IV Program as required by our System standards.

5. **Marketing Plan**: You agree to implement the customized marketing plan approved by us.

6. **IV Program System Standards**: You shall adhere to the then current IV Program System standards which are contained in the Franchise Operations Manual.

7. **Approved Vendors.** You acknowledge and agree to utilize only our approved vendors for all products and services related to the IV Program.

8. **Definition of Gross Sales.** For purposes of determining the Royalty Fee and/or System Branding Contribution, the term Gross Sales shall be defined as follows**:**

The term "Gross Sales" shall be defined as all revenue you derive from operating your Franchised Business, including, but not limited to, all amounts you receive at or away from the Clinic from any activities or services whatsoever including any that are in any way associated with the Marks, Intellectual Property or System, and whether from cash, check, barter, credit or debit card or credit transactions, including the redemption value of gift certificates redeemed by you regardless of whether such gift certificates are issued by you or someone else; but excluding customer discounts and contractual adjustments actually made by your Franchised Business. In the event your Franchised Business receives monies from the Authorized Medical Provider(s), we will include such monies in the Gross Sales.

9. **Term of IV Program:** Upon approval, you shall be authorized to offer the IV Program for the remainder of your Term. However, since this IV Program is currently in a pilot stage, we reserve the right to terminate your participation in the IV Program at any time upon providing you fourteen (14) days written notice.

10. **General Release.** You and your owners must execute the form of our general release attached hereto as "**Exhibit A**."

11. **Non-Compliance.** Non-compliance by you of the terms and conditions in this Addendum, and in the Franchise Agreement, including, but not limited to, failure to make timely payments of the fees owed, may be considered a breach of this Addendum and the Franchise Agreement.

12. **Regulatory Changes**. In the event that applicable controlling state or federal laws, rules or regulations prohibit the fee structure(s) described in the Franchise Agreement and/or as amended herein, we may, at our option and in our sole discretion, modify this Addendum to comply with such laws, rules or regulations or discontinue the IV Program, voiding any changes to it made by this Addendum.

13. **Acknowledgement, and Remaining Terms Unaffected.** The foregoing terms, including the Prerequisites in Section 2 above, have been negotiated by you, and these changes to the Franchise Agreement have been made at your request and for your benefit. They have not been unilaterally imposed by us. The remainder of the Franchise Agreement is unaffected and is binding on the parties.

Intending to be bound, you and we sign and deliver this Addendum to each other as shown below:

"US"	"YOU"
MEDI-WEIGHTLOSS FRANCHISING USA, LLC,	______________________________
a Florida limited liability company,	a(n) [State] [entity type]
By: ______________________	By: ______________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: ______________________
Date:______________________	Date:______________________

EXHIBIT H-8

MEDI-WEIGHTLOSS FRANCHISE

MEDILIVING ADDENDUM

THIS FRANCHISE MEDILIVING ADDENDUM ("**MEDILIVING Addendum**") is effective as of the last date of signature by all parties. It amends the Franchise Agreement including all addenda and exhibits ("**Franchise Agreement**") between **MEDI-WEIGHTLOSS FRANCHISING USA, LLC**, a Florida limited liability company ("**Franchisor**", "**we**," "**us**" or "**our**"), and ________, a(n) [State] [entity type], ("**Franchisee**" or "**you**"), which operates a MEDI-WEIGHTLOSS Business located at ____________________________ (you and we are sometimes referred to collectively as the "**parties**").

1. **Precedence and Defined Terms**. This MEDILIVING Addendum is an integral part of, and is incorporated into, the Franchise Agreement. Nevertheless, this MEDILIVING Addendum supersedes any inconsistent or conflicting provisions of the Franchise Agreement. Terms not otherwise defined in this MEDILIVING Addendum have the meanings as defined in the Franchise Agreement. **This MEDILIVING Addendum is personal to you. The terms and conditions of this Addendum cannot be transferred separate from the Franchise Agreement, or with it. Also, the terms and conditions of this Addendum will not apply to any transferee under a transfer as defined in the Franchise Agreement.**

2. **Prerequisites:** Franchisees which meet certain qualifications we designate may be eligible to provide additional MEDILIVING Products and Services, such as, but not limited to, those services related to preventive medicine, under the terms of the MEDILIVING Program and this MEDILIVING Addendum. To be eligible for the MEDILIVING Program (**"MEDILIVING Program**"), you must first comply with the following criteria:

Written Request. At any time during the Term of the Franchise Agreement, you must apply for the MEDILIVING Program by submitting our MEDILIVING application form to us.

Good Standing. You must currently be and remain in substantial compliance with the Franchise Agreement including, but not limited to, timely payment of all fees due, utilization of Franchisor's financial reporting software (currently, our online version of QuickBooks), compliance with System standards to include, without limitation, proper branding, use of our Marks, and use of the System.

Regulatory Review. By executing this MEDILIVING Addendum, you acknowledge that you have recently obtained, or will obtain prior to implementing the MEDILIVING Program, a regulatory review of the legal and health care rules and regulations in your state that apply to the operation of your Franchised Business ("**Regulatory Review**"). The Regulatory Review should address whether or not you may directly bill third party insurance carriers or whether such billing may only be done through an affiliated physician's practice. Our failure to require you to conduct or waiver of your obligation to conduct, the Regulatory Review is not a representation or opinion on our part that the operation of your Franchised Business is, or is not, in compliance with applicable laws.

3. **MEDILIVING Program:** The MEDILIVING Program shall consists of other products and services which are approved by us. MEDILIVING products and services will include, but are not limited to, preventive medicine products and services. Often MEDILIVING products and/or services will not be related to weight loss, nutritional counseling, or weight management. Your offering of MEDILIVING products and services will be governed by your Franchise Agreement as amended by this MEDILIVING Addendum. MEDILIVING products are included in Gross Sales for purposes of the Franchise Agreement.

4. **MEDILIVING Training:** You and your designated staff must successfully complete the required training curriculum for the implementation of the MEDILIVING Program. We and our approved vendors provide training in various formats to best accommodate the operations of the franchise locations. E-learning courses will be assigned to the appropriate staff members on Advantage. Staff may access assigned courses on Advantage.

Additional Training: Due to the complexity and regulatory significance of many program(s), we may require additional ongoing training by you and designated staff. You will receive written notification of all training requirements and will be provided ample notice for successful completion.

5. **System Standards:** We will make our "**MEDILIVING Manual**" available to you on-line or via other electronic format or other format we designate, during the term of this MEDILIVING Addendum, consisting of such materials (including, as applicable, audiotapes, videotapes, magnetic media, computer software and written materials) that we generally furnish to franchisees from time-to-time for use in operating the MEDILIVING Program. The MEDLIVING Manual contains mandatory and suggested specifications, standards, operating procedures and rules that we prescribe from time-to-time for the operation of the MEDILIVING Program and information relating to your other obligations under this MEDILIVING Addendum and related agreements.

6. **Approved Products and Services:** You agree to only sell the MEDILIVING products and services or other items at the Franchised Business that we have previously approved for sale and no others. You will immediately implement changes to the products and services requested by us, including advertising or marketing changes. You agree to maintain an inventory of products and services sufficient to meet the daily demands of your Franchised Business and as designated in our System standards.

7. **Legal Compliance:** You must acknowledge and agree to, at all times, fully comply with all laws, such as the federal False Claims Act; the federal Stark Law; state corporate practice of medicine prohibitions; and state laws that are similar to the federal Anti-Kickback Act or the Stark Law prohibitions on self-referrals and/or certain fee splitting arrangements.

8. **No Guarantee of Acceptance.** You acknowledge that we have provided no guarantees and/or warranties regarding acceptance by insurance carriers, nor any likelihoods, guarantees or warranties regarding costs, time periods related to credentialing and contracting, and/or available reimbursement rates. Furthermore, you acknowledge that we have not provided any financial projections and/or data related to MEDILIVING services and that any such information relied upon by you came solely based upon your discussions with individual franchisees, not us.

9. **Claim Accuracy and Risk of Denial/Reduction:** In the event you choose to seek 3rd party insurance reimbursement for services associated with the MEDILIVING Program, you must at all times follow the rules, policies, and procedures adopted by the insurance company which establish conditions relating to the delivery of covered services. For example, any insurance carrier qualifications and requirements related to (1) a credentialed provider's physical presence at the location, (2) licensing requirements of individuals providing such services, and/or (3) the physical presence of the person who conducts the visit in order to bill claims to the insurance carrier. You and your Authorized Medical Provider are responsible for the accuracy of all such claims. You acknowledge and agree that Franchisor is in no way responsible if a claim, or claims, are ultimately denied or reduced due to a determination that said claim, or claims, were not medically necessary and/or otherwise not eligible for payment under the applicable plan. Furthermore, you acknowledge and agree that you and your Authorized Medical Provider bear all risk associated with utilizing the available Current Procedural Terminology ("**CPT**") and International Classification of Diseases ("**ICD**") codes in the Advantage software. All requests to include

additional CPT and ICD code(s) in the Advantage software system must be provided to Franchisor in writing.

10. **Management Agreements**. In the event you are operating your Franchised Business as a management company which is providing Management Services to an affiliated medical practice, you acknowledge that you have a Management Agreement, or similar agreement, between your company and the Authorized Medical Provider to which you are providing such services. You agree to provide a copy of all such agreements upon our request.

11. **Term of MEDILIVING Program:** The MEDILIVING Program shall last for the remainder of your Term. We may terminate your participation in the MEDILIVING Program at any time upon providing you sixty (60) days written notice to you if you fail to comply with this MEDILIVING Addendum and/or the Franchise Agreement.

12. **General Release.** You and your owners must execute the form of our general release attached hereto as "**Exhibit A**."

13. **Non-Compliance.** Non-compliance by you of the terms and conditions in this MEDILIVING Addendum, and in the Franchise Agreement, including, but not limited to, failure to make timely payments of the fees owed, may be considered a breach of this MEDILIVING Addendum and the Franchise Agreement.

14. **Regulatory Changes.** In the event that applicable controlling state or federal laws, rules or regulations prohibit the fee structure(s) described in the Franchise Agreement and/or as amended herein, at our option, we may, in our sole discretion modify the MEDILIVING Addendum to seek to comply with such laws, rules or regulations or discontinue the MEDILIVING Program, voiding any changes to it made by this MEDILIVING Addendum.

15. **Acknowledgement, and Remaining Terms Unaffected.** The foregoing terms, including the Prerequisites, have been negotiated by you, and these changes to the Franchise Agreement have been made at your request and for your benefit. They have not been unilaterally imposed by us. The remainder of the Franchise Agreement is unaffected and is binding on the parties.

(Signatures on following page)

Intending to be bound, you and we sign and deliver this MEDILIVING Addendum to each other as shown below:

"US"	"YOU"
MEDI-WEIGHTLOSS FRANCHISING USA, LLC, a Florida limited liability company,	 a(n) [State] [entity type]
By: ______________________	By: ______________________
Name: ____________________	Name: ____________________
Title: _____________________	Title: _____________________
Date: _____________________	Date: _____________________

EXHIBIT H-9

MEDI-WEIGHTLOSS FRANCHISE

FORM OF EXISTING BUSINESS ADDENDUM AND APPLICATION

THIS EXISTING BUSINESS ADDENDUM ("**EB Addendum**") is effective as of the date of signature. It amends the Franchise Agreement dated________________________, including all addenda and attachments (the "**Franchise Agreement**") between **MEDI-WEIGHTLOSS FRANCHISING USA, LLC**, a Florida limited liability company ("**Franchisor**", "**we**," "**us**" or "**our**"), ___________, a(n) [State] [entity type], ("**Franchisee**", "**you**" or "**your**"), which operates a MEDI-WEIGHTLOSS Business located at _________ , and _________, a(n) [State] [entity type] ("**Affiliated Entity**"), which provides "**Existing Business Services**" (you and we are sometimes referred to collectively as the "**parties**").

1. **Precedence and Defined Terms**. This EB Addendum is an integral part of, and is incorporated into, the Franchise Agreement. Nevertheless, this EB Addendum supersedes any inconsistent or conflicting provisions of the Franchise Agreement. Terms not otherwise defined in this EB Addendum have the meanings as defined in the Franchise Agreement. **This EB Addendum is personal to you. The terms and conditions of this EB Addendum cannot be transferred separate from the Franchise Agreement, or with it. Also, the terms and conditions of this EB Addendum will not apply to any transferee under a transfer as defined in the Franchise Agreement.**

2. **Existing Business Services**. Existing Business Services are only those services listed on Schedule 1 to this Addendum under the heading of Existing Business Services. However, if you cease providing any service defined as an Existing Business Service for a period of 3 months or greater, then that service will no longer be defined as an Existing Business Service. As long as the service is considered an Existing Business Service, it is not included in Gross Sales for purposes of the Franchise Agreement.

3. **Royalty Fee.** When calculating the Royalty Fee, 25% of the gross sales of your Existing Business Services will count as Gross Sales of your Franchised Business for purposes of calculating the Royalty Fee due.

4. **Competitive Restrictions.** You and the Affiliated Entity are not authorized to offer or sell any services of any kind or nature that would meet the definition of a Competitive Business under the Franchise Agreement other than: (a) for the Affiliated Entity, the Existing Business Services listed on Schedule 1, and (b) for the Franchised Business the products and services we designate or approve under the Franchise Agreement. Other than permitting your Affiliated Entity to offer the Existing Business Services in accordance with this EB Addendum, the competitive restrictions under the Franchise Agreement remain in full force and effect.

5. **Firewalls:** You must follow our System standards that require that the Existing Business Services be offered and sold in such a manner that the general public should have no reason to believe or have the public perception that the Affiliated Entity and/or its Existing Business Services are associated with your Franchised Business in any way. To ensure the public does not perceive the Existing Business Services to be associated, you and Affiliated Entity have agreed to the following and must:

   A. Maintain a separate location/address for all Existing Business Services which includes a separate entrance. However, Affiliated Entities owned by Authorized Medical Providers who operate existing medical practices may seek a variance for joint location (co location) approval only with our prior written consent. An Affiliated Entity seeking a joint space variance must maintain separate check in area, separate waiting room, and separate signage as well as must comply with all of our other System standards for the establishment, maintenance and operation of such joint space. We may require the posting of additional notices at your location.

B. Maintain a separate phone number and separate phone system.

C. Utilize separate staff for your Existing Business Services than are used for the Franchised Business.

D. Maintain separate medical reimbursement contracts with the various insurance companies and billing services companies, if applicable, for the Franchised Business and the spa service business.

E. Maintain a separate scheduling, business forms, and accounting system for your Franchised Business and Affiliated Entity. Your Franchised Business and the Affiliated Entity must maintain proper accounting, fully burdening each business with all related expenses.

F. Maintain separate advertising. No joint advertising is allowed unless approved by us, which we may reject or refuse in our sole discretion. Any website or social media advertising or communications utilizing the "Medi-Weightloss" brand or any of the other aspects of our System, Marks, copyrights and intellectual property must be approved by us in advance.

G. Comply with all of our System standards which we may at any time upon notice to you develop, impose, modify, or terminate in our sole discretion to address issues we in or sole discretion deem relevant with respect to the Existing Business Services and your activities under this EB Addendum. However, we will not seek to, and do not intend to impose direct controls over the activities of the employees of your Existing Business. This Addendum and our System standards may be amended and modified by us in our sole discretion at any time to make changes to your obligations we deem relevant to reducing the likelihood that we, you or the Affiliated Entity may be deemed co-employers of the other's employees.

6. **Reporting and Our Right to Inspect and Audit**. You must report to us the gross revenues of your Affiliated Entity in the same manner as your reporting the Gross Sales of your Franchised Business. The gross revenues of your Affiliated Entity are all monies received by that Affiliated Entity from any source whatsoever. In addition to our rights to inspect and/or audit you and/or your Franchised Business, per the terms and conditions of your Franchise Agreement, we have the right at any time during business hours, with three (3) days prior notice to the Affiliated Entity, to inspect and/or audit, or cause to be inspected and/or audited, the Affiliated Entity's business, bookkeeping and accounting records, sales and income tax records and returns and other records. You and the Affiliated Entity agree to cooperate fully with our representatives and independent accountants we hire to conduct any such inspection and/or audit. If our inspection or audit is made necessary by your failure to follow the terms of this EB Addendum, you agree to reimburse us for the cost of such inspection or audit, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board and compensation of our employees. The foregoing remedies are in addition to our other remedies and rights under this EB Addendum, the Franchise Agreement it attaches to, and applicable law. If you breach this EB Addendum, at our sole option, we may include revenues from the Existing Business Services within Gross Sales for purposes of the Franchise Agreement.

7. **Insurance. The Affiliated Entity must maintain in force, at the Affiliated Entity's expense and under policies of insurance covering not less than $1,000,000 coverage per occurrence and issued by carriers approved by us, the types of insurance coverage listed herein. We may periodically increase or decrease the amounts of coverage required under these insurance policies and require different or additional kinds of insurance at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes and circumstances. Your policies must name us as an additional named insured.**

A. Liability insurance against liability for personal services care and negligence;

B. "Umbrella" liability insurance;

C. Comprehensive, public and product liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of the Affiliated Entity's business; and

D. General casualty and property insurance.

8. **Indemnification.** In addition to the indemnity requirements contained in the Franchise Agreement, the Affiliated Entity agrees to indemnify, defend and hold harmless us, our affiliates and our respective shareholders, directors, officers, employees, agents, successors and assignees (the "**Indemnified Party(ies)**") against and to reimburse any one or more of the Indemnified Parties for all claims, obligations and damages arising out of the Affiliated Entity business' operation. For purposes of this indemnification, "**claims**" includes all obligations, damages (actual, consequential or otherwise) and any costs incurred in the defense of any claim against any of the Indemnified Parties, including, without limitation, accountants', arbitrators', attorneys', paralegals' and expert witness fees, costs of investigation and proof of facts, court costs, other expenses of litigation, arbitration or alternative dispute resolution and travel and living expenses. We have the right to defend and settle any such claim against us. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration or termination of the Franchise Agreement. Under no circumstances will we or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate our, their or your losses and expenses, in order to maintain and recover fully a claim against you. The Affiliated Entity agrees that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts we or another Indemnified Party may recover.

9. **Franchise Certificate**: You must conspicuously post your "**Franchise Certificate**" in your location. The Franchise Certificate contains a statement that each franchise is independently owned and operated. We may require that you post additional certification or notices indicating that the Existing Business Services are not offered by or associated with us and your or any Franchised Business.

10. **General Release**. You and your owners must execute the form of our general release attached hereto as "Exhibit A."

11. **Non-Compliance**. Non-compliance by you of the terms and conditions in this EB Addendum, and in the Franchise Agreement, including, but not limited to, failure to make timely payments of the fees owed, may be considered a breach of this EB Addendum and the Franchise Agreement.

12. **Acknowledgement, and Remaining Terms Unaffected**. The foregoing terms, including the Prerequisites, have been negotiated by you, and these changes to the Franchise Agreement have been made at your request and for your benefit. They have not been unilaterally imposed by us. The remainder of the Franchise Agreement is unaffected and is binding on the parties.

Intending to be bound, you and we sign and deliver this EB Addendum to each other as shown below:

"US"	**"YOU"**
MEDI-WEIGHTLOSS FRANCHISING USA, LLC a Florida limited liability company	________________________________ a(n) [State] [entity type]
By:______________________________ Name:____________________________ Title:_____________________________ Date:_____________________________	By:______________________________ Name:____________________________ Title:_____________________________ Date:_____________________________

"AFFILIATED ENTITY"

____
a(n) [State] [entity type]

By: ______________________________
Name: ____________________________
Title: _____________________________
Date: _____________________________

"EXHIBIT A"

RELEASE BY BUSINESS OWNERS

THIS RELEASE is given by ____ **("Franchisee"); ____ ("Affiliated Entity");** and all of their predecessors and affiliates; and each of their owners, officers, employees, legal representatives and agents, directors, successors and assigns, and their heirs, beneficiaries, executors and administrators (collectively the "**Business Owners**"), to **MEDI-WEIGHTLOSS FRANCHISING USA, LLC,** a Florida limited liability company, and all of its predecessors and affiliates, and each of their owners, officers, employees, legal representatives and agents, directors, successors and assigns, and their heirs, beneficiaries, executors and administrators (individually and collectively, "**Franchisor**").

Effective on the date of this Release, Business Owners forever release, covenant not to sue, and discharge Franchisor from any and all claims, causes of action, suits, debts, agreements, promises, damages, losses, demands, liabilities, contractual rights and/or obligations, of whatever nature or kind, in law or in equity, known or unknown, fixed or contingent, past or present, which Business Owners now have or ever had against Franchisor specifically arising up to now out of that certain Franchise Agreement and related documents dated, as may be amended ("**Franchise Agreement**"); anything out of that particular referenced franchise relationship between Business Owners and Franchisor; violations of franchise, business opportunity or seller assisted marketing plan laws; or any other laws, rules or regulations; except for Franchisor's ongoing obligations under the aforementioned Franchise Agreement, as amended; and any franchise related contracts or documents related thereto. This Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

Except as provided above, this Release is intended by the parties to be unqualifiedly general in scope and effect and effective for the following as they relate to the above-referenced documents and stated business relationship up to now: (a) any and all claims and obligations, including those of which Business Owners are not now aware; and (b) all claims Business Owners have from anything which has happened from the beginning of time up to and including the Effective Date of this Release.

Business Owners are bound by this Release. Business Owners freely and voluntarily give this Release to Franchisor for good and valuable consideration and Business Owners acknowledge its receipt and sufficiency. The Business Owners have consulted with, and had the advice of, an attorney, and the parties are executing this Release after independent investigation and without fraud, duress, or undue influence.

Business Owners represent and warrant to Franchisor that Business Owners have not assigned or transferred to any other person any claim or right Business Owners had or now have relating to or against Franchisor.

In this Release, each pronoun includes the singular and plural as the context may require.

This Release is governed by Florida law.

This Release is effective **as of the date of the EB Addendum to which this is attached,** notwithstanding the actual date of signature.

(Signatures on following page)

IN WITNESS WHEREOF, the undersigned executes this RELEASE BY BUSINESS OWNERS:

"BUSINESS OWNERS"

("Franchisee")

____,
a(n) [State] [entity type]

By: ____
Name: ______________________________________
Title: _______________________________________
Date: _______________________________________

("Affiliated Entity")

____,
a(n) [State] [entity type]

By: ____
Name: ______________________________________
Title: _______________________________________
Date: _______________________________________

STATE OF _____________________________)
COUNTY OF ___________________________)

THE FOREGOING INSTRUMENT was acknowledged before me this ______ day of ____________________________, 20____, by _____________________________, as the ___________________ of _____________________________, a(n) [State] [entity type] on behalf of the company and behalf of him/herself. (S)he is (check one) ___ personally known to me or ____ has produced ____ as identification.

____
Signature of Notary: ________________________________
Printed Name of Notary: _____________________________
Notary Public, State of: _____________________________
(Notarial Seal) My Commission Expires: ___________________________

STATE OF ______________________________)
COUNTY OF ______________________________)

THE FOREGOING INSTRUMENT was acknowledged before me this ______ day of ______________________________, 20___, by ______________________________, as the ___________________ of ________________________, a(n) [State] [entity type]on behalf of the company and behalf of him/herself. (S)he is (check one) ___ personally known to me or ____ has produced ____ as identification.

____
Signature of Notary: ___________________________________
Printed Name of Notary: ________________________________
Notary Public, State of: ________________________________
(Notarial Seal) My Commission Expires: _____________________________

SCHEDULE 1
LIST OF EXISTING BUSINESS SERVICES

EXISTING BUSINESS SERVICE	ADDITIONAL DESCRIPTION

"US"

MEDI-WEIGHTLOSS FRANCHISING USA, LLC
a Florida limited liability company

By:____________________________________
Name:__________________________________
Title:___________________________________
Date:___________________________________

"YOU"

____
a(n) [State] [entity type]

By:____________________________________
Name:__________________________________
Title:___________________________________
Date:___________________________________

"AFFILIATED ENTITY"

____
a(n) [State] [entity type]

By: ______________________________
Name: ____________________________
Title: _____________________________
Date: _____________________________

EXHIBIT H-10

MEDI-WEIGHTLOSS FRANCHISE

FORM OF OUTSIDE BUSINESS ACTIVITY ADDENDUM AND APPLICATION

THIS FRANCHISE OUTSIDE BUSINESS ACTIVITY ADDENDUM ("**OBA Addendum**") is effective as of the date of signature. It amends the Franchise Agreement dated_______________________, including all addenda and attachments ("**Franchise Agreement**") between **MEDI-WEIGHTLOSS FRANCHISING USA, LLC**, a Florida limited liability company ("**Franchisor**", "**we**," "**us**" or "**our**"), ___________________, a(n) [State] [entity type], ("**Franchisee**", "**you**" or "**your**"), which operates a Franchised Business located at ________________________________ and________________, a(n) [State] [entity type] ("**Affiliated Entity**") (you and we are sometimes referred to collectively as the "**parties**").

1. **Precedence and Defined Terms**. This OBA Addendum is an integral part of, and is incorporated into, the Franchise Agreement. Nevertheless, this OBA Addendum supersedes any inconsistent or conflicting provisions of the Franchise Agreement. Terms not otherwise defined in this OBA Addendum have the meanings as defined in the Franchise Agreement. **This OBA Addendum is personal to you. The terms and conditions of this OBA Addendum cannot be transferred separate from the Franchise Agreement, or with it. Also, the terms and conditions of this OBA Addendum will not apply to any transferee under a transfer as defined in the Franchise Agreement.**

2. **Competitive Restrictions.** You must disclose all spa services which the Affiliated Entity is currently performing or intends to perform. The Affiliated Entity must not perform any service which we deem may violate the competitive restrictions contained in your Franchise Agreement. If you breach this OBA Addendum in any way, we may, at our sole option, include all revenues from the services or products under this OBA Addendum within Gross Sales for purposes of the Franchise Agreement.

3. **Firewalls:** The general public should have no reason to believe or have the public perception that the Affiliated Entity and/or its services are associated with your Franchised Business in any way. To ensure the public does not perceive the business to be associated, you and Affiliated Entity have agreed to the following:

A. Maintain a separate location/address for all spa services you are required to disclose to us under Section 2 above, which includes a separate entrance.

   1. Limited Exception: Entities owned by Authorized Medical Providers who **operate existing medical practices** may seek a variance for joint location approval only with Franchisor's prior written consent. An Affiliated Entity seeking a joint space variance must maintain separate check in area, separate waiting room, and separate signage. Franchisor may require the posting of additional notices at your location.

B. Your Franchised Business and Affiliated Entity must maintain a separate phone number and separate phone system.

C. Utilize separate staff for your other business.

D. Maintain separate medical reimbursement contracts with the various insurance companies and billing services companies, if applicable, for the Franchised Business and the spa service business.

E. Maintain a separate scheduling, business forms, and accounting system for your other business. Your Franchised Business and the Affiliated Entity must maintain proper accounting, fully burdening each business with all related expenses.

F. Your Franchised Business and Affiliated Entity must maintain separate advertising. No joint advertising shall be allowed. Any website advertising utilizing the "Medi-Weightloss" brand must be approved by us in advance.

4. **Our Right to Inspect and Audit**. In addition to our rights to inspect and/or audit you and/or your business, per the terms and conditions of your Franchise Agreement, we have the right at any time during business hours, with three (3) days prior notice to the Affiliated Entity, to inspect and/or audit, or cause to be inspected and/or audited, the Affiliated Entity's business, bookkeeping and accounting records, sales and income tax records and returns and other records. You and the Affiliated Entity agree to cooperate fully with our representatives and independent accountants we hire to conduct any such inspection and/or audit. If our inspection or audit is made necessary by your failure to follow the terms of this OBA Addendum, you agree to reimburse us for the cost of such inspection or audit, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board and compensation of our employees. The foregoing remedies are in addition to our other remedies and rights under this OBA Addendum, the Franchise Agreement it attaches to, and applicable law.

5. **Insurance. The Affiliated Entity must maintain in force, at the Affiliated Entity's expense and under policies of insurance covering not less than $1,000,000 coverage per occurrence and issued by carriers approved by us, the types of insurance coverage listed herein. We may periodically increase or decrease the amounts of coverage required under these insurance policies and require different or additional kinds of insurance at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes and circumstances.**

A. Liability insurance against liability for personal services care and negligence;

B. "Umbrella" liability insurance;

C. Comprehensive, public and product liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of the Affiliated Entity's business; and

D. General casualty and property insurance.

6. **Indemnification.** In addition to the indemnity requirements contained in the Franchise Agreement, the Affiliated Entity agrees to indemnify, defend and hold harmless us, our affiliates and our respective shareholders, directors, officers, employees, agents, successors and assignees (the "**Indemnified Party(ies)**") against and to reimburse any one or more of the Indemnified Parties for all claims, obligations and damages arising out of the Affiliated Entity business' operation. For purposes of this indemnification, "**claims**" includes all obligations, damages (actual, consequential or otherwise) and costs reasonably incurred in the defense of any claim against any of the Indemnified Parties, including, without limitation, reasonable accountants', arbitrators', attorneys', paralegals' and expert witness fees, costs of investigation and proof of facts, court costs, other expenses of litigation, arbitration or alternative dispute resolution and

travel and living expenses. We have the right to defend any such claim against us. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. Under no circumstances will we or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate our, their or your losses and expenses, in order to maintain and recover fully a claim against you. The Affiliated Entity agrees that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts we or another Indemnified Party may recover.

7. **Franchise Certificate:** You must conspicuously post your "**Franchise Certificate**" in your location. The Franchise Certificate contains a statement that each franchise is independently owned and operated.

8. **General Release**. You and your owners must execute the form of our general release attached hereto as "Exhibit A."

9. **Non-Compliance**. Non-compliance by you of the terms and conditions in this OBA Addendum, and in the Franchise Agreement, including, but not limited to, failure to make timely payments of the fees owed, may be considered a breach of this OBA Addendum and the Franchise Agreement.

10. **Acknowledgement, and Remaining Terms Unaffected**. The foregoing terms, including the Prerequisites, have been negotiated by you, and these changes to the Franchise Agreement have been made at your request and for your benefit. They have not been unilaterally imposed by us. The remainder of the Franchise Agreement is unaffected and is binding on the parties.

Intending to be bound, you and we sign and deliver this OBA Addendum to each other as shown below:

"**US**"	"**YOU**"
MEDI-WEIGHTLOSS FRANCHISING USA, LLC a Florida limited liability company	______________________________ a(n) [State] [entity type]
By:____________________________	By:____________________________
Name:__________________________	Name:__________________________
Title:__________________________	Title:__________________________
Date:__________________________	Date:__________________________

"**AFFILIATED ENTITY**"

____
a(n) [State] [entity type]

By: __________________________
Name: ________________________
Title: ________________________
Date: ________________________

“EXHIBIT A”

RELEASE BY BUSINESS OWNERS

THIS RELEASE is given by ______________________________________ **(“Franchisee”); ____(“Affiliated Entity”);** and all of their predecessors and affiliates; and each of their owners, officers, employees, legal representatives and agents, directors, successors and assigns, and their heirs, beneficiaries, executors and administrators (collectively the “**Business Owners**”), to **MEDI-WEIGHTLOSS FRANCHISING USA, LLC,** a Florida limited liability company, and all of its predecessors and affiliates, and each of their owners, officers, employees, legal representatives and agents, directors, successors and assigns, and their heirs, beneficiaries, executors and administrators (individually and collectively, “**Franchisor**”).

Effective on the date of this Release, Business Owners forever release, covenant not to sue, and discharge Franchisor from any and all claims, causes of action, suits, debts, agreements, promises, damages, losses, demands, liabilities, contractual rights and/or obligations, of whatever nature or kind, in law or in equity, known or unknown, fixed or contingent, past or present, which Business Owners now have or ever had against Franchisor specifically arising up to now out of that certain Franchise Agreement and related documents dated , as may be amended (“**Franchise Agreement**”); anything out of that particular referenced franchise relationship between Business Owners and Franchisor; violations of franchise, business opportunity or seller assisted marketing plan laws; or any other laws, rules or regulations; except for Franchisor's ongoing obligations under the aforementioned Franchise Agreement, as amended; and any franchise related contracts or documents related thereto. This Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

Except as provided above, this Release is intended by the parties to be unqualifiedly general in scope and effect and effective for the following as they relate to the above-referenced documents and stated business relationship up to now: (a) any and all claims and obligations, including those of which Business Owners are not now aware; and (b) all claims Business Owners have from anything which has happened from the beginning of time up to and including the Effective Date of this Release.

Business Owners are bound by this Release. Business Owners freely and voluntarily give this Release to Franchisor for good and valuable consideration and Business Owners acknowledge its receipt and sufficiency. The Business Owners have consulted with, and had the advice of, an attorney, and the parties are executing this Release after independent investigation and without fraud, duress, or undue influence.

Business Owners represent and warrant to Franchisor that Business Owners have not assigned or transferred to any other person any claim or right Business Owners had or now have relating to or against Franchisor.

In this Release, each pronoun includes the singular and plural as the context may require.

This Release is governed by Florida law.

This Release is effective **as of the date of the OBA Addendum to which this is attached**, notwithstanding the actual date of signature.

(Signatures on following page)

IN WITNESS WHEREOF, the undersigned executes this RELEASE BY BUSINESS OWNERS:

"BUSINESS OWNERS"

("Franchisee")

____,
a(n) [State] [entity type]

By: ____
Name: _______________________________________
Title: ____
Date: ____

("Affiliated Entity")

____,
a(n) [State] [entity type]

By: ____
Name: ____
Title: ____
Date: ____

STATE OF ______________________________)
COUNTY OF ____________________________)

THE FOREGOING INSTRUMENT was acknowledged before me this ______ day of ______________________________, 20___, by ____________________, as the __________________ of ___________________, a a(n) [State] [entity type] on behalf of the company and behalf of him/herself. (S)he is (check one) ___ personally known to me or ____ has produced ______________________________________ as identification.

____
Signature of Notary: ________________________________
Printed Name of Notary: _____________________________
Notary Public, State of: _____________________________
My Commission Expires: _____________________________

(Notarial Seal)

STATE OF ______________________________)
COUNTY OF ____________________________)

THE FOREGOING INSTRUMENT was acknowledged before me this ______ day of ______________________________, 20___, by ______________________________________, as the __________________ of ____________________, a a(n) [State] [entity type] on behalf of the company and behalf of him/herself. (S)he is (check one) ___ personally known to me or ____ has produced ______________________________________ as identification.

____
Signature of Notary: _________________________________
Printed Name of Notary: ______________________________
Notary Public, State of: ______________________________
(Notarial Seal) My Commission Expires: ___________________________

MEDI-WEIGHTLOSS® OUTSIDE BUSINESS ACTIVITY (OBA) APPLICATION

Medi-Weightloss Franchising USA, LLC, its agents, and its employees may not render you any legal advice. The Outside Business Activity Application has been specifically designed to protect the Medi-Weightloss® brand. It is not intended to exercise, and does not constitute, control over the day to day operations of your Business, or to assume any responsibility for your obligations under the Franchise Agreement. Our consent to use of services/products not currently approved as Medi-Weightloss® services/products is rare and may require field testing and/or a pilot program. Additional fees for such testing may apply. See your Franchise Agreement for details.

Location of Medi-Weightloss® Business: ______________________________

Name of Franchisee (Company Name): ______________________________

Business Address: ____________ **City:** ____________ **State:**________ **Zip:** ________

Phone: ____________ **Fax:** ____________ **Email:** ____________

____

PART A: RELATED SERVICES/PRODUCTS

Services/products you wish to offer which are related to your Medi-Weightloss® Business but are not currently approved as Medi-Weightloss® services/products:

____

____

____

____

____

____

____

PART B: UNRELATED BUSINESS ACTIVITIES

Business activities you believe are unrelated to your Medi-Weightloss® Business. The general public should have no reason to believe that these unrelated business activities are associated with your Medi-Weightloss® Business in any way. If we believe there is potential for the public to associate the unrelated business activity to Medi-Weightloss®, we may require the use of a written disclosure. Please completely fill out **PART C: FIREWALL TEST** below.

Describe Type/Nature of Business and Services to be provided:

____

____

____

____

____

____

____

PART C: FIREWALL TEST

Please check the boxes below that best describe each statement regarding your unrelated business activity:

	YES	NO			YES	NO	
1.	____	____	Separate Owner/LLC (*See Below)	7.	____	____	Separate Staff
2.	____	____	Separate Address	8.	____	____	Separate Insurance
3.	____	____	Separate Entrance	9.	____	____	Separate Business Forms
4.	____	____	Separate Waiting Room	10.	____	____	Separate Phone System
5.	____	____	Separate Signage	11.	____	____	Separate Check-In Sheet
6.	____	____	Separate Scheduling/Accounting system	12.	____	____	Separate Advertising

*Legal Name of the Unrelated Business Entity:____

Address of the Unrelated Business Entity:____

State and date where the Unrelated Business Entity was/is to be officially organized/filed: State:_______Date Filed:____________

ANY QUESTIONS ABOVE ANSWERED 'YES' REQUIRE COPIES/PROOF ACCOMPANYING THIS FORM

REMINDER: Please ensure that you are conspicuously posting your Franchise Certificate in your location. The Franchise Certificate contains a statement that each franchise is independently owned and operated. If you do not have a Franchise Certificate, contact your Franchise Performance Consultant so that one can be sent to you.

NOTHING ON THIS FORM SHALL BE DEEMED APPROVED UNTIL WRITTEN APROVAL IS RECEIVED FROM THE FRANCHISOR.

Submitted By:__________________________________ **Title:**____________________________

Printed Name:__________________________________ **Date:**____________________________

FOR INTERNAL USE ONLY

Received by Medi-Weightloss® (name):__________________________ **Date:** ____________________

Approval: Yes _____ **No** ______ **Pending Testing:** __________________ **Date:** ____________________

Approval Signature:________________________**Title:**________________________**Date:**____________

Name Printed:________________________

EXHIBIT H-11

MEDI-WEIGHTLOSS FRANCHISE

OPTIONAL MARKETING SERVICES AGREEMENT

Optional Marketing Services Agreement

1. Marketing Services

Medi-Weightloss Franchising USA, LLC and affiliates (collectively, "**Medi**") offers the following Optional Marketing Services for participating franchisees and/or licensees (the "**Advertiser**"): Standard Marketing Services, Tracking Services, Targeted Direct Mailing Lists, and Template and Automation Services. The ads will be distributed via online advertising and for the period of time and agreed budget set forth in the attached Insertion Order ("**IO**"). Tracking Services shall refer to a service whereby Medi enables Advertisers to obtain Tracking Information regarding advertising purchased through third parties via phone leads. Targeted Direct Mailing lists shall refer to the purchase of a patient demographic specific list narrowed to a specified area surrounding the location. Template and Automation Services refer to a service where Medi or its vendor provides Advertisers access to a portal that allows for on-demand local customization to marketing templates and/or automated marketing campaigns.

As part of the Optional Marketing Services, Advertisers will be provided with certain data and reports concerning the performance of the ads and the Advertisers campaign (this will be more defined in the *Tracking Information* section).

2. Standard Marketing Services

For Standard Marketing Services Medi shall determine which online advertising mediums to run the campaign and its ads. Advertiser acknowledges that due to changing fees from online publishers (including but not limited to Google, Yahoo, Facebook, and Microsoft) an Advertisers campaign can change at any time without notice. An Advertiser must acknowledge that Medi does not operate or control the publisher's media or advertisement selections. Medi makes no guarantee about when or where the Advertisers ads will be shown by a publisher. While Medi will use geographic targeting to make sure ads are seen in relevant geographical locations, Medi cannot guarantee that the ads will only be displayed in these target locales. In some instances ads can be displayed by the publisher in areas outside of the targeted location.

3. Tracking Information

Tracking will consist of both web leads generated (i.e. online submission forms) and phone calls. Web leads refer to tracking for a specific event on the Advertisers web page, such as "Request Information" submissions and "Schedule an Appointment" submissions. Phone number tracking refers to tracking by Medi of phone calls received by Advertiser, which is accomplished by Medi, or its third party provider, providing tracking phone number(s) (each, a "**Tracking Number**") that will be dynamically displayed on the Destination Page in lieu of the Advertiser's phone number(s) and that will forward to the Advertiser's phone number(s). Advertiser acknowledges that it does not own and will not own or obtain any ownership interest in the Tracking Numbers as a result of this Agreement.

Tracking Services refers to any or all of Destination Page Tracking, Offer Page Tracking, Web Event Tracking or Phone Number Tracking. For the Marketing Services, Medi shall provide such of the Tracking Services, as it deems appropriate, in its sole discretion, to enable Advertisers to assess the performance of any Campaign. For the Standalone Tracking Services, Medi shall provide any of the three options, as set forth on the IO: Web Tracking, which shall include Offer Page Tracking and Destination Page Tracking; Phone Tracking; or Web and Phone Tracking which shall include both.

Advertiser acknowledges that Medi is not obligated to keep and maintain any data obtained as the result of the Tracking Services for more than thirty (30) days after the collection of any such data, including Call Recordings.

4. Special Terms for Call Tracking

Provisioning Tracking Phone Numbers- Advertiser acknowledges that, for local Advertiser phone numbers, Medi will first try to provision a local Tracking Phone Number, but, in the event such a local Tracking Phone Number is not available, Advertiser hereby gives Medi permission to provision a toll free Tracking Phone Number instead.

a. **Advertiser's Options**. At Advertisers option, as reflected on the IO, Phone Number Tracking, may include Call Recording and Caller ID (collectively the "**Call Tracking Features**"). Call Recording is a service whereby a recording is made of inbound phone calls attributable to the Campaign and Caller ID is a service whereby the phone number of the caller is used to lookup their name and address. By electing the Call Tracking Features, Advertiser is representing and warranting that it has all necessary rights to implement such tracking features. Advertiser acknowledges that Medi disclaims any and all liability that may arise as the result of the implementation of Call Recording.

b. **Call Recording Specifics**. In connection with Call Recording, Advertiser understands that an initial recording shall be played to consumers at the outset of calls to the Advertiser, who shall, among other things, notify the consumer that the call is being recorded. In addition, Advertiser will advise its employees that its calls may be recorded. ***Advertiser understands and agrees that any attempts to disrupt or prevent the playing of the recording or its failure to advise its employees of the recording may expose the Advertiser to substantial liability. Additionally, Advertiser acknowledges that calls and recordings may include Protected Health Information, which may be subject to the federal regulations issued pursuant to the Health Insurance Portability and Accountability Act ("HIPAA") and that this information is covered by the Business Associate Agreement and all requirements and responsibilities contained therein.***

c. **Call Review**: For purposes of quality assurance, Campaign assessment and all other lawful purposes, Medi may access and review all Call Recordings.

d. **Limitations.** Unless otherwise agreed to by Medi in writing, call minute usage shall be limited to sixty (60) minutes of call time per Tracking Number for each Campaign Period. Usage in excess of such limit shall be subject to Medi's Overage Fees.

e. **Call Blocking**. Medi may, in its sole discretion, choose to block third party phone numbers from being able to call the Tracking Phone Numbers.

5. Targeted Direct Mail Option.

For the Targeted Direct Mailing Option, Advertiser will purchase a demographic specific mailing list from Medi. Medi has complete discretion to choose an appropriate vendor through which to supply the list to Advertiser. Upon receiving the mailing list, Advertiser will work with an independent vendor to produce the Direct Mail Campaign. All Advertisers are required to have a Tracking Phone Number to participate in the Direct Mail Option.

6. Template and Marketing Automation Option

For the Template and Marketing Automation Option, Advertiser will purchase from Medi an annual access fee, as determined by Medi ($0 to $500 per year). This fee will give Advertiser unlimited access to customized templates located in the vendor's portal. Optional Marketing Automation services available inside of the portal may include additional fees, paid directly to the vendor. These fees may include printing, shipping, email credits, and postage. Medi has complete discretion to choose an appropriate vendor through which to supply on-demand template and automation services to Advertiser.

6. Campaign Logistics/Duration

a. **For Standard Marketing Services**: Upon the signing of an IO by an Advertiser and acceptance thereof by Medi, Medi will set up the PPC Campaign. The length of the campaign (the "**Campaign Term**") will run from the target start date to either the target end date set forth by the IO, with adjustments to dates as is herein provided, or if the IO indicates that it is set up for unlimited auto-renewal, until cancelled by the parties. Advertisers acknowledge that Medi may take up to 10 business days to review the campaign and may require additional input from the Advertiser. Therefore, Medi may take additional time to start distribution of ads within the campaign. This can increase the time of the actual start date, making it later than the target start date.

   Advertisers acknowledge that Medi shall have no liability, and Advertiser shall not be entitled to terminate this agreement or seek a refund as a result of any such delays. The target end date specified in the IO is an estimate of when the campaign will end. The target end date will be adjusted by the number of days, if any, that the actual start date is later than the target start date. In addition to the advertising services, Advertiser acknowledges that it may take more or less time to exhaust the campaign budget, due to, among other things, scheduling and inventory constraints of the publishers. The actual end date for advertising services will be the day when no less than 98% of the campaign budget has been exhausted. The campaign term consists of campaign periods (as further defined below). For advertising services, a campaign period is the period of time from Medi commencement of spending monthly budget (as described below) until such time as no less than 98% of the monthly budget has been spent.

b. **For Standalone Tracking Services:** The campaign period is each thirty (30) day period in which the services are provided during the campaign term.

c. **For Targeted Direct Mail Option:** A mailing list is provided on a one-time basis and shall remain valid for up to 6 months.

7. Fees

For Standard Marketing Services and Standalone Tracking Services, Advertiser agrees to pay, in accordance with Section 8, the following fees, in the amounts set forth in the IO:

Tracking fees refer to fees charged by Medi for managing and tracking campaigns. The campaign management and tracking fees will be charged for each campaign period. Medi reserves the right to change the campaign management and tracking fees at any time, provided that such changes will not take effect until a new IO has been executed and delivered to Medi by the Advertiser.

Campaign set-up fees refer to a onetime fee for the set-up of the campaign. Advertiser is not entitled to any credits, discounts, rebates, or refunds provided to Medi by Publishers. Moreover, if Medi, in its sole discretion, passes on any such credits, discounts, rebates, refunds, it shall be under no obligation to do so in the future.

For Targeted Direct Mailing lists Advertiser is charged a flat fee per name ordered, which is determined by the vendor Medi purchases the list through. There is a minimum purchase requirement of 1,000 names ordered.

8. Payment Terms

For Targeted Direct Mailing Lists, Advertiser shall pay in advance of receiving the list the total fee listed in the IO.

For Standard Marketing Services and Standalone Marketing Services, prior to the initial campaign period, Advertiser shall pay the campaign management and campaign tracking fees for the initial campaign period and the campaign set-up fees ("**Monthly Total**"). Payment will be made by charging the Advertisers credit card for the full amount of the Monthly Total. Thereafter, the Campaign Period will auto-renew monthly unless terminated as provided herein. In advance of each subsequent Campaign Period, unless Medi has agreed to invoice Advertiser, the Advertiser shall pay the Campaign Management/Tracking Fees.

Advertiser acknowledges that Medi can pause any campaign during any campaign period for which the Advertiser has not paid, in advance, the Monthly Total. In the event of overage fees, the Franchised Businesses shall have the right to charge Advertisers credit card at the conclusion of each campaign period. Any amounts not paid when due shall bear interest at the rate of 1.5% per month (or the highest rate permitted by law, if less). Advertiser agrees to pay all costs of collection (including attorneys' fees and all other legal expenses) incurred by Medi in connection with its enforcement of its rights under the Agreement.

Once an IO has been accepted by Medi, unless Advertiser has terminated the Agreement pursuant to Section 9, Advertiser will be responsible for payment in full of all fees set forth therein, except as may otherwise be provided in Section 9 hereof. If the Advertiser, without the consent of Medi, cancels an IO for any reason (other than as the result of a material breach by Medi), all fees for the remainder of the scheduled Campaign shall be immediately due and payable, and all pre-paid fees shall be forfeited. All payments due hereunder are in U.S. dollars and are exclusive of any sales, use or similar applicable taxes. Advertiser shall promptly pay all such taxes and any associated interest and penalties.

9. Agreement Effective Date/Termination. The effective date of the Agreement is the day that an IO is accepted by Medi. The Agreement will immediately terminate on the Actual End Date specified, unless the IO indicates the term of the Agreement is for Unlimited Auto Renewal Periods. In this case, simultaneous with the End Date, the Agreement will automatically renew for consecutive Campaign Periods until terminated by the parties. An Agreement may be terminated in advance of the Actual End Date or in the case of Unlimited Auto Renewal as follows:

a. ***Termination by Medi***. Medi may terminate this Agreement and any Campaign without notice and without cause at any time and for any reason.

b. ***Termination by Advertiser with Cause***. If Advertiser is in compliance with this Agreement and Medi has materially failed to comply with this Agreement and does not correct or commence correction of such failure within thirty (15) days of receiving written notice of such material failure, Advertiser may terminate this Agreement effective thirty (30) days after receipt of written notice of termination or at the Actual End Date, whichever is earlier.

10. Disclaimer of Warranties. Medi provides all services performed hereunder on an "AS IS" and "AS AVAILABLE" basis, without any warranty of any kind and without any guarantee of uninterrupted display or distribution of any advertisement. In the event of interruption of display or distribution of any advertisement, Medi's sole obligation will be to restore service as soon as practicable. Medi disclaims all warranties of any kind, whether express or implied, including but not limited to the implied warranty of merchantability or fitness for a particular purpose and implied warranties arising from course of dealing or course of performance. Without limiting the generality of the foregoing, Medi makes no guarantees with respect to the performance or placement of any advertisement.

11. Limitations of Liability. To the maximum extent permitted by applicable law, Medi disclaims liability for any special, indirect, incidental or consequential damages, including, without limitation, for breach of contract or warranty, negligence, or strict liability, or for interrupted communications, loss of use, lost business, lost data or lost profits (even if Medi was advised of the possibility of any of the foregoing), arising out of or in connection with this Agreement.

a. Under no circumstances shall Medi be liable to advertiser or any third parties for an amount greater than the amounts received hereunder. In lieu of refund, Medi shall be permitted to provide replacement advertising to make good any purported loss or liability, provided such replacement advertising is provided within a reasonable period of time after the liability has accrued.

b. Advertiser agrees that, regardless of any statute or law to the contrary, any claim or cause of action arising out of or related to Agreement must be filed within one year after such claim or cause of action arose or be forever barred; provided that this section shall not in any way limit the time in which claims for infringement or misappropriation of intellectual property rights may be brought.

c. Without limiting the foregoing, Medi shall no liability for any failure or delay resulting from any governmental action, fire, flood, insurrection, earthquake, power failure, riot, explosion, embargo, strikes whether legal or illegal, labor or material shortage, transportation interruption of any kind, work slowdown or any other condition affecting production or delivery in any manner beyond the control of Medi. Advertiser acknowledges that Medi has entered into this Agreement in reliance upon the limitations of liability set forth herein and that the same is an essential basis of the bargain between the parties.

12. Governing Law. This Agreement will be construed in accord with any dispute or controversy arising from any breach or asserted breach of this Agreement will be governed by the laws of the State of Florida. Each party hereby irrevocably consents to the jurisdiction and venue of the state and federal courts located in Hillsborough County, Florida in connection with any claim, action, suit, or proceeding relating to this Agreement.

13. Entire Agreement. This Agreement is intended to be an addendum to the Franchise Agreement and related documents. This Agreement sets forth all of the agreements between the parties relating to the subject matter hereof. Any previous agreements or understandings (whether written or oral) between the parties regarding the subject matter hereof are merged into and superseded by this Agreement. All other terms of the Franchise Agreement are not affected and remain binding on the parties.

14. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

15. Modification or Waiver of Agreement. No modification or waiver of any provision of this Agreement will be valid unless the modification or waiver is in writing signed by both of the parties. The failure of either party at any time to insist upon the strict performance of any provision of this Agreement will not be construed as a waiver of the right to insist upon the strict performance of the same provision at any future time.

16. Survival. The termination of this Agreement will not release or discharge either party from any obligation, debt or liability which will have previously accrued and remains to be performed by such party upon the date of termination, or which, by its terms, is to be performed after the date of termination.

Medi-Weightloss® Insertion Order
CLINIC:
Please fax this completed form to 813-228-6763

MEDI WEIGHTLOSS® The one that works!®

MAIN CONTACT INFORMATION	
Advertiser Name:	Contact:
Advertiser URL:	Phone:
Address:	Fax :
City:	Email:
State:	
Zip/Postal:	

1. ORDER SUMMARY FOR PAY PER CLICK AND TRACKING

Target Start Date:			
PRODUCT / SERVICE	**Initial Campaign Period**	**SPEND / MO.**	**TOTAL**
Pay Per Click Budget			
Tracking Fee ☐Web☐Phone☐Both			
Campaign Set-Up			
TOTAL			

2. ORDER SUMMARY FOR TARGETED DIRECT MAILING LIST

	Total Number of Names	Price Per Name	Total
Targeted Direct Mail List			

3. ACKNOWLEDGEMENTS: By signing below, Advertiser acknowledges that:

1. Advertiser has read and agrees that its relationship with Medi-Weightloss® is governed by and subject to the Medi-Weightloss® Optional Marketing Services Agreement ("Services Agreement").
2. For Call Tracking Services- Advertiser acknowledges and agrees that it has elected to implement call recording as more fully described in and governed by the Services Agreement. In so agreeing, Advertiser acknowledges that calls to Advertiser as the result of the campaign may be recorded.
3. Advertiser acknowledges and agrees that it will comply with the privacy obligations set forth in the Services Agreement.
4. Advertiser understands that payment in full is required for the first month's campaign media, campaign management/tracking fees, and any and all set-up fees before the campaign will be scheduled to go live. As provided in the Services Agreement, Advertiser shall pay in advance the fees for each subsequent month. The Campaign will auto-renew monthly until terminated as provided in the Services Agreement.
5. Advertiser agrees that, except as permitted in the Services Agreement, if Advertiser cancels all or any part of the campaign contemplated by this Insertion Order during the initial Campaign Period, the full amount due under this Insertion Order will be immediately due and payable, and if paying by credit card, Advertiser's credit card will be charged such amount, unless this Insertion Order has been pre-paid in full, in which case Advertiser will forfeit any unused portion of the pre-payment.
6. Advertiser acknowledges and agrees that if the phone numbers governed by this agreement for call tracking purposes are being used in conjunction with an advertising co-operative, all tracking reports generated as a result of the Services Agreement will be released to all members of the co-operative.

4. AUTHORIZATION (SIGN BELOW)

Advertising Franchise Representative: ______________________ Date: __________

Medi-Weightloss® (Marketing): ______________________ Date: __________

Medi-Weightloss® (Operations): ______________________ Date: __________

EXHIBIT H-12

MEDI-WEIGHTLOSS FRANCHISE

OPTIONAL APPLICANT TRACKING SERVICES TERMS OF USE AGREEMENT

Medi-Weightloss Franchising USA, LLC ("Franchisor") offers participating Franchisees Optional Applicant Tracking Services to assist with business staffing needs. This service is governed by the terms and conditions herein.

1. **Applicant Tracking Services**. Upon payment of the Fee, described below, you (the "Employer") will be added to the Medi-Weightloss Teamtailor Account and be able to access, control, and maintain job listings and view potential employment candidates. You are solely responsible for the activity that occurs on your account, and it is your responsibility to ensure that the information provided in your listings is complete and accurate and that your account password is kept secure. You must notify Franchisor immediately of any breach of security or unauthorized use of your account. Franchisor is not liable for any losses or damage caused due to any unauthorized use of your account.

2. **Franchisee Sole Discretion**. Franchisor may provide sample Job Descriptions and best practices to assist as a reference in advertising and recruiting for open positions. However, you are responsible for all information contained in the job listings. Franchisor will not post any job listings on your behalf, nor will Franchisor assist in screening, interviewing, or any in way be involved in your decision making with regards to hiring and termination of employees. Franchisor makes no guarantee about qualifications of any candidates, and you acknowledge and agree that you are solely responsible for all decision making with regard to your hiring, firing and employment decisions.

3. **Fees**. There is a one-time $500 fee to access the Teamtailor platform. This fee is non-refundable and fully earned once paid. There is no minimum monthly commitment and your access to the System will remain active for so long as this Agreement remains in effect.

4. **Termination**. This Agreement can be terminated at the sole discretion of Franchisor at any time, for any reason upon written notice to you.

5. **Disclaimer of Warranties**. The services provided under this Agreement are through a third-party recruiting platform that Franchisor does not control and therefore Franchisor provides all services performed under this Agreement on an AS IS and AS AVAILABLE basis, without warranty of any kind and without guaranty of uninterrupted Service. Franchisor disclaims all warranties of any kind, whether express or implied, including, but not limited to, the implied warranty of merchantability or fitness for a particular purpose and implied warranties arising from course of dealing or course of performance. Without limited the generality of the foregoing, Franchisor makes no guarantees with respect to the performance of success of any job listings.

6. **Limitations of Liability**. To the maximum extent permitted by law, Franchisor disclaims liability for any special, incidental, direct,

7. **<u>Governing Law</u>**. This Agreement will be construed in accordance with and will be governed by the laws of the State of Florida. Each party irrevocably consents to the jurisdiction and venue of the state and federal courts in Hillsborough County, Florida in connection with any claim, action, suit, or proceeding related to this Agreement.

8. **<u>Counterparts</u>**. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

9. **<u>Entire Agreement</u>**. This Agreement sets forth all of the agreements between the parties relating to the subject matter hereof. Any previous agreements or understandings (whether written or oral) between the parties regarding the subject matter hereof are merged into and superseded by this Agreement.

<u>AUTHORIZATION SIGNATURES</u>

FRANCHISE REPRESENTATIVE: ______________________________

Name Printed: ____

Date: ____

Medi-Weightloss Location: _______________________________

Primary Contact Name: __________________________________

Primary Contact Email: __________________________________

Secondary Contact Name: ________________________________

Secondary Contact Email: ________________________________

FRANCHISOR REPRESENTATIVE: ______________________________

Name Printed:____

Date: ____

EXHIBIT H-13

MEDI-WEIGHTLOSS FRANCHISE

MEDICAL PRACTICE MANAGEMENT ADDENDUM

THIS MEDICAL PRACTICE MANAGEMENT ADDENDUM (the "**Addendum**") is effective as of ________________, 20_____ (the "**Addendum Date**"). The parties to this Addendum are ______________________________________ (referred to in this Addendum as "**we**", "**us**", "**our**" or "**Manager**"), and , whose principal business address is _______________________________________ (referred to in this Addendum as "**you**," "**your**" or the "**Practice**"); and MEDI-WEIGHTLOSS FRANCHISING USA, LLC ("**Franchisor**"), a Florida limited liability company, with its principal business address at 302 Knights Run Ave., Ste. 1010, Tampa, FL 33602.

I. INTRODUCTION.

1.1 **Procedures and Defined Terms**. Terms not otherwise defined in this Addendum have the meanings as described in the Franchise Agreement dated ______________________ between ________________________________ and Franchisor (the "**Franchise Agreement**"). This Addendum is incorporated into and is an integral part of the Franchise Agreement.

1.2 **Need for Medical Practice Affiliation**. Because of the need to comply with laws governing health care providers and medical products and services, Medi-Weightloss businesses are usually comprised of 2 entities: (1) an affiliated clinic (the "**Franchised Business**") and (2) an affiliated independently owned and operated medical practice (the "**Practice**").

1.3 **Practice Management Services**. Manager and the Practice desire for the Practice to serve as the Authorized Medical Provider, to work in concert with the Franchised Business, in accordance with applicable laws, rules and regulations for the operation of the Medi-Weightloss business identified, or which will be designated on Exhibit "A". Items not otherwise defined herein have the meanings as defined in the Franchise Agreement. The business the Practice will conduct to provide the medical products and services in support of and in cooperation with the Franchised Business in connection with the Medi-Weightloss business are referred to as the "**Practice's Weight Loss Business**." Under this Addendum, the Franchised Business will provide you the "**Practice Management Services**," which for purposes of this Addendum are those products and services provided by the Manager and the Practice hereunder.

II. ACKNOWLEDGEMENTS AND REPRESENTATIONS

This Addendum amends any agreement under which the Practice will appoint the Franchised Business/Manager as the sole and exclusive manager/agent to administer and manage the operational and regulatory aspects of the Practice's Weight Loss Business (the "**Management Agreement**"). This Addendum amends, modifies and supersedes any conflicting terms of the Management Agreement.

2.1 **Business Organization**. If you or we are, at any time, a business organization (like a corporation, physicians association, limited liability company or partnership) ("**Business Entity**"):

Each of your owners, during the term of this Addendum, will sign and deliver to us our standard form of Franchise Owner Agreement ("Franchise Owner Agreement") undertaking to be bound jointly and severally by all provisions of this Addendum and any other agreements between you and

us. A copy of our current form of Franchise Owner Agreement is attached as Attachment C to our Franchise Agreement; and
At our request, you will furnish true and correct copies of all documents and contracts governing the rights, obligations and powers of your owners and agents (like Articles of Incorporation or organization and partnership, operating or shareholder agreements).

2.2 **Regulatory Review**. It is the Manager's and the Practice's independent obligation to ensure that the model for use of an affiliated Clinic to provide the medical products and services (and any other aspects of the practice of medicine that Manager is prohibited from performing) complies with the applicable laws and rules in the state where they are located ("**your state**"). Within 30 days of the Addendum Date, Franchisor may require that either Manager or Practice must have completed, and provided Franchisor with a copy, of a regulatory review of the legal and health care rules and regulations in the Practice's state that apply to the Medi-Weightloss business and the parties relationships with each other, including an opinion of legal counsel. The legal opinion must address whether or not the parties may operate a Medi-Weightloss business in your state, the restrictions that apply only to Medi-Weightloss business operations and relations with the Practice and Franchised Business and whether such laws are consistent with this Addendum and the Franchise Agreement. If (a) such regulatory review would render it impossible or impractical to operate a Medi-Weightloss business in your state in accordance with this Addendum and (b) and the parties are unable to modify proposed operations to enable the Medi-Weightloss business to comply, then any party may terminate this Addendum immediately on written notice.

2.3 **Compliance with Healthcare-Related Laws**. Without limiting Practice's or Manager's other obligations under this Addendum to comply with all applicable laws, each must ensure that their relationships with the Practice, Authorized Medical Personnel, and the manner in which your Medi-Weightloss business provides products and services comply with all applicable laws, rules, regulations, ordinances and standards of professional conduct. As indicated above, Franchisor may require you and us to restructure your and our compensation arrangements with each other, the medical practice, and Authorized Medical Personnel in order to comply with applicable law. You are responsible for ensuring that the Authorized Medical Personnel, as well as any other healthcare-related professionals who are employed by or work with you in any manner, are properly licensed, certified, trained, educated and experienced to perform the tasks assigned to them or to which they are likely to engage in connection with their relationship with us, your or our clients or the Medi-Weightloss business. You agree that, to the extent we designate or is otherwise prohibited by applicable law, you will not bill nor accept any form of insurance, including Medicare, Medicaid or private insurance, for or in connection with the services rendered or any other activity or service in connection with your customers. However, in limited circumstances, we, subject to our System standards, may permit you to service customers whose services are paid for or reimbursed by self-insured companies or third party payors we designate or approve. You understand and agree that this limitation may restrict the customers/clients to which you market or provide services (such as prohibiting you from offering or selling to Medicaid and Medicare, or insurance reimbursed customers), and you willingly accept such limitation so that you may focus the activities of your Medi-Weightloss business, and limit them to, to the extent we may designate, "cash" payment on fee-for-service basis. By "cash payment on a fee-for-service basis," we mean that you may charge your customers fees paid by credit card, with cash, debit card, checks or the like, which are paid directly by the customer and not by any public or private insurance carrier or fund. Notwithstanding anything else in this Addendum to the contrary, in the event Manager or any of its employees, independent contractors or agents engages in any practice, behavior or activity that involves patient abuse, negligence or otherwise poses a threat to the safety or welfare of clients, the Practice shall have the right to terminate this Addendum immediately upon its delivery of such notice to Manager; provided, in the event such practice, behavior or activity is the result of any action or failure to act on the part of any employee, independent contractor or agent, Manager may cure by removing said employee, independent contractor or agent from any and all duties related to the Practice's Weight Loss Business within five (5) days after receipt of the Practice's notice.

2.4 **No Interference**. We and Franchisor may not and will not interfere with, supervise or assume any responsibility for you or your Authorized Medical Personnel's or other employees', contractors' or agents' exercise of their medical professional judgment with respect to treatment of customers. This provision controls and modifies any other contrary provision of this Addendum that would in any manner affect or purport to limit the independent exercise of medical professional judgment by you, your Authorized Medical Personnel or employees, contractors or agents or that would require us to engage in any activity that would constitute the practice of medicine or any other form of a practice of a profession. All medical decisions, acts or omissions made by, or in connection with, any person in any way associated with your Medi-Weightloss business in the course of the practice of medicine or any other practice of a profession will be the decisions of the individual professionals involved and will not be affected by or attributed to us.

2.5 **Responsibility for Treatment**. You acknowledge and agree that we will in no way whatsoever be responsible for and you will indemnify us against any decisions, acts or omissions related to the medical treatment of, the practice of medicine or any other practice of a profession in relation to, or violation of the privacy interests of any person in any way whatsoever associated with your Medi-Weightloss business. You agree to take all necessary measures to inform all individuals associated with and potential customers of your Medi-Weightloss business that we have no control over or responsibility for any person's or persons' practice of medicine or any other practice of a profession.

2.6 **HIPAA**. Pursuant to the provisions of 42 U.S.C. 1171, et seq., enacted as part of the Health Insurance Portability and Accountability Act of 1996, and the regulations promulgated thereunder, each as amended (collectively referred to herein as the "**HIPAA Rule**"), under the terms of this Addendum, Manager is Practice's "**Business Associate**" (as defined in the HIPAA Rule). As Practice's Business Associate, Manager and Practice shall enter into a business associate agreement (a sample of which is attached to Exhibit H-14 to the Franchise Disclosure Document).

III.MARKS, COPYRIGHTS AND CONFIDENTIAL INFORMATION.

3.1 **The Marks and Copyrights**. Each of the Franchised Business and Practice will be bound by all of the restrictions, non-competition terms, non-solicitation terms, transfer terms, covenants, terms and conditions in the Franchise Agreement as they relate to our Marks, Intellectual Property, trade secrets and Confidential Information as if they were the franchisee under the Franchise Agreement. All such terms and covenants and conditions are incorporated into this Addendum by reference.

IV.RIGHTS AND OBLIGATIONS UPON TERMINATION.

4.1 **Our Rights upon Your Default**. Without limiting any terms of the Franchise Agreement, this Section 4 shall apply: in the event of your default left uncurable in accordance with the applicable cure period under the Terms of this Addendum, lease or under any promissory note or other agreement with us, we are entitled, but not limited, to exercise any one or more of the following remedies in our sole discretion:

to take possession of the Premises or any part thereof, personally, or by our agents or attorneys;
subject to HIPAA and State laws governing patient privacy to enter upon and take and maintain possession of all or any part of your Practice, together with all furniture, fixtures, inventory, books, records, papers and accounts of the Practice's Weightloss business without notice and with or without process of law;
to exclude you, your agents or employees from the Premises;
as attorney-in fact for you, or in our own name, and under the powers herein granted, to hold, operate, manage and control your Practice and conduct the business, if any, thereof, either personally or by our agents, with full power to use such measures, legally rectifiable, as in our discretion may

be deemed proper or necessary to cure such default, including actions of forcible entry or detainer and actions in distress of rent, granting full power and authority to us to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter;
to cancel or terminate any unauthorized agreements or subleases entered into by you, for any cause or ground which would entitle us to cancel the same;
to disaffirm any unauthorized agreement, sublease or subordinated lien, to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Premises that may seem judicious, in our sole judgment;
to enter or obtain access to and control of the Premises and remove applicable weight management equipment, at your expense and with or without prior notice to you;
to insure and reinsure the same for all risks incidental to our possession, operation and management thereof; and
to ensure continuity of care to patients of the Practice, and in conjunction with paragraphs (b) and (d) of this Section 4.1, access and use or transfer all patient records to another Medi-Weightloss practice, and contact all clients to inform them of the status of your Practice and/or the availability of other Medi-Weightloss practices in the market area, so that patients may continue and complete their participation in the Medi-Weightloss System.

4.2 **Marks**. Upon the termination or expiration of this Addendum:

you may not directly or indirectly at any time or in any manner (except with respect to other Medi-Weightloss business you own and operate) identify yourself or any business as a current or former Medi-Weightloss business, or as one of our licensees or franchisees, use any Mark, any colorable imitation of a Mark or other indicia of a Medi-Weightloss business in any manner or for any purpose or utilize for any purpose any trade name, trade or service mark or other commercial symbol that indicates or suggests a connection or association with us;
you agree to take such action as may be required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark;
you agree to deliver to us within thirty (30) days after, as applicable, the effective date of expiration of this Addendum all signs, sign-faces, sign-cabinets, marketing materials, forms and other materials containing any Mark or copyrights or otherwise identifying or relating to a Medi-Weightloss business and allow us, without liability to you or third parties, to remove all such items from your Practice;
you will promptly and at your own expense make such alterations we specify to distinguish your Practice clearly from its former appearance and from other Medi-Weightloss businesses so as to prevent confusion by the public;
you agree that after the effective date of expiration of this Addendum, you will notify the telephone company and all telephone directory publishers of the termination or expiration of your right to use any telephone, telecopy or other numbers and any regular, classified or other telephone directory listings associated with any Mark, authorize the transfer of such numbers and directory listings to us or at our direction and/or instruct the telephone company to forward all calls made to your telephone numbers to numbers we specify; and
you agree to furnish us, within thirty (30) days after the effective date of expiration of this Addendum, with evidence satisfactory to us of your compliance with the foregoing obligations.

4.3 **Confidential Information**. You agree that, upon termination or expiration of this Addendum, you will immediately cease to use any of our Confidential Information in any business or otherwise and return to us all copies of the Franchise Operations Manual and any other confidential materials that we have loaned to you.

4.4 **Competitive Restrictions**. Upon termination or expiration of this Addendum for any reason whatsoever (and you have not acquired a successor franchise), you and your owners or medical professionals you employ agree that for a period of two (2) years commencing on the effective date of termination or expiration neither you nor any of your owners will have any direct or indirect interest (e.g. through a spouse or child) as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, member, medical director, physician, manager, representative or agent or in any other capacity in any Competitive Business operating:

at the Premises, the Territory or through the Practice;
within twenty-five (25) miles of the Premises or the Territory; or
within twenty-five (25) miles of any other Medi-Weightloss business or Territory in operation or under construction on the later of the effective date of the termination or expiration.
If any person restricted by this Section refuses voluntarily to comply with the foregoing obligations, the two (2) year period will commence with the entry of an order of an arbitrator, or court if necessary, enforcing this provision. You and your owners and physician employees expressly acknowledge that you possess skills and abilities of a general nature and have other opportunities for exploiting such skills. Consequently, enforcement of the covenants made in this Section will not deprive you of your personal goodwill or ability to earn a living. Furthermore, your agreements with the Practice must provide that, to the maximum extent permitted by law, the Practice and its physicians and professionals agree to similar restrictions as are imposed on you under this Section. If any physician or professional with whom you contract engages in a Competitive Business without our consent following termination or expiration of this Addendum, you and such breaching physician or professional will be jointly and severally liable to pay to us a fee (the "**Physician Liquidated Damages**") to help compensate us for our costs of such enforcement in the amount of the Physician Liquidated Damages listed on **Attachment "1"**. Such fee, shall serve as partial liquidated damages and shall not be our exclusive recovery from you, or limit our recovery from you in any manner for any action. Without limiting the foregoing, the foregoing fee shall not be deemed as, no shall be used as a measure of our damages for competition by the Practice or any professionals, and shall in no way limit our right to assert that we have no adequate remedy at law in the event of breach.

V. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION.

5.1 **Governing Law**. EXCEPT TO THE EXTENT THIS ADDENDUM OR ANY PARTICULAR DISPUTE IS GOVERNED BY THE U.S. TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §1051 AND THE SECTIONS FOLLOWING IT) OR OTHER FEDERAL LAW, THIS ADDENDUM AND THE FRANCHISE ARE GOVERNED BY ___________ LAW, EXCLUDING ANY LAW REGULATING THE SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP BETWEEN A FRANCHISOR AND FRANCHISEE, UNLESS THE JURISDICTIONAL REQUIREMENTS OF SUCH LAWS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SECTION. ALL MATTERS RELATING TO ARBITRATION ARE GOVERNED BY THE FEDERAL ARBITRATION ACT. References to any law or regulation also refer to any successor laws or regulations and any impending regulations for any statute, as in effect at the relevant time. References to a governmental agency also refer to any successor regulatory body that succeeds to the function of such agency.

5.2 **Waiver of Jury Trial**. YOU AND WE EACH IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER YOU OR US.

5.3 **Costs and Attorneys' Fees**. If a claim for amounts owed by you to us or any of our affiliates is asserted in any legal or arbitration proceeding or if either you or we are required to enforce this Addendum in a judicial or arbitration proceeding, the party prevailing in such proceeding will be entitled to reimbursement of its costs and expenses, including reasonable accounting and attorneys' fees. Attorneys' fees will include, without limitation, reasonable legal fees charged by attorneys, paralegal fees, and costs and disbursements, whether incurred prior to, or in preparation for, or contemplation of, the filing of written demand or claim, action, hearing, or proceeding to enforce the obligations of the parties under this Addendum.

5.4 **Binding Effect**. This Addendum is binding on and will inure to the benefit of our successors and assigns. Except as otherwise provided in this Addendum, this Addendum will also be binding on your successors and assigns, and your heirs, executors and administrators.

5.5 **No Liability to Others; No Other Beneficiaries**. We will not, because of this Addendum or by virtue of any approvals, advice or services provided to you, be liable to any person or legal entity who is not a party to this Addendum; except that Franchisor is an intended third party beneficiary under this Addendum and may enforce its rights against any party to it. Except as specifically described in this Addendum, no other party has any rights because of this Addendum.

Intending to be bound, you and we sign and deliver this Addendum in two (2) counterparts effective on the Addendum Date, regardless of the actual date of signature.

"US"

____
____

By:____________________________________

Name:__________________________________
Title:___________________________________
Date:___________________________________

"YOU"

____
____

____
Name:______________________________
Date:_______________________________

____
Name:______________________________
Date:_______________________________

[Business Entity Name]

By:________________________________
Name:______________________________
Title:_______________________________
Date:_______________________________

ATTACHMENT 1
to
Medical Practice Management Addendum

Physician Liquidated Damages:

$1,000, per day for each day a physician or professional is in breach if the in-term non-competition covenants; $100,000 if the Practice or a physician violates the non-solicitation covenants; $500,000 if a physician or professional violates the in-term or post term confidentiality covenants; and $500,000 if any physician or professional violates the post-term non-competition covenants.

EXHIBIT H-14

MEDI-WEIGHTLOSS FRANCHISE

SAMPLE BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("**Agreement**") is entered into this ____ day of __________________, 20____ by and between __________________________________ ("**Business Associate**") and _____________________________________ ("**Covered Entity**").

1. Definitions. For purposes of this Agreement, the following terms shall have the following meanings.

(a) "**PHI**" means "protected health information," as that phrase is defined in the Health Insurance Portability and Accountability Act of 1996 and at in the privacy and security regulations at 45 CFR Parts 160 and 164, each as amended from time to time (collectively, "**HIPAA**").

(b) "**Services**" means those services to be provided to or on behalf of the Covered Entity by the Business Associate, either directly or indirectly, pertaining to the relationship between them, as described in the agreement between the parties dated __________________.

(c) "**HITECH Act**" means the privacy and security provisions of the Health Information Technology for Economic and Clinical Health Act of 2009 found in Division A, Title XIII, Subtitle D of Pub. L. No. 111-5.

2. Acknowledgment of Confidential Nature of Information. Except as otherwise provided in this Agreement, Business Associate shall maintain the privacy, security and confidentiality of all PHI it receives from, gathers or created on behalf of Covered Entity (hereinafter referred to as "**CE's PHI**") in accordance with (i) all applicable statutes and regulations, including without limitation, HIPAA, and (ii) the terms of this Agreement.

3. Use of PHI. Business Associate is authorized to use and disclose, only in accordance with the provisions of this Agreement, CE's PHI that is reasonably necessary to provide the Services; provided, however, Business Associate may not use or disclose CE's PHI in a manner that would violate HIPAA if Business Associate were a Covered Entity.

4. Privacy and Security Obligations.

(a) Business Associate shall be responsible for and shall maintain the safety, security and integrity of CE's PHI.

(b) Business Associate specifically assures the Covered Entity that Business Associate shall implement appropriate administrative, technical and physical safeguards to protect the confidentiality, availability and integrity of CE's PHI, including without limitation in connection with the retention by Business Associate of third parties as a part of or in a manner affecting the Services. The permitted and required uses and disclosures of CE's PHI by Business Associate extend only to utilizing CE's PHI within the context of performing the Services and accessing and making disclosures of such PHI solely in connection with Business Associate's obligations with respect to the Services, or as otherwise required by law, both in a manner consistent with the then-applicable requirements of law, including, but not limited to HIPAA.

(c) Each party acknowledges that under HIPAA, as amended by the HITECH Act, either party could be deemed to be in violation of HIPAA if it knew of a pattern of activity or practice of the other party that would be deemed a breach or violation of that party's obligations under this Agreement, unless the non-breaching party takes reasonable steps to cure the breach or end the violation; and if such steps are unsuccessful, terminates the Services and/or reports the problem to the Secretary of Health and Human Services. Accordingly, each party shall immediately notify the other party of each incident, whether isolated or resulting from a pattern of activity or practice of the breaching party, that constitutes any such breach or violation as described above, and shall cooperate in providing notice to individuals, the media, and/or the Secretary if appropriate under the HITECH Act and its implementing regulations.

(d) Business Associate may use and disclose CE's PHI for the proper management and administration of each Business Associate if (i) the disclosure is required by law; or (ii) Business Associate obtains reasonable assurances from the person to whom the information is disclosed (a) that CE's PHI will be held confidentially and used or further disclosed only as required by law or for the purposes for which it was disclosed to such person and (b) that such person will notify Business Associate of any instances of which it is aware in which the confidentiality of CE's PHI has been breached.

5. <u>Specific HIPAA Privacy and Confidentiality Obligations</u>: In connection with CE's PHI, Business Associate shall:

(a) not use or further disclose CE's PHI other than as permitted or required by this Agreement or as required by law.

(b) use appropriate safeguards to prevent use or disclosure of CE's PHI other than as provided by this Agreement.

(c) immediately report to Covered Entity any use or disclosure not permitted by this Agreement of CE's PHI by Business Associate, its officers, directors, employees, contractors, or agents or any security incident, as defined by HIPAA, of which Business Associate becomes aware.

(d) ensure that each of its officers, directors, employees, agents and contractors to whom it provides CE's PHI, agrees to the same restrictions and conditions that apply to Business Associate with respect to such PHI.

(e) in accordance with the provisions of 45 CFR §164.524, as amended from time to time, provide Covered Entity, or, at Covered Entity's request, an individual, with access to or a copy of CE's PHI with respect to such individual for the purposes of responding to the individual's request to inspect or copy such PHI, within ten (10) business days after receiving a request from Covered Entity, unless additional time is reasonably required. If CE has an electronic health record and the individual requests an electronic copy of such PHI, Business Associate shall provide such copy in an electronic format.

(f) in accordance with the provisions of 45 CFR §164.526, as amended from time to time, incorporate amendments to CE's PHI requested by the individual to whom it pertains, in the form and within the time as reasonably directed by Covered Entity, unless Covered Entity directs Business Associate not to make such amendment.

(g) to the extent consistent with its duties and obligations, make available its internal practices, books and records (including this Agreement) relating to the use and disclosure of CE's PHI to the Secretary of the Department of Health and Human Services, or the Secretary's designee (as used herein, the term "**Secretary**" refers to either the Secretary or the Secretary's designee, as the case may be).

(h) in accordance with the provisions of 45 CFR §164.528, as amended from time to time, provide to Covered Entity an accounting of disclosures of CE's PHI with respect to an individual for the purposes of responding to that individual's request for such accounting. Business Associate shall implement all processes and procedures as are reasonably necessary to enable Covered Entity to comply with the request for accounting, including reasonable timeliness requirements.

(i) comply with all privacy and security provisions of the HITECH Act which are applicable to business associates, including any and all regulatory requirements adopted by the Secretary to implement the HITECH Act. In the event that such regulations require amendment of this Agreement, the parties agree to negotiate in good faith to incorporate such requirements in a manner which allows each party to fulfill its duties under HIPAA and the HITECH Act.

6. Disclosure Compelled by Law or Governmental Request. If Business Associate (i) becomes legally compelled by law, process or order of any court or a legislative body, or governmental agency to disclose CE's PHI, or (ii) receives a request from the Secretary to inspect the Business Associate's books and records relating to the use and disclosure of CE's PHI, the Business Associate shall notify the Covered Entity and cooperate with the Covered Entity in connection with any reasonable and appropriate action the Covered Entity deems necessary with respect to such PHI including, but not limited to, any effort by Covered Entity to quash, modify or amend such compulsion, order or request. Contemporaneously with its delivery of any CE's PHI pursuant to a duly issued compulsion, order or request, Business Associate shall deliver to Covered Entity a true and complete copy of its response thereto including, but not limited to, copies of that CE's PHI included in the Business Associate's response. In the event any CE's PHI is seized or removed from Business Associate's control pursuant to a search warrant or any comparable legal compulsion, the Business Associate shall deliver a true and complete copy of said search warrant or legal compulsion and any inventory prepared by the seizing authority of those items and records seized or removed pursuant thereto to Covered Entity to the extent Business Associate has same.

7. Termination of Services. The Covered Entity may either require that the Business Associate take timely steps to mitigate any breach, or immediately terminate any agreement to provide the Services if Covered Entity, in its sole discretion, determines that Business Associate or its employees, agents or contractors, intends to violate or has violated a material term of this Agreement. Notwithstanding whether any agreement to provide Services expires by its own terms or is terminated with or without cause, except as otherwise expressly set forth herein, this Agreement shall terminate simultaneously with the termination of the agreement to provide the Services; provided the provisions of Sections 5, 7, and 8 shall survive for a period of 6 years following the termination of the Agreement.

8. Obligations Upon Termination of Services. Upon the earlier of (i) the completion of the Services, or (ii) the termination of the agreement to provide Services, the Business Associate shall promptly return to Covered Entity all CE's PHI that Business Associate maintains in any form, unless the Covered Entity directs that the Business Associate destroy such CE's PHI (and retain no copies of such PHI). If Business Associate is directed to destroy CE's PHI, it shall provide the Covered Entity with an affidavit, signed under oath, that all CE's PHI then in the possession of Business Associate, or its employees and contractors has been destroyed. In the event that the return or destruction of CE's PHI would jeopardize Business Associate's ongoing ability to satisfy its ethical obligations or any successor rules adopted from time-to-time by an applicable governing agency, or other body successor to that function, or is contrary to

Business Associate's standard business practices regarding the protection and storage of information obtained from, created or obtained on behalf of its clients, or, if applicable, in order to ensure continuity of patient care in accordance with Business Associate's rights and responsibilities under that certain Medi-Weightloss business franchise agreement between Business Associate and Covered Entity, then the return or destruction of CE's PHI will be deemed not to be feasible. If there are reasons that the return or destruction of CE's PHI is not feasible and such PHI must be retained for specific reasons, the requirements pertaining to CE's PHI set forth in this Agreement shall continue in effect for so long as the Business Associate retains such PHI, and Business Associate shall not use or disclose such PHI other than for the purpose(s) that made such return or destruction infeasible. This Section 8 shall survive the termination of this Agreement and any agreement to provide Services for such period of time as may be required by law.

9. Inconsistencies. To the extent there are any inconsistencies between this Agreement and the terms of any agreement by which Covered Entity has engaged the Services of Business Associate, the terms of this Agreement shall prevail.

10. Agreements with Business Associate's Contractors and Vendors. Business Associate shall incorporate in all agreements with its contractors and vendors to whom it intends to disclose CE's PHI, such HIPAA compliance provisions as are substantially in the form set forth in this Agreement so that each shall be bound thereunder to the same extent as Business Associate is bound hereunder.

11. Headings; References to CFR. The headings of the paragraphs of this Agreement have been inserted for convenience of reference only and shall in no way restrict or otherwise affect the construction of the terms or provisions of this Agreement. References in this Agreement to Sections are to the sections of this Agreement. References to the CFR (Code of Federal Regulations) are intended to mean the cited section of the CFR as the same may be amended from time to time.

12. Modifications. The parties agree that Covered Entity or Business Associate may amend this Agreement as required to comply with any subsequent amendment or modification of HIPAA, the HITECH Act, or any other federal or state law or regulation concerning the privacy or security of PHI, or to comply with a decision of a Court or agency of competent jurisdiction applying or construing its provisions. Each party shall be deemed to accept and agree to any such amendment unless it notifies the other party in writing not less than thirty (30) days after receiving such notice of amendment to this Agreement.

13. Incorporation by Reference/Execution. This Agreement is incorporated into any and all agreements entered into by Covered Entity and Business Associate pursuant to which Business Associate shall receive, create or have access to CE's PHI.

On behalf of Business Associate:	On behalf of Covered Entity:
______________________________	______________________________
By: ______________________________	**By:** ______________________________
Title: ______________________________	**Title:** ______________________________
Date: ______________________________	**Date:** ______________________________

EXHIBIT H-15

MEDI-WEIGHTLOSS FRANCHISE

TEST SERVICES PILOT PROGRAM AMENDMENT

AMENDMENT TO FRANCHISE AGREEMENT

This Amendment to the Franchise Agreement ("Amendment") is made and entered into this ____ day of _________, 20__ ("Effective Date"), by and between Medi-Weightloss Franchising USA, LLC ("Franchisor") and _____________ ("Franchisee"). At Franchisee's request, Franchisor approves Franchisee's request to test the [Name of Pilot Program/Type] services ("Test Services"). The service will be governed by Franchisee's existing franchise agreement dated ___________ ("Franchise Agreement") as an "approved service" until further notice.

The Test Services have been requested by Franchisee and are not mandatory. Franchisee will participate on a voluntary basis and may continue to off the Test Services until further advised by Franchisor, provided that Franchisee is currently in compliance with Franchisee's current Franchise Agreement and have not received a default notice in the past 90 days.

Franchisee will be required to provide Franchisor feedback, reports, descriptions and details of all operating procedures and any other information that Franchisor may request regarding the Test Services.

While offering the Test Services, Franchisee will be required to follow Franchisor's standards and specifications, as set forth in the Franchise Agreement and Franchisor's Operations Manual, and will only be allowed to conduct these medically prescribed Test Services if Franchisee is in compliance with the Medi-Weightloss operating standards. Specifically, Franchisee will be required to do the following:

1. Provide documentation that ensures Franchisee's lease and insurance policies allow and cover the Test Services. Franchisee must provide to Franchisor's Legal Department the following documents:

a. Lease Agreement;

b. Copy of the executed agreement(s) between Franchisee and the medical professionals

c. List of insurance policies;

d. Copy of entire business liability insurance policy covering the physical location located at __________, listing Franchisor as "additional named insured." An electronic version is acceptable; and

e. Copy of the medical professionals' whole malpractice insurance listing Franchisee and Franchisor as "additional named insured." An electronic version is acceptable.

2. Continually provide to Franchisor the latest updated version of Operating Procedures for the Test Services.

3. Attend all mandatory training programs.

4. Research the applicable laws and business practices related to the Test Services, abiding by all local, state and federal laws applicable to these services. As stated in Franchisee's Franchise Agreement, Franchisee agree it is Franchisee's responsibility to comply with these laws.

5. Purchase any required or necessary equipment, using only Franchisor's approved suppliers for all equipment and supplies that Franchisee will purchase for the Test Services.

6. Comply with any other requirement that Franchisor may impose related to the Test Services.

The Test Services program is being conducted for up to 6 months on a trial basis, unless terminated by Franchisor. As such, during this trial, Franchisee may be required by Franchisor to discontinue of modify such Test Services previous to the 6 month trial period, for any reason and at any time.

Franchisee understands that it may incur substantial expenses in modifying its Medi-Weightloss Business to accommodate the Test Service and Franchisee may be required to reverse these modifications at a later date.

As previously stated, the offering of these Test Services will be governed by Franchisee's existing Franchise Agreement including the provisions related to Confidential Information and indemnification obligations. Franchisee should review its Franchise Agreement before deciding to conduct the Test Services.

Franchisee agrees that Franchisees customers will not be able to receive these Test Services at any other location, unless approved in writing by Franchisor. Customers must be advised they will not be able to receive the Test Services Franchisee is testing at any other Medi-Weightloss location at this time.

Franchisor will work with Franchisee on a workable solution to use existing _____________ software, with the understanding by both parties that upgrades, modifications, changes to the existing software may or may not be acceptable, workable, and successful for the intended purposes. Franchisee understands that development to the __________ software for the purpose of the proposed Test Services may take substantial development time and may incur substantial expense, both for which Franchisee will assume all responsibility. Franchisor and its affiliates and/or subsidiaries do not guaranty upgrades or changes to the existing software will be successful for the test service purpose. Franchisor will advise Franchisee in advance when the scope of support requires some financial responsibility on the part of [Entity Name], and will present a Scope of Services Agreement and Purchase Order for Franchisee's signature before work will proceed.

Franchisor reserves the right to make changes to this Agreement as necessary. By signing below, Franchisee indicates that it meets the requirements and agree to the terms outlined here to conduct the Test Services.

(Signatures on following page)

IN WITNESS WHEREOF, Franchisor and Franchisee have executed this Amendment as of the date first appearing above.

FRANCHISEE:
[ENTITY NAME]

____
Signature

____
Printed Name

____
Title

____
Date

===

FRANCHISOR:
MEDI-WEIGHTLOSS FRANCHISING USA, LLC

____
Signature

____
Printed Name

____
Title

____
Date

EXHIBIT H-16

MEDI-WEIGHTLOSS FRANCHISE

FRANCHISE HRT ADDENDUM

FRANCHISE HRT ADDENDUM
BETWEEN MEDI-WEIGHTLOSS FRANCHISING USA, LLC AND

THIS FRANCHISE HRT ADDENDUM (the "**Addendum**") is effective as of the last date of signature by all parties. It amends the Franchise Agreement including all addenda and exhibits (the "**Franchise Agreement**") between **MEDI-WEIGHTLOSS FRANCHISING USA, LLC**, a Florida limited liability company ("**Franchisor**", "**we**," "**us**" or "**our**"), and **,** a limited liability company, ("**you**"), which operates a MEDI-WEIGHTLOSS® Business located at (you and we are sometimes referred to collectively as the "**parties**").

1. **Precedence and Defined Terms**. This Addendum and all services provided hereunder, is an integral part of, and is incorporated into, the Franchise Agreement. Nevertheless, this Addendum supersedes any inconsistent or conflicting provisions of the Franchise Agreement. Terms not otherwise defined in this Addendum have the meanings as defined in the Franchise Agreement. **This Addendum is personal to you. The terms and conditions of this Addendum cannot be transferred separate from the Franchise Agreement, or with it. Also, the terms and conditions of this Addendum will not apply to any transferee under a transfer as defined in the Franchise Agreement.**

2. **Prerequisites:** To be eligible for the HRT Program, the Franchisee acknowledges that they have complied with the following criteria:

A. **Medical Director Approval.** By executing below, you acknowledge that your Medical Director, or the Medical Practice, has approved HRT Therapy as an additional service which is in their scope of practice. In addition, all Collaborative Agreements (or similar agreements related to supervision of mid-level practitioners and other licensed medical staff) have been updated to cover HRT Therapy services.

B. **Regulatory review.** One of your obligations is to ensure that our model for HRT Therapy complies with the applicable laws, rules and regulations in your state. We reserve the right to require that you complete and provide us with a copy of a regulatory review of the legal and health care rules and regulations in your state that apply to your operation of your Business and your relationships with the Practice, including an opinion of legal counsel.

C. **Good Standing**. The Franchisee must currently be and remain in substantial compliance with the Franchise Agreement including, but not limited to, timely payment of all fees due, utilization of Franchisor's financial reporting software (currently, our online version of QuickBooks), compliance with System Standards to include, without limitation, proper Branding, use of our Marks, and use of the MEDI-WEIGHTLOSS® Program.

3. **Training Fee**: You have agreed to our third-party vendor, Hormone Health Institute ("HHI"), a fee in the amount of $2,010 per provider for the required training for the HRT Program.

A. For clarity, the training fee described above is assessed on a per-provider basis and not on a per-clinic basis. If a provider has previously completed the required HRT Program training through HHI, no additional training fee will be due for that provider solely because the provider renders services at more than one Medi-Weightloss® Business owned or operated by Franchisee or its affiliates.

B. You acknowledge that this fee excludes the practical certification for pellet insertion, which we anticipate will become available as an optional addition to the HRT Program for an additional fee at a later date TBD.

4. **Qualified Staff**: Prior to the implementing HRT Program in your Medi-Weightloss® Business, you agree to provide the qualified staff necessary for delivery of services mandated by the HRT Program System Standards. Your qualified staff must successfully complete the course and pass both the written and oral exam subject to the discretion of HHI, and any other standards mandated by HHI, prior to treatment of any Medi-Weightloss® patients in your Business.

5. **HRT Program System Standards**: You shall adhere to the then current HRT Program System Standards as may be published and/or updated from time to time.

6. **Approved Vendors.** You acknowledge and agree to utilize only our Approved Vendors for all products and services related to the HRT Program.

7. **HRT Fee.** All revenue derived from the HRT Program shall be included in the definition of Gross Sales for purposes of calculating the Royalty Fee due under the Franchise Agreement. If you do not currently pay percentage based Royalty Fee, for example you pay, a fixed Total Monthly Fee, Franchisor will charge a separate **HRT Fee** which shall be due monthly on the same day as the Royalty Fee and calculated as 11% of all Gross Sales derived from the HRT Program, with 1% of the HRT Fee being allocated towards the System Branding Fund.

8. **Term of HRT Program:** Upon approval, you shall be authorized to offer the HRT Program for the remainder of your Term.

9. **General Release.** You and your owners must execute the form of our general release attached hereto as **"Exhibit B"**.

10. **Non-Compliance.** Non-compliance by you of the terms and conditions in this Addendum, and in the Franchise Agreement, including, but not limited to, failure to make timely payments of the fees owed, may be considered a material breach of this Addendum and the Franchise Agreement.

11. **Regulatory Changes**. In the event that applicable controlling state or federal laws, rules or regulations prohibit the fee structure(s) described in the Franchise Agreement and/or as amended herein, we may, at our option and in our sole discretion, modify this Addendum to comply with such laws, rules or regulations or discontinue the HRT Program, voiding any changes to it made by this Addendum.

12. **Acknowledgement, and Remaining Terms Unaffected.** The foregoing terms, including the Prerequisites, have been negotiated by you, and these changes to the Franchise Agreement have been made at your request and for your benefit. They have not been unilaterally imposed by us. The remainder of the Franchise Agreement is unaffected and is binding on the parties.

Intending to be bound, you and we sign and deliver this Addendum to each other as shown below:

MEDI-WEIGHTLOSS FRANCHISING USA, LLC, a Florida limited liability company,	a ___________ limited liability company
By: ________________________	By: ________________________
Name: ________________________	Name: ________________________
Title: ________________________	Title: ________________________
Date: ________________________	Date: ________________________

"EXHIBIT A"

RELEASE BY BUSINESS OWNERS

THIS RELEASE is given by _______________, and all of their predecessors and affiliates; and each of their owners, officers, employees, legal representatives and agents, directors, successors and assigns, and their heirs, beneficiaries, executors and administrators (collectively the "**Business Owners**"), to **MEDI-WEIGHTLOSS FRANCHISING USA, LLC,** a Florida limited liability company, and all of its predecessors and affiliates, and each of their owners, officers, employees, legal representatives and agents, directors, successors and assigns, and their heirs, beneficiaries, executors and administrators (individually and collectively, "**Franchisor**").

Effective on the date of this Release, Business Owners forever release, covenant not to sue, and discharge Franchisor from any and all claims, causes of action, suits, debts, agreements, promises, damages, losses, demands, liabilities, contractual rights and/or obligations, of whatever nature or kind, in law or in equity, known or unknown, fixed or contingent, past or present, which Business Owners now have or ever had against Franchisor specifically arising up to now out of that certain Franchise Agreement and related documents dated ___________________, as may be amended ("Franchise Agreement"); anything out of that particular referenced franchise relationship between Business Owners and Franchisor; violations of franchise, business opportunity or seller assisted marketing plan laws; or any other laws, rules or regulations; except for Franchisor's ongoing obligations under the aforementioned Clinic Franchise Agreement, as amended; and any franchise related contracts or documents related thereto.

Except as provided above, this Release is intended by the parties to be unqualifiedly general in scope and effect and effective for the following as they relate to the above-referenced documents and stated business relationship up to now: (a) any and all claims and obligations, including those of which Business Owners are not now aware; and (b) all claims Business Owners have from anything which has happened from the beginning of time up to and including the Effective Date of this Release.

Business Owners are bound by this Release. Business Owners freely and voluntarily give this Release to Franchisor for good and valuable consideration and Business Owners acknowledge its receipt and sufficiency. The Business Owners have consulted with, and had the advice of, an attorney, and the parties are executing this Release after independent investigation and without fraud, duress, or undue influence.

Business Owners represent and warrant to Franchisor that Business Owners have not assigned or transferred to any other person any claim or right Business Owners had or now have relating to or against Franchisor.

In this Release, each pronoun includes the singular and plural as the context may require.

This Release is governed by Florida law.

This Release is effective **as of the effective date of the HRT Addendum to which this is attached,** notwithstanding the actual date of signature herein.

(Signature Page Immediately Follows)

IN WITNESS WHEREOF, the undersigned executes this RELEASE BY BUSINESS OWNERS:

“**BUSINESS OWNERS**”

____

a __________________________________

By: ____

Name:

Title:

Date:____

EXHIBIT H-17

MEDI-WEIGHTLOSS FRANCHISE

CONTACT CENTER SERVICE AGREEMENT

CONTACT CENTER SERVICE AGREEMENT

This Contact Center Service Agreement ("Agreement") is made between the undersigned Medi-Weightloss® Business (the "Medi-Business") and Medi-Weightloss Franchising USA, LLC ("Franchisor"), effective as of the date Medi-Business signs below.

1. **Sign-up and Go-Live Timing:** To enroll, this form must be signed and received at least fourteen (14) days prior to the desired Go-Live Date. Franchisor will use commercially reasonable efforts to meet the requested Go-Live Date, however, the official Go-Live Date will be determined based on request, volume and scaling plan.

2. **Billing:** Billing will occur monthly in advance with payment due on the 1st business day of each calendar month.

3. **Offboarding and Termination:** Either party may terminate services by providing written notice at least thirty (30) days prior to the next billing date.

4. **Service Offerings and Fees:** Medi-Business selects the following Service Offering (check one):

_______ Inbound + Outbound (Business & Non-Business Hours): $950/month

- Includes handling inbound lead calls and Day 1 -3 Lead Management for new web leads by phone and email during Contact Center hours (M-Th 8 a.m. – 10 p.m. EST, and F-Sat 8 a.m. – 4 p.m. EST).
- Day 1 Lead Management is defined as the initial contact consisting of two phone calls spaced 3-4 hours apart within legal calling hours. A voicemail will be left after each call, and an email will be sent after the first unanswered call. Days 2 and 3 will consist of 1 phone call per day with a voicemail as necessary.

_______ Inbound (Business & Non-Business Hours): $800/month

- Contact Center will handle all lead calls during Medi-Business business and non-business hours, including times when Medi-Business is open.

_______ Inbound (Non-Business Hours only): $450/month

- Contact Center will handle all lead calls that come in when Medi-Business is closed during Contact Center hours of operation.

5. **Preferred Payment Method**.

_________ Credit Card (subject to a 3% processing fee)

_________ ACH Bank Transfer

6. **Price Adjustment.** Franchisor reserves the right to adjust pricing of the Service Offering by up to three percent (3%) to account for fluctuations in costs from third-party service vendors. Franchisor shall provide Medi-Business no less than thirty (30) days written notice of any such price adjustment, which shall take effect on the next billing cycle following the notice period.

7. **Service Modification by Medi-Business**. Medi-Business may modify its selected Service Offering by providing Franchisor with thirty (30) days written notice of the requested change.

Modifications will take effect at the commencement of the next billing cycle following the notice period.

8. **Other Terms:** This Agreement constitutes the entire understanding between the parties regarding the subject matter and supersedes prior proposals or communications about the services described herein. All other terms, including but not limited to Governing law, Confidentiality, and other standard contract provisions are governed by the Franchise Agreement between the parties.

Franchisor:	"Medi-Business": ________________ (location)
By: ____________________________	By: _________________________________
Name: _________________________	Name: ______________________________
Date: ___________________________	Date: ________________________________

EXHIBIT I

FRANCHISE DISCLOSURE QUESTIONNAIRE

Do not sign this Questionnaire if you are a resident of Maryland or Washington the franchise is to be operated in Maryland or Washington.

(This questionnaire is not to be used for any franchise sale in or to residents of California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin)

As you know, Medi-Weightloss Franchising USA, LLC ("we" or "us"), and you are preparing to enter into a Franchise Agreement and Area Development Agreement, if applicable, for the operation of a Medi-Weightloss franchise. **You cannot sign or date this questionnaire the same day as the Receipt for the Franchise Disclosure Document, but you must sign and date it the same day you sign the Franchise Agreement and Area Development Agreement, if applicable.** Please review each of the following questions carefully and provide honest responses to each question. If you answer "No" to any of the questions below, please explain your answer in the table provided below.

1. Yes__ No__ Have you received and personally reviewed the Franchise Agreement and Area Development Agreement, if applicable, and each attachment or exhibit attached to it that we provided?

2. Yes__ No__ Have you received and personally reviewed the Franchise Disclosure Document and each attachment or exhibit attached to it that we provided?

3. Yes__ No__ Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it?

4. Yes__ No__ Do you understand all the information contained in the Franchise Disclosure Document and Area Development Agreement, if applicable?

5. Yes__ No__ Have you reviewed the Franchise Disclosure Document and the Franchise Agreement (and Area Development Agreement, if applicable) with a lawyer, accountant, or other professional advisor, or have you had the opportunity for such review and chosen not to engage such professionals?

6. Yes__ No__ Do you understand the risks of developing and operating a Medi-Weightloss Franchise?

7. Yes__ No__ Do you understand the success or failure of your Medi-Weightloss Franchise will depend in large part upon your skills, abilities, and efforts, and those of the persons you employ, as well as many factors beyond your control such as competition, interest rates, the economy, inflation, labor and supply costs, and other relevant factors?

8. Yes__ No__ Do you understand all disputes or claims you may have arising out of or relating to the Franchise Agreement and Area Development Agreement, if applicable, must be litigated in [state], if not resolved informally or by mediation (subject to state law)?

9. Yes__ No__ Do you understand that you must satisfactorily complete the initial training program before we will allow your Medi-Weightloss Franchise to open or consent to a transfer of the Medi-Weightloss Franchise to you?

10. Yes__ No__ Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Medi-Weightloss Franchise that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

11. Yes__ No__ Do you agree that no employee or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement and Area Development Agreement, if applicable, and any addendum, concerning advertising, marketing, media support, marketing penetration, training, support service, or assistance that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

12. Yes__ No__ Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Medi-Weightloss Franchise will generate that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

13. Yes__ No__ Do you understand that the Franchise Agreement and Area Development Agreement, if applicable, including each attachment or exhibit to the Franchise Agreement and Area Development Agreement, if applicable, contains the entire agreement between us and you concerning the Medi-Weightloss Franchise?

14. Yes__ No__ Do you understand that we are relying on your answers to this questionnaire to ensure that the franchise sale was made in compliance of state and federal laws?

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

Sign:	Sign:
Printed Name:	Printed Name:
Date:	Date:

EXPLANATION OF ANY NEGATIVE RESPONSES (REFER TO QUESTION NUMBER):

Question Number	Explanation of Negative Response

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EXHIBIT J

STATE EFFECTIVE DATES

State Effective Dates

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

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

State	Effective Date
California	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	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 K

RECEIPTS

RECEIPT
(Retain This Copy)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Medi-Weightloss Franchising USA, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Under Iowa law, if applicable, Medi-Weightloss Franchising USA, LLC must provide this disclosure document to you at your first personal meeting to discuss the franchise. Michigan requires Medi-Weightloss Franchising USA, LLC to give you this disclosure document at least ten business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires you to receive this disclosure document at the earlier of the first personal meeting or ten business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Medi-Weightloss Franchising USA, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency identified on Exhibit A.

The name, principal business address, and telephone number of each franchise seller offering the franchise is:
Medi-Weightloss Franchising USA, LLC, 302 Knights Run Ave., Ste. 1010, Tampa, FL 33602, (813) 228-6334 Brian Petranick, Christina Anderson; Sharla Cook; Dr. Macklin Guzman; Chandler Hedgepath; Melissa Hudson; Debbie Mathey; Charolette Obringer; Casey Robinson; Ben Scott

Issuance Date: April 30, 2026

I received a disclosure document issued April 30, 2026 which included the following exhibits:

Exhibit A	List of State Administrators and Agents for Service of Process
Exhibit B	Financial Statements
Exhibit C	Franchise Agreement
Exhibit D	Area Development Agreement
Exhibit E	List of Current and Former Franchisees/Area Developers
Exhibit F	Franchise Operations Manual Tables of Contents
Exhibit G	State Addenda and Agreement Riders
Exhibit H	Contracts for use with the Medi-Weightloss Franchise
Exhibit I	Franchise Disclosure Questionnaire
Exhibit J	State Effective Dates
Exhibit K	Receipt

Sign:	Sign:
Printed Name:	Printed Name:
Date:	Date:

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PLEASE RETAIN THIS COPY FOR YOUR RECORDS.

RECEIPT
(Our Copy)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

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Exhibit J	State Effective Dates
Exhibit K	Receipt

Sign:	Sign:
Printed Name:	Printed Name:
Date:	Date:

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Please sign this copy of the receipt, date your signature, and return it to Franchise Administration Department, Attn: Colette Trebon, Esq., General Counsel, 302 Knights Run Avenue, Suite 1010, Tampa 33602.