FRANCHISE DISCLOSURE DOCUMENT

DAKOTA ONE FRANCHISING, LLC
a South Dakota limited liability company
4901 S. Isabel Place, #200,
Sioux Falls, SD 57108
(605) 271-2670
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www.maxmuscle.com

Dakota One Franchising, LLC, a South Dakota limited liability company, is offering potential franchisees three options for acquiring a Max Muscle Franchise: (1) a multi-store royalty savings program franchise program ("**Multi-Store Royalty Savings Program**") which is available to all current Max Muscle franchisees that are in good standing at the time they sign the Franchise Agreement; (2) a conversion program ("**Conversion Program**") to qualified operators of existing sports nutrition stores who are willing to convert their stores to Max Muscle stores, and (3) a standard franchise offering ("**Standard Franchise Program**") for all other qualified franchise candidates. Under each of these programs, we will offer you the right to use the trademark "MAX MUSCLE®" and related trademarks and service marks, for the development and operation of one or more retail outlets that offer proprietary nutritional supplements, proprietary nutraceuticals, and assorted other products that are common in the body-building, health and fitness, nutrition industry ("**Max Muscle Franchise**"). Dakota One Franchising, LLC. is also offering to select qualified persons the opportunity to acquire the exclusive right to develop multiple Max Muscle Stores in a designated Development Area. The Development Area will be established based on the consumer demographics of the Development Area, geographical area, city, county or other boundaries.

The total investment necessary to begin operation of a single Max Muscle franchised business under the Multi-Store Royalty Savings Program or the Conversion Program is $93,500 to $243,500. This includes $57,000 to $132,500 that must be paid to the franchisor and its affiliates. The total investment necessary to begin the operation of a single Max Muscle franchised business under the Standard Franchise Program is $128,500 to $278,500. This includes $91,500 to $162,500 that must be paid to franchisor and its affiliates.

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 days before you sign a binding agreement, or make any payment in connection with the proposed franchise sale or grant. **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 Contracts Administrator at 4901 S. Isabel Place, #200, Sioux Falls, South Dakota 57108 and (605) 271-2670.

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. Information comparing franchisors is available. Call your state agency or your public library for sources of information. 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 FTC. 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.

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

The issuance date: **April 15, 2019**

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in **Exhibit A** for information about the franchisor, or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN DENVER, COLORADO EXCEPT FOR CERTAIN DISPUTES, WHICH MUST BE LITIGATED IN SOUTH DAKOTA. OUT-OF-STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE OR LITIGATE WITH US IN SOUTH DAKOTA THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT STATES THAT SOUTH DAKOTA LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. YOU MUST MAKE INVENTORY AND SUPPLY PURCHASES FROM OUR AFFILIATE OF AT LEAST $4,500.00 A MONTH, BEGINNING ON THE 13TH MONTH OF OPERATION, EVEN IF YOU DO NOT NEED THEM. YOUR FAILURE OR INABILITY TO BUY THE MINIMUM AMOUNTS FROM OUR AFFILIATE MAY RESULT IN TERMINATION OF YOUR FRANCHISE AND LOSS OF YOUR INVESTMENT.

4. 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, SOME OF WHICH PRICES THE FRANCHISOR MAY SET. THESE PRICES MAY BE HIGHER THAN PRICES YOU COULD OBTAIN ELSEWHERE FOR SIMILAR GOODS. THIS MAY REDUCE THE ANTICIPATED PROFIT OF YOUR FRANCHISED BUSINESS.

5. YOUR SPOUSE MUST SIGN A DOCUMENT THAT MAKES YOUR SPOUSE LIABLE FOR ALL FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, EVEN IF YOUR SPOUSE HAS NO OWNERSHIP INTEREST IN THE FRANCHISE. THIS GUARANTEE WILL PLACE BOTH YOUR AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS (PERHAPS INCLUDING YOUR HOUSE) AT RISK IF YOUR FRANCHISE FAILS.

6. THE FRANCHISOR IS AT AN EARLY STAGE OF DEVELOPMENT AND HAS LIMITED OPERATING HISTORY. THIS FRANCHISE IS LIKELY TO BE A RISKIER INVESTMENT THAN A FRANCHISE IN A SYSTEM WITH A LONGER OPERATING HISTORY.

7. ONE TRADEMARK THAT YOU WILL USE IN YOUR BUSINESS IS NOT FEDERALLY REGISTERED. IF THE FRANCHISOR'S RIGHT TO USE THIS TRADEMARK IN YOUR AREA IS CHALLENGED, YOU MAY HAVE TO IDENTIFY YOUR BUSINESS AND ITS PRODUCTS OR SERVICES WITH A NAME THAT DIFFERS FROM THAT USED BY OTHER FRANCHISEES OR THE FRANCHISOR. THIS CHANGE CAN BE EXPENSIVE AND MAY REDUCE BRAND RECOGNITION OF THE PRODUCTS OR SERVICES YOU OFFER.

8. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

Please see the following effective date page for effective dates in registration states.

STATE EFFECTIVE DATES

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

This Franchise Disclosure Document is registered, on file, exempt from registration, or otherwise effective in the following states with franchise registration and disclosure (or business opportunity*) laws as of the dates listed:

California	Effective date:	Pending
Florida	Effective date:	July 6, 2018
Hawaii	Effective date:	
Illinois	Effective date:	Pending
Indiana	Effective date:	Pending
Kentucky*	Effective Date:	May 15, 2018
Maryland	Effective date:	
Michigan	Effective date:	Not registered
Minnesota	Effective date:	Pending
Nebraska*	Effective date:	May 14, 2018
New York	Effective date:	Pending
North Dakota	Effective date:	Pending
Rhode Island	Effective date:	Pending
South Dakota	Effective date:	Pending
Texas*	Effective date:	June 13, 2018
Utah	Effective date:	October 1, 2018
Virginia	Effective date:	Pending
Washington	Effective date:	Not Registered
Wisconsin	Effective date:	Not Registered

In all other states, the Effective Date of this Disclosure Document is **April 15, 2019**.

* Denotes one-time filing

TABLE OF CONTENTS

ITEM		PAGE
ITEM 1	THE FRANCHISOR AND ANY PARENT, PREDECESSORS, AND AFFILIATES	1
ITEM 2	BUSINESS EXPERIENCE	4
ITEM 3	LITIGATION	4
ITEM 4	BANKRUPTCY	5
ITEM 5	INITIAL FEES	5
ITEM 6	OTHER FEES	6
ITEM 7	ESTIMATED INITIAL INVESTMENT	27
ITEM 8	RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	33
ITEM 9	FRANCHISEE'S OBLIGATIONS	36
ITEM 10	FINANCING	38
ITEM 11	FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING	38
ITEM 12	TERRITORY	46
ITEM 13	TRADEMARKS	48
ITEM 14	PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	50
ITEM 15	OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	51
ITEM 16	RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	52
ITEM 17	RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	52
ITEM 18	PUBLIC FIGURES	56
ITEM 19	FINANCIAL PERFORMANCE REPRESENTATIONS	56
ITEM 20	OUTLETS AND FRANCHISEE INFORMATION	57
ITEM 21	FINANCIAL STATEMENTS	62
ITEM 22	CONTRACTS	62
ITEM 23	RECEIPTS	63

EXHIBITS

Exhibit A: List of State Administrator and Agents for Service of Process
Exhibit B: Franchise Agreement
Exhibit C: Non-Disclosure and Non-Competition Agreement
Exhibit D: Operations Manual Table of Contents
Exhibit E: List of Franchisees
Exhibit F: Franchisees Who Have Left the System
Exhibit G: Product Purchase Agreement
Exhibit H: Financial Statements
Exhibit I: Statement of Franchisee
Exhibit J: State-Specific Addenda
Exhibit K: Receipt

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

To simplify the language in this Franchise Disclosure Document ("**Disclosure Document**"), "**we**," "**us**" or "**Dakota One**" means Dakota One Franchising, LLC, dba Max Muscle®, the Franchisor. We will refer to the person who buys the franchise as "**Franchisee**" or "**you**" throughout this Franchise Disclosure Document. If the Franchisee is a legal business entity, certain terms of the Franchise Agreement also apply to the owners of the entity and will be noted.

The Franchisor, Its Predecessors and Affiliates

Dakota One is a South Dakota limited liability company. We were formed in July 2017. We do business under our dba Max Muscle®, our corporate name and no other name. Our principal business address is 4901 S. Isabel Place, #200, Sioux Falls, SD 57104. We have been supporting franchisees from our predecessor since October 2017. We began offering franchises in April 26, 2018. We do not engage in any other business activities. We have never offered franchises in any other line of business.

Our predecessor, Peak Franchising, Inc. ("**Peak**"), was a California corporation that was incorporated on January 11, 2001. Its principal place of business was 210 W. Taft Ave., Orange, California 92865. Peak offered franchises for Max Muscle Franchises from September 2001 through October 2017. We acquired substantially all of the franchise assets from Peak on October 11, 2017.

We also offer certain independent retail stores ("**Authorized Retailers**") the opportunity to sell Max Muscle Products, in territories in which we have no Franchisees, by signing our Authorized Retailer Agreement. These Authorized Retailers do not market their stores under the Max Muscle® name, and they must relinquish their rights to sell Max Muscle Products upon notification by us that a Franchisee is opening a Max Muscle Store in their vicinity.

We have a total of 1 affiliate ("**Affiliate**"), Max One Nutrition, LLC, ("**Max One**"). Max One is a South Dakota limited liability company that was formed in July 2017. Our Affiliate shares the same business address as Dakota One and has never offered franchises for Max Muscle Products or any other line of business.

Max One's predecessor, Joe Wells Enterprises, Inc., was a California corporation that was incorporated on June 25, 1991, and began selling Max Muscle Products in 1991. JW never offered franchises for Max Muscle Products or any other line of business.

Our agent for service of process is Mike Teslow, 4901 S. Isabel Place, #200, Sioux Falls, SD 57108. Our state agents for service of process are disclosed on **Exhibit A**.

The Franchise

We offer franchises for the use of our Max Muscle trademarks, tradenames, service marks and logos ("**Marks**") for the operation of retail outlets ("**Max Muscle Stores**") that offer proprietary nutritional supplements, proprietary nutraceuticals, accessories ("**Max Muscle Products**") and assorted other products ("**Authorized Third-Party Products**") that are common in the health and fitness industries. The standard size of a Max Muscle Store ranges between 900 square feet of retail space (including restrooms) and 1,200 square feet of retail space (including restrooms). In some cases we allow you to establish a satellite store ("**Satellite Store**") within your authorized territory. A Satellite Store is a business location within your Authorized Territory which functions as a part of another store, such as a kiosk or a display rack located in a gym. A Satellite Store will be a maximum of 600 square feet and will not have a separate store front or entrance.

The franchise is operated under a business format per a unique system, including our valuable know-how, information, trade secrets, methods, Operations Manual, standards, designs, methods of

trademark usage, copyrights, sources and specifications for Max Muscle Products, and Authorized Third-Party Products, proprietary licensed software, confidential electronic and other communications, methods of internet usage, marketing programs, and research and development connected with the operation and promotion of Max Muscle Stores ("**System**"). We reserve the right to change or otherwise modify the System at any time in our sole discretion. Each Max Muscle Store offers the general public a variety of products in the fitness and health and wellness industries. The products include nutritional supplements, such as whey protein powders, glutamine, protein concentrates, creatine, and other supplements. Customers are given advice on fitness and nutrition by Max Muscle Store owners and their employees.

You must operate your Max Muscle Store per our standard business operating practices and sign our standard franchise agreement ("**Franchise Agreement**"). Your Max Muscle Stores must carry Max Muscle Products, including approved supplements and accessories. You may also carry authorized products produced by unaffiliated companies and distributed by one or more of our Affiliate ("**Distributed Products**") per our guidelines. You may also sell certain Authorized Third-Party Products provided we have authorized such products that are to be sold from your Max Muscle Store in advance. If we do authorize the sale of Third-Party Products, sales of those Third-Party Products can never exceed 20% of the Gross Revenue from your Max Muscle Store. Therefore, your Max Muscle Store's Gross Revenue must at all times consist of at least 80% of Max Muscle Products. We reserve the right to add, modify, or delete any Max Muscle Products, Distributed Products, or Authorized Third-Party Products at any time in our sole discretion. In addition, it is important that you understand the fact that a product is on the Authorized Third-Party Product list does not mean that the product has been tested and approved by us, and you have the obligation to indemnify, defend, and hold us harmless for any claims made against us if you choose to sell any Authorized Third-Party Products.

A franchise is available to anyone who is interested in operating a Max Muscle Store and satisfies our qualifications. As a franchise operator you may operate 1 Max Muscle Store for each Franchise Agreement you sign with us. We also offer to select qualified persons the opportunity to acquire the exclusive right to develop multiple Max Muscle Stores in a designated development area ("**Development Area**").

Although we no longer offer the opportunity to become a regional director ("**Regional Director**"), we do have existing Regional Directors. Except as listed in Item 2, no Regional Director has management responsibility for Dakota One.

Market and Competition

The market for the nutrition and supplement industry in general has grown dramatically as the result of enhanced societal awareness of health and fitness issues and the public's increased concern for personal health in today's energetic society. The American Dietetic Association released a report on January 3, 2000 that indicated that 85% of Americans identify diet and nutrition as important to them personally, and that Americans are becoming increasingly receptive to non-food sources of nutrition, such as supplements.

The market for nutritional supplements is developed and competitive in attracting customer dollars and securing high profile locations. You will be in competition with large national and small local nutrition stores. Grocery stores, drug store chains, "**big box**" retailers, and pharmacies also carry certain nutrition and dietary supplements. You will also be in competition with some Web-based discount operations.

Dakota One differentiates itself from its competitors by providing information on diet and fitness to its customers. All Max Muscle Store operators must obtain certification as a Certified Fitness Nutrition Coach from the National Exercise Sports Trainers Association ("**NESTA**"). We cover the cost of NESTA certification for 1 Max Muscle Store operator. The NESTA certification course is an online course, which generally takes one week to complete. Some Max Muscle Store operators are also certified dieticians or have other training in nutrition. We also encourage franchisees to locate their Max Muscle Stores close to health clubs and other athletic facilities in order to capture foot traffic from those venues.

You will also face normal business risks that could have an adverse effect on your Max Muscle Store. These include industry developments, such as pricing policies of competitors, and supply and demand. Another risk factor is our dependence on key personnel, the loss of whom could have an adverse effect on us. Our ability to fulfill our obligations under our Franchise Agreement depends in part on our present and future financial condition. Litigation risks also exist, including product liability litigation against you or us because of the use of nutritional supplements by customers, and future litigation which may not be foreseeable.

Regulations

There are federal and state laws and regulations specific to the nutrition supplement industry. There may also be local and state agencies that regulate the nutrition supplement industry in your territory. These agencies control products and materials that may be harmful to public health. Because of the significant risk of product liability lawsuits being commenced by customers who claim to be injured because they took nutritional supplements, it is extremely important that you comply with all laws and regulations in this area and that you become educated regarding nutritional supplement safety. You should familiarize yourself with these laws and regulations and with other federal, state or local laws and regulations of a more general nature which may affect the operation of a Max Muscle Store. It is the responsibility of each Franchisee to comply with all Food and Drug Administration, federal, state and local regulations, employment laws, worker's compensation insurance requirements, corporate taxing and licensing laws, and any other laws that affect the operation of each Franchisee's Max Muscle Store.

The United States Department of Agriculture and the Food and Drug Administration ("**FDA**") regulates the manufacture, labeling and distribution of food products and the labeling of sports nutritional supplements.

The FDA issues warnings regarding specific products through "**Talk Papers**" and press releases that advise the public about health concerns. The FDA also implements regulations and promotes the passage of laws that classify certain drugs or ingredients as "**Controlled Substances**", or what the FDA calls "**New Drugs**".

Certain dietary supplements - vitamins, herbs, minerals and amino acids - are not subject to pre-market safety evaluations by the FDA because they are considered "**food**" rather than "**drugs**" under the 1994 Dietary Supplement Health and Education Act. The law does require that dietary supplements meet the requirements of other safety provisions. The law and its accompanying regulations define dietary supplements and dietary ingredients; establish a frame work for ensuring product safety; outline guidelines for the display of sales and informational literature where supplements are sold; provide for the use of claims and statements of nutritional support; require the labeling of ingredients and nutrition information; and grant the FDA the authority to establish good manufacturing practice regulations.

You are prohibited from selling Controlled Substances, as defined in the Franchise Agreement, from your Max Muscle Store at any time. You must certify in writing to us that you are not selling any Controlled Substances at any time that we request. (See Attachment VI to the Franchise Agreement).

Many local or state jurisdictions require food service permits for those preparing, handling and serving food to the public. If a Franchisee is ever permitted to sell food products from its Max Muscle Store, the Franchisee and its employees may be required to pass a test or other certification process to obtain such a permit. There may also be local ordinances and regulations governing food storage, preparation and serving.

The above are examples of some, but not all of the laws that may be applicable to the franchised business described in the Franchise Disclosure Document. The Franchise Agreement places the responsibility for complying with all applicable laws and regulations upon you, the franchisee. You should research these requirements before you invest in a Max Muscle franchise and talk to an advisor, like a lawyer or accountant, regarding compliance with these laws and regulations.

ITEM 2
BUSINESS EXPERIENCE

President: Terry Wieting

Terry Wieting has been the President for Dakota One and Max One since the creation of each company in July 2017. Mr. Wieting is also currently the President of Wieting's Farms in Huron, South Dakota, and has been since 1996. Mr. Wieting was a co-founder of agriculture technology company AgSense in 2003 and is currently a minority shareholder of the firm.

Head of Production Creation & Innovation: Joe Wells

Joe Wells has been the head of Production Creation & Innovation for Max One and has been a minority shareholder in Max One and Dakota One since November 2017. Prior to that time, Mr. Wells was Founder and CEO of JWE from July 1991 until November 2017 and Chairman and Chief Executive Officer of Peak from January 2001 until November 2017.

Chief Executive Officer: Mike Teslow

Mike Teslow has been the Chief Executive Officer of Dakota One and Max One since the creation of each company in July 2017. Mr. Teslow was the Chief Executive Officer of Swenson Investments & Commodities in Sioux Falls, South Dakota from January 2007 until November 2017.

Head of Brand Engagement: Sean Greene

Sean Greene has led Brand Engagement for Max One and has been a minority shareholder in Max One and Dakota One since November 2017. Prior to that time, Mr. Green served as President and Director of Peak from June 2016 until November 2017 and was Vice President and a Director of Peak between January 2001 and May 2016. Mr. Green was also the President and Founding Partner of JWE and served in that capacity from 1994 until November 2017.

Director of Franchise Development and Compliance: Mike Dalton

Mike Dalton has been the Director of Franchise Development and Compliance for Colorado and Utah for Dakota One since January 2018 and was a regional developer for our predecessor Peak from September 2014 until January 2018. Mr. Dalton also is the President of SEGM UT-CO, Inc., dba Max Muscle Rocky Mountain. Mr. Dalton served as Account Manager of Business Development for CHG Healthcare Services located in Salt Lake City, Utah from July 2006 until August 2014.

ITEM 3
LITIGATION

Silverback Consulting, LLC v. Peak Franchising, Inc., et al., Case No. 30-2018-01040604-CU-BC-CJC. On December 27, 2018, plaintiff, a Nebraska regional director for our stores, filed the above-referenced Complaint against Peak Franchising, Inc. and Dakota One Franchising, LLC in the Superior Court of the State of California for the County of Orange alleging two causes of action, including (1) breach of contract and (2) quantum meruit. On February 22, 2019, we filed an Answer to the Complaint denying each and every allegation contained in the Complaint filed by plaintiff and we asserted 22 affirmative defenses to plaintiff's two claims. We dispute each of these claims and plan to vigorously pursue our case against the regional director.

Aside from the information listed above, no litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Initial Franchise Fee

Except as outlined in this ITEM, if you are a first time Max Muscle Franchisee, and not a qualified participant in the Conversion Program described below, you will be eligible to participate in our standard franchise program ("**Standard Franchise Program**"). Under the Standard Franchise Program, you must pay a $35,000 franchise fee ("**Initial Franchise Fee**") payable when you execute a Franchise Agreement. The Initial Franchise Fee must be paid in full at the time you sign the Franchise Agreement and is nonrefundable under any circumstances once you have signed the Franchise Agreement. We did not collect any Initial Franchise Fees during our last fiscal year, ended December 31, 2018.

If you currently operate one or more Max Muscle Stores and are in good standing under the terms of your Franchise Agreement, you are eligible to participate in our franchise Multi-Store Royalty Savings Program ("**Multi-Store Royalty Savings Program**"). Under the Multi-Store Royalty Savings Program, you may acquire the right to operate one additional Max Muscle Store without the payment of any Initial Franchise Fee for the Max Muscle Store. In order to participate in the Multi-Store Royalty Savings Program you must (1) sign a Franchise Agreement and the Multi-Store Royalty Savings Program addendum ("**MSRSP Addendum**") for the new Max Muscle Store, and (2) the new Max Muscle Store must be opened on or before the opening date ("**Multi-Store Royalty Savings Program Opening Date**") set forth in your MSRSP Addendum. If you fail to open your Max Muscle Store for any reason by the Multi-Store Royalty Savings Program Opening Date, we have the right to terminate your Franchise Agreement without any opportunity to cure or charge the then-current Initial Franchise Fee we are charging new franchisees at the time you are ready to open the Max Muscle Store for business.

Conversion Program

If you currently operate one or more independent sports nutrition stores and meet our other qualifications, you are eligible to participate in our franchise conversion program ("**Conversion Program**"). Under the Conversion Program, you may acquire the right to convert one or more existing sports nutrition stores without the payment of any Initial Franchise Fee for the Max Muscle Store. In order to participate in the Conversion Program you must (1) sign a Franchise Agreement and the Conversion Program addendum ("Conversion Addendum"), and (2) the existing store must be fully converted to a Max Muscle Store on or before the opening date ("**Conversion Opening Date**") set forth in your Conversion Addendum. If you fail to convert your existing store into a Max Muscle Store for any reason by the Conversion Opening Date, we have the right to terminate your Franchise Agreement without any opportunity to cure or charge the then-current Initial Franchise Fee we are charging new franchisees at the time you are ready to open the Max Muscle Store for business.

Site Assistance Fee

If you require our assistance in your site selection process before operating your Max Muscle Store by approving and accepting a site for the Max Muscle Store and approving and accepting a final lease for the Max Muscle Store, you must reimburse us for our travel and living expenses plus pay the then-current published daily fee. The estimated range of costs are $0-$2,500 plus travel expenses estimated at $500-$2,500.

Build-Out, Fixturing, Fabrication and Installation Fee

Prior to operating your Max Muscle Store, you must also pay us to complete the build-out, fixturing, fabrication and installation for the interior of your Max Muscle Store. Depending on the format of your Max Muscle Store, the cost for the build-out, fixturing, fabrication and installation is estimated between $30,500 and $85,500. Depending upon the format of your Max Muscle Store, you must pay Max One between $25,000 and $40,000 for initial inventory. Prior to operating each Max Muscle Store you will be required to use the designated Max Muscle Point of Sale and CRM System from the designated suppliers. Monthly fees will range from $299 to $699. You will be required to purchase the designated hardware from our suppliers. The initial investment for the hardware ranges from $1,000 to $2,000.

During our last fiscal year, ended December 31, 2018, our predecessor collected Initial Franchise Fees ranging from $0 to $35,000.

ITEM 6
OTHER FEES

MULTI-STORE ROYALTY SAVINGS PROGRAM

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Franchise Fee	$0	$0	Waived
Royalties – Year 1 (Months 1 through 12) Applies to the New Store (2)	2% Marketing Fund 0% MMSN Products 0% 3rd Party Products 3% E-Commerce Products	None	The new store only pays royalties on E-Commerce orders.
Royalties – Year 2 (Beginning Month 13) For Operator with 2 or more Max Muscle Stores. Both Max Muscle Stores will move to this royalty rate (If an operator has a Max Muscle Store with better Royalties, that store will stay at original royalty rates and the new Max Muscle Store will be at these rates) (2)	2% Marketing Fund 3% MMSN Products 6% 3rd Party Products 3% E-Commerce Products	Royalty Payments are due on or before the 10th of the month	Applies to both Max Muscle Stores, unless original store has better royalty terms than the new royalties.
Royalties Year 2 - 3 Stores or more. (If an operator has a Max Muscle Store with Royalty Rates lower than the programs, that 1 Max Muscle Store will remain at the original rates. (2)	2% Marketing Fund 2% MMSN Products 6% 3rd Party Products 3% E-Commerce Products		Any new Max Muscle Store will still receive the 0 Royalties in Year 1.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Local Advertising Expense	2% of Gross Revenue. (1, 5)	Monthly.	You must spend this amount on regional and local advertising and submit monthly reports to us.
Cooperative Advertising	Proportional share to be determined, but not to exceed 2% of Gross Revenue. (1, 5)	Monthly.	Payable only if a cooperative is formed in your Authorized Territory.
Inventory Purchases†	At a minimum, you must purchase $4,500, net of any credits, per month of Max Muscle Products. (4)	On placement of order.	Minimum amount of purchases per month for term of contract. Failure results in balance being assessed to the Franchisee monthly.
Successor Franchise Fee†	$1,500.	Upon execution of a Successor Franchise Agreement.	The Successor Franchise Fee is currently $1,500, but we can increase this fee at our discretion. If you sign a Successor Franchise Agreement, you will pay the then-current successor Franchise Fee.
Audit Fee†	Cost of inspection or audit and cost of re-audit within 1 year of current audit. Costs may range from $3,000-$10,000.	As incurred.	Payable only if you understate your Gross Revenue by 2% or more or fail to submit reports when due.
Transfer Fee†	$0 - $12,000. (6)	Before consummation of transfer	Payable by you or your buyer when the Franchise Agreement or other interest in your Max Muscle Store is transferred by you except transfers to an entity controlled by you or to certain family members.
Max Muscle Point of Sale and CRM System	$199 - $699 depending on progam selected. (7)	Monthly.	Mandatory program
Interest†	Lesser of 1.5% per month or highest rate of interest allowed by law.	As incurred.	Begins to accrue the day after payment becomes past due.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Insurance	Will vary based on location. (8)	Insurance provider.	Insurance requirements may be modified periodically by us in the Operations Manual.
Indemnification†	Will vary under circumstances.	As incurred.	You must reimburse us if we are held liable for claims arising from your Max Muscle Store operations.
Cost of Enforcement or Defense†	All costs including accounting and attorney's fees.	Upon settlement or conclusion of claim or action.	You must reimburse us if we are required to incur any expenses in enforcing our rights against you under the Franchise Agreement. In addition, if you continue to sell any Product after we tell you to stop selling such Product, we have the right to seek injunctive relief and you must reimburse us for all costs and legal fees we incur in seeking such relief.
Requested Additional Assistance†	Varies based on needs. The estimated range of costs are $0-$5,000 plus travel expenses. The estimated range of costs for travel are $500-$2,500. (9)	As incurred.	Additional training and assistance is available if you request. We have the right to charge you for this additional training and assistance.
Initial Training for Additional Persons†	$100 per person per day. (10)	As incurred.	Training for 2 people is included in the Initial Franchise Fee.
Training Fee for a Replacement Manager†	$1,500 (11)	As incurred.	Payable only when training a replacement Manager.
Lease Negotiation Fee†	$2,500 - $5,000 (12)	Prior to commencing lease negotiation.	Payable only if we or our attorneys negotiate a lease or sublease for your Max Muscle Store.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Site Selection Assistance Fee†	Reimburse us for our travel and living expenses plus pay the then-current published daily fee. The estimated range of costs are $0-$2,500 plus travel expenses estimated at $500-$2,500.	Within 30 days after assistance is rendered.	Payable only if you request that we send a representative to your Authorized Territory for site selection assistance. In most cases this fee will not be relevant to participants in the Conversion Program. As of the date of this Franchise Disclosure Document, our daily fee is $500, plus travel and lodging expenses.
Operations Manual Replacement Fee†	$500.	Upon delivery.	You must replace any part of the Operations Manual which is lost, stolen, or destroyed. The Operations Manual remains our property at all times.
Technology Maintenance Expense	The then-current cost of purchasing required hardware and software upgrades. The estimated range of costs are $0-$5,000.	At time of upgrade, which may be required at any time if we determine that the existing hardware and/or software is outdated.	You should be aware that the cost to upgrade hardware and software may exceed the estimate in column 2 in certain circumstances.
Relocation Processing Fee†	$1,500. (13)	Upon submission of relocation request.	Payable only if you request to relocate your Max Muscle Store.
Third-Party Product Review Fee†	Up to $1,500 for inspections and evaluation plus actual costs of tests. Costs may range from $3,000-$10,000.	At time of request.	Payable only if you request that we review a new supplier, product, or type of supply used in your Max Muscle Store.
Refurbishing	Varies based on refurbishment needs. The estimated range of costs is $5,000-$50,000.	At time of refurbishment. The refurbishment may be required at the time the Franchise Agreement is renewed.	We impose no cap or limitation on the amount of expense you may incur for refurbishing your Max Muscle Store.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Mandatory Seminars, Conventions or Programs	You must pay your expenses as well as the expenses your employees incur in attending these meetings. The estimated range of costs is $500-$2,500 plus materials estimated at $50.	As incurred.	We reserve the right to conduct periodic meetings of all Max Muscle franchisees that you must attend.
Resale Marketing Fee	$20,000-$40,000.	Prior to engaging us to assist you with the resale of your franchise.	This fee is applicable only if you ask us to assist you in the resale of your Franchise.

†Denotes fees that are imposed by and payable to us or our Affiliates. All of these fees are non-refundable under any circumstances once paid. We may require you to pay Royalties, National Marketing Fees, and for all purchases from our Affiliate electronically by Automatic Clearing House ("**ACH**") or another form of electronic withdrawal. Fees paid to vendors or other suppliers may or may not be refundable depending on your arrangement with your vendors and suppliers.

Notes:

(1) Gross Revenue. Gross Revenue means the total of all receipts derived from services performed or products sold at your Max Muscle Store, whether such receipts are evidenced by cash, credit, checks, gift certificates, scrip, coupons, services, property or other means of exchange. You may only exclude from the calculation of Gross Revenues (1) sales tax receipts that you must by law collect from customers and that you actually pay to the government; (2) promotional or discount coupons to the extent that you receive no revenue; and (3) the receipt of services or products by any employee to the extent of the discount offered to the employee or if those services or products are delivered free to the employee.

(2) New Royalty Rates. If you fail to open your Max Muscle Store by the Multi-Store Royalty Savings Program Opening Date, you will be required to pay the standard royalty rate of 2% Marketing Fund, 6% Max Muscle Products, and 6% on Non-Max Muscle – 3rd Party Products going forward.

(3) National Marketing Fee. The National Marketing Fee is initially assessed at 2% of Gross Revenue through the end of the first term of the Franchise Agreement, but we reserve the right to increase this amount in the future up to an additional 1% of Gross Revenue each year, for a maximum amount of 3% of Gross Revenue each year. These funds are used for national advertising, to generate marketing materials, and for administrative costs associated with our marketing efforts.

(4) Inventory. You must at all times maintain an inventory valued at least $25,000 (at cost), including at least $20,000 in Max Muscle branded supplements in the Max Muscle Nutrition and Max Nutraceuticals product lines ("**Max Muscle Product Inventory**"). The Max Muscle Product Inventory must include all non-discontinued products and at least one unit of each stock keeping unit ("**SKU**").

(5) Local Advertising Expense. You must spend a minimum of 2% of your Gross Revenue on local and regional marketing and advertising each calendar month. You must make these expenditures directly, subject to approval by us or an advertising agency designated by us, and you must prepare

and submit a report to us accounting for the use of these funds within 10 days following the end of each month. We reserve the right, in our sole discretion, to require that up to 100% of your local advertising expenditure go towards contributions for cooperative advertising in your area. The members of the Cooperative for any area will consist of all Max Muscle Stores whether franchised or operated by us or our Affiliate and each member of the Cooperative will have one equal vote on potential fees imposed by the Cooperative. We will provide guidelines for local advertising and placement of such advertising in telephone directories.

(6) Transfer Fee. No Transfer Fee is required if you transfer your Max Muscle Store to a business entity in which you own the majority of the company's issued equity securities, or if you transfer your Max Muscle Store to your child, parent, sibling, spouse or domestic partner. You must pay a transfer fee of $1,500 if you transfer your Max Muscle Store to another franchisee of ours. In all other cases you must pay a Transfer Fee of $12,500.

(7) POS / CRM Program. All franchisees are required to utilize and pay monthly fees for the point of sale system required by Dakota One and the CRM System. Fees range from $199 per month for the basic package to $699 per month for the comprehensive package.

(8) Insurance. For the Term of the Franchise Agreement, you must procure and maintain, at your own expense, insurance policies protecting you, us, our designated Affiliate and our and our designated Affiliates' officers, directors, shareholders, and employees against any loss, liability, personal injury, death, property damage, or expense resulting from the operation of your Max Muscle Store as we may require for your and our protection in our sole discretion. All of your insurance carriers must be licensed to do business in the state in which your Max Muscle Store is located and be rated A- or higher by A.M. Best and Company, Inc. (or such similar criteria as we periodically specify). The insurance policies must contain certain clauses approved by us and waivers approved by us as outlined in the Operations Manual, and must be "**occurrence**" coverage rather than "**claims made**" coverage. We and our designated Affiliate must be named as additional insured on a primary and noncontributory basis in each policy, and provide for thirty (30) days' prior written notice to us of the material modification, cancellation or non-renewal of any policy. A Waiver of Subrogation shall be added in favor of us and our Affiliate with respect to all described policies. The coverage described here will apply whether or not your indemnification obligation is valid. Regardless of the amounts we require, it will be your responsibility to maintain adequate insurance coverage at all times during the term and after the expiration of the Franchise Agreement. You should determine if additional insurance is necessary through consultation with your advisors. Your failure to maintain coverage will not relieve you of any contractual responsibility or obligation or liability under the Franchise Agreement. The following is a list of the required insurance coverage including minimum limits of coverage as of the date of this Franchise Disclosure Document:

(a) "**All Risks**" coverage insurance on all furniture, fixtures, equipment, supplies, products and other property used in the operation of your Max Muscle Store (which coverage must include flood and/or earthquake coverage where there are known exposures to either peril, and theft insurance) for full repair as well as replacement value, except that an appropriate deductible clause is permitted not to exceed $1,000;

(b) Workers' Compensation and Employer's Liability insurance and other insurance required by statute of the state or county in which your Max Muscle Store operates;

(c) Auto Liability with a minimum coverage limit of $1,000,000 if you own the vehicles, or $1,000,000 hired and non-owned limit if you do not own the vehicles; and

(d) Comprehensive General Liability insurance, including a per premises aggregate with the following coverage: broad form contractual; personal and advertising injury;

products/completed operations; product liability; and medical payments and fire damage liability; insuring you, us and our designated Affiliate and our designated Affiliates' officers, directors, shareholders, and employees (each as an additional named insured) against all claims, suits, obligations, liabilities and damages, including attorneys' fees, based upon or arising out of actual or alleged personal injuries or property damage resulting from, occurring in the course of, or otherwise concerning your Max Muscle Store, including general aggregate coverage in the following limits:

Coverage	Minimum Limits of Coverage
General Aggregate*	$2,000,000
Products/Completed Operations Aggregate	$2,000,000
Personal and Advertising Injury	$1,000,000
Each Occurrence*	$1,000,000
Products Liability	$1,000,000
Automobile Liability	$1,000,000
Professional Liability/Errors and Omission	$1,000,000
Fire Damage (any one fire)	$ 100,000
Medical Expense (and one person)	$ 5,000
Umbrella Liability Limits*	$1,000,000

*Including products and completed operations. Coverage shall be provided by a standard Commercial General Liability form, (CG 001 or equivalent) without exclusions or limitations to Products Liability. Policy shall not contain a Total or Absolute Pollution Exclusion.

(e) Business Interruption insurance for actual losses sustained, including lost Royalties, National Marketing Fees, and other payments due to us or our Affiliates, for a minimum of 12 months.

(f) Cyber liability for all actual losses sustained.

(g) Other insurance and types of coverage that may be required by the terms of any lease or sublease for your Max Muscle Store or that we may require from time to time in the Operations Manual, including renter's insurance, if the premises are leased.

Within 90 days of signing the Franchise Agreement, but not later than the date when you acquire an interest in the real property from which you will operate the Max Muscle Store, you must furnish us with an Accord Form Certificate of Insurance showing compliance with our insurance requirements for approval. The certificate must state that each policy may not be canceled or materially altered without at least 30 days' prior written notice to us. The certificate must reflect proof of payment of all required premiums. Maintenance of the insurance and your performance of the obligations under the insurance provisions of the Franchise Agreement will not relieve you of liability under the Franchise Agreement's indemnity provisions. We may modify the minimum insurance requirements from time to time in our sole discretion by adjusting the required amounts in the Operations Manual.

If you fail to procure and maintain this insurance coverage, we have the right and authority, but not the obligation, to procure this insurance coverage and to charge you, which charges, together with a reasonable fee for our expenses incurred in this procurement, you will pay immediately upon

notice. (See Section 12.10, Franchise Agreement). In the alternative, we may also reduce your Authorized Territory or instruct our Affiliate Max One to remove any product credit from your invoice, reduce or eliminate your product discount, or refuse to deliver any Max Muscle Products or Distributed Products to you until you have demonstrated to our satisfaction that you have purchased and maintained the insurance coverage required by the Franchise Agreement. (8)

(9) Additional Assistance. The Initial Franchise Fee includes 10 days of training for you and your Manager at a location designated by us. Ongoing assistance by telephone is also included. If you require or request additional on-site assistance beyond what is provided by us, you can request that we send a representative to provide further assistance to you. If we provide additional assistance at your request, we may charge you a fee. We must agree in advance to the charges you will pay, if any, and the length of the visit. The cost, if any, of additional assistance will depend on your needs, and the amount of assistance you desire.

(10) Training for Additional Persons. Training for both you and your Manager, is included in your Initial Franchise Fee. Additional charges are only applied if you choose to train more than 2 people. Training fees can be increased or decreased by us at any time in our discretion.

(11) Training a Replacement Manager. If your designated Manager quits or is terminated for any reason, you must allow us to train your new Manager at a location designated by us in our discretion. We charge a training fee of $1,500, plus you will need to pay for airfare, lodging, ground transportation, meals, salary and benefits, and other personal expenses of your new Manager while he or she is in training.

(12) Lease Negotiation Fee. At our option, which we may exercise in our discretion, we may require you to pay a separate Lease Negotiation Fee to compensate us for the cost of negotiating your lease.

(13) Relocation Processing Fee. You must pay us a Relocation Processing Fee of $1,500 at the time you request the right to relocate your Max Muscle Store. This fee covers our costs to review your proposed new Max Muscle Store location.

CONVERSION PROGRAM

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Franchise Fee	$0	$0	
Royalties – Year 1 (Months 1 through 12) (2)	2% Marketing Fund 0% MMSN Products 0% 3rd Party Products 3% E-Commerce Products	None	The first year of the Conversion program carries no royalties.
Royalties – Year 2 (Beginning Month 13) (2)	2% Marketing Fund 6% MMSN Products 6% 3rd Party Products 3% E-Commerce Products	Royalty Payments are due on or before the 10th of the month	
Local Advertising Expense	2% of Gross Revenue. (1, 5)	Monthly.	You must spend this amount on regional and local advertising and submit monthly reports to us.
Cooperative Advertising	Proportional share to be determined, but not to exceed 2% of Gross Revenue. (1, 5)	Monthly.	Payable only if a cooperative is formed in your Authorized Territory.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Inventory Purchases†	At a minimum, you must purchase $4,500, net of any credits, per month of Max Muscle Products. (4)	On placement of order.	Minimum Amt of Purchases per month for term of contract. Failure results in balance being assessed to the Franchisee monthly.
Successor Franchise Fee†	$1,500.	Upon execution of a Successor Franchise Agreement.	The Successor Franchise Fee is currently $1,500, but we can increase this fee at our discretion. If you sign a Successor Franchise Agreement, you will pay the then-current successor Franchise Fee.
Audit Fee†	Cost of inspection or audit and cost of re-audit within 1 year of current audit. Costs may range from $3,000-$10,000.	As incurred.	Payable only if you understate your Gross Revenue by 2% or more or fail to submit reports when due.
Transfer Fee†	$0 - $12,500. (6)	Before consummation of transfer	Payable by you or your buyer when the Franchise Agreement or other interest in your Max Muscle Store is transferred by you except transfers to an entity controlled by you or to certain family members.
Max Muscle Point of Sale and CRM System	$199 - $699 depending on progam selected	Monthly.	Mandatory Program
Interest†	Lesser of 1.5% per month or highest rate of interest allowed by law.	As incurred.	Begins to accrue the day after payment becomes past due.
Insurance	Will vary based on location. (7)	Insurance provider.	Insurance requirements may be modified periodically by us in the Operations Manual.
Indemnification†	Will vary under circumstances.	As incurred.	You must reimburse us if we are held liable for claims arising from your Max Muscle Store operations.
Cost of Enforcement or Defense†	All costs including accounting and attorney's fees.	Upon settlement or conclusion of claim or action.	You must reimburse us if we are required to incur any expenses in enforcing our rights against you under the Franchise Agreement. In addition, if you continue to sell any Product after we tell you to stop selling such Product, we have the right to seek injunctive relief and you must reimburse us for all costs and legal fees we incur in seeking such relief.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Requested Additional Assistance†	Varies based on needs. The estimated range of costs are $0-$5,000 plus travel expenses. The estimated range of costs for travel are $500-$2,500. (8)	As incurred.	Additional training and assistance is available if you request. We have the right to charge you for this additional training and assistance.
Initial Training for Additional Persons†	$100 per person per day. (9)	As incurred.	Training for 2 people is included in the Initial Franchise Fee.
Training Fee for a Replacement Manager†	$1,500 (10)	As incurred.	Payable only when training a replacement Manager.
Lease Negotiation Fee†	$2,500 - $5,000 (11)	Prior to commencing lease negotiation.	Payable only if we or our attorneys negotiate a lease or sublease for your Max Muscle Store.
Site Selection Assistance Fee†	Reimburse us for our travel and living expenses plus pay the then-current published daily fee. The estimated range of costs are $0-$2,500 plus travel expenses estimated at $500-$2,500.	Within 30 days after assistance is rendered.	Payable only if you request that we send a representative to your Authorized Territory for site selection assistance. In most cases this fee will not be relevant to participants in the Conversion Program. As of the date of this Franchise Disclosure Document, our daily fee is $500, plus travel and lodging expenses.
Operations Manual Replacement Fee†	$500.	Upon delivery.	You must replace any part of the Operations Manual which is lost, stolen, or destroyed. The Operations Manual remains our property at all times.
Max Muscle Point of Sale and CRM System License Renewal Fee†	TBD	Max Muscle can change POS systems and costs associated with change are billable to Franchisee	This fee is due at the time of change. 30 days notice will be given
Technology Maintenance Expense	The then-current cost of purchasing required hardware and software upgrades. The estimated range of costs are $0-$5,000.	At time of upgrade, which may be required at any time if we determine that the existing hardware and/or software is outdated.	You should be aware that the cost to upgrade hardware and software may exceed the estimate in column 2 in certain circumstances.
Relocation Processing Fee†	$1,500. (12)	Upon submission of relocation request.	Payable only if you request to relocate your Max Muscle Store.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Third-Party Product Review Fee†	Up to $1,500 for inspections and evaluation plus actual costs of tests. Costs may range from $3,000-$10,000.	At time of request.	Payable only if you request that we review a new supplier, product, or type of supply used in your Max Muscle Store.
Refurbishing	Varies based on refurbishment needs. The estimated range of costs is $5,000-$50,000.	At time of refurbishment. The refurbishment may be required at the time the Franchise Agreement is renewed.	We impose no cap or limitation on the amount of expense you may incur for refurbishing your Max Muscle Store.
Mandatory Seminars, Conventions or Programs	You must pay your expenses as well as the expenses your employees incur in attending these meetings. The estimated range of costs is $500-$2,500 plus materials estimated at $50.	As incurred.	We reserve the right to conduct periodic meetings of all Max Muscle franchisees that you must attend.
Resale Marketing Fee	$20,000-$40,000.	Prior to engaging us to assist you with the resale of your franchise.	This fee is applicable only if you ask us to assist you in the resale of your Franchise.

†Denotes fees that are imposed by and payable to us or our Affiliates. All of these fees are non-refundable under any circumstances once paid. We may require you to pay Royalties, National Marketing Fees, and for all purchases from our Affiliate electronically by Automatic Clearing House ("**ACH**") or another form of electronic withdrawal. Fees paid to vendors or other suppliers may or may not be refundable depending on your arrangement with your vendors and suppliers.

Notes:

(1) Gross Revenue. Gross Revenue means the total of all receipts derived from services performed or products sold at your Max Muscle Store, whether such receipts are evidenced by cash, credit, checks, gift certificates, scrip, coupons, services, property or other means of exchange. You may only exclude from the calculation of Gross Revenues (1) sales tax receipts that you must by law collect from customers and that you actually pay to the government; (2) promotional or discount coupons to the extent that you receive no revenue; and (3) the receipt of services or products by any employee to the extent of the discount offered to the employee or if those services or products are delivered free to the employee.

(2) Net Royalty Rates. Royalties are determined for Conversion stores in the table above.

If you fail to open your Max Muscle Store by the Conversion Opening Date, you will be required to pay the standard royalty rate of 2% Marketing Fund, 6% Max Muscle Products and 6% on Non-Max Muscle – 3rd Party Products

(3) National Marketing Fee. The Marketing Fee is initially assessed at 2% of Gross Revenue through the end of the first term of the Franchise Agreement, but we reserve the right to increase this amount in the future up to an additional 1% of Gross Revenue each year, for a maximum amount of 3% of

Gross Revenue each year. These funds are used for advertising, to generate marketing materials, and for administrative costs associated with our marketing efforts.

(4) Inventory. You must at all times maintain an inventory valued at least $25,000 (at cost), including at least $20,000 in Max Muscle branded supplements in the Max Muscle Nutrition and Max Nutraceuticals product lines ("**Max Muscle Product Inventory**"). The Max Muscle Product Inventory must include all non-discontinued products and at least one unit of each stock keeping unit ("**SKU**").

(5) Local Advertising Expense. You must spend a minimum of 2% of your Gross Revenue on local and regional marketing and advertising each calendar month. You must make these expenditures directly, subject to approval by us or an advertising agency designated by us, and you must prepare and submit a report to us accounting for the use of these funds within 10 days following the end of each month. We reserve the right, in our sole discretion, to require that up to 100% of your local advertising expenditure go towards contributions for cooperative advertising in your area. The members of the Cooperative for any area will consist of all Max Muscle Stores whether franchised or operated by us or our Affiliate and each member of the Cooperative will have one equal vote on potential fees imposed by the Cooperative. We will provide guidelines for local advertising and placement of such advertising in telephone directories.

(6) Transfer Fee. No Transfer Fee is required if you transfer your Max Muscle Store to a business entity in which you own the majority of the company's issued equity securities, or if you transfer your Max Muscle Store to your child, parent, sibling, spouse or domestic partner. You must pay a transfer fee of $1,500 if you transfer your Max Muscle Store to another franchisee of ours. In all other cases you must pay a Transfer Fee of $12,500.

(7) Insurance. For the Term of the Franchise Agreement, you must procure and maintain, at your own expense, insurance policies protecting you, us, our designated Affiliate and our and our designated Affiliates' officers, directors, shareholders, and employees against any loss, liability, personal injury, death, property damage, or expense resulting from the operation of your Max Muscle Store as we may require for your and our protection in our sole discretion. All of your insurance carriers must be licensed to do business in the state in which your Max Muscle Store is located and be rated A- or higher by A.M. Best and Company, Inc. (or such similar criteria as we periodically specify). The insurance policies must contain certain clauses approved by us and waivers approved by us as outlined in the Operations Manual, and must be "**occurrence**" coverage rather than "**claims made**" coverage. We and our designated Affiliate must be named as additional insured on a primary and noncontributory basis in each policy, and provide for thirty (30) days' prior written notice to us of the material modification, cancellation or non-renewal of any policy. A Waiver of Subrogation shall be added in favor of us and our Affiliate with respect to all described policies. The coverage described here will apply whether or not your indemnification obligation is valid. Regardless of the amounts we require, it will be your responsibility to maintain adequate insurance coverage at all times during the term and after the expiration of the Franchise Agreement. You should determine if additional insurance is necessary through consultation with your advisors. Your failure to maintain coverage will not relieve you of any contractual responsibility or obligation or liability under the Franchise Agreement. The following is a list of the required insurance coverage including minimum limits of coverage as of the date of this Franchise Disclosure Document:

(a) "**All Risks**" coverage insurance on all furniture, fixtures, equipment, supplies, products and other property used in the operation of your Max Muscle Store (which coverage must include flood and/or earthquake coverage where there are known exposures to either peril, and theft insurance) for full repair as well as replacement value, except that an appropriate deductible clause is permitted not to exceed $1,000;

(b) Workers' Compensation and Employer's Liability insurance and other insurance required by statute of the state or county in which your Max Muscle Store operates;

(c) Auto Liability with a minimum coverage limit of $1,000,000 if you own the vehicles, or $1,000,000 hired and non-owned limit if you do not own the vehicles; and

(d) Comprehensive General Liability insurance, including a per premises aggregate with the following coverage: broad form contractual; personal and advertising injury; products/completed operations; product liability; and medical payments and fire damage liability; insuring you, us and our designated Affiliate and our designated Affiliates' officers, directors, shareholders, and employees (each as an additional named insured) against all claims, suits, obligations, liabilities and damages, including attorneys' fees, based upon or arising out of actual or alleged personal injuries or property damage resulting from, occurring in the course of, or otherwise concerning your Max Muscle Store, including general aggregate coverage in the following limits:

Coverage	Minimum Limits of Coverage
General Aggregate*	$2,000,000
Products/Completed Operations Aggregate	$2,000,000
Personal and Advertising Injury	$1,000,000
Each Occurrence*	$1,000,000
Products Liability	$1,000,000
Automobile Liability	$1,000,000
Professional Liability/Errors and Omission	$1,000,000
Fire Damage (any one fire)	$ 100,000
Medical Expense (and one person)	$ 5,000
Umbrella Liability Limits*	$1,000,000

*Including products and completed operations. Coverage shall be provided by a standard Commercial General Liability form, (CG 001 or equivalent) without exclusions or limitations to Products Liability. Policy shall not contain a Total or Absolute Pollution Exclusion.

(e) Business Interruption insurance for actual losses sustained, including lost Royalties, National Marketing Fees, and other payments due to us or our Affiliates, for a minimum of 12 months.

(f) Cyber liability for all actual losses sustained.

(g) Other insurance and types of coverage that may be required by the terms of any lease or sublease for your Max Muscle Store or that we may require from time to time in the Operations Manual, including renter's insurance, if the premises are leased.

Within 90 days of signing the Franchise Agreement, but not later than the date when you acquire an interest in the real property from which you will operate the Max Muscle Store, you must furnish us with an Accord Form Certificate of Insurance showing compliance with our insurance requirements for approval. The certificate must state that each policy may not be canceled or materially altered without at least 30 days' prior written notice to us. The certificate must reflect proof of payment of all required premiums. Maintenance of the

insurance and your performance of the obligations under the insurance provisions of the Franchise Agreement will not relieve you of liability under the Franchise Agreement's indemnity provisions. We may modify the minimum insurance requirements from time to time in our sole discretion by adjusting the required amounts in the Operations Manual.

If you fail to procure and maintain this insurance coverage, we have the right and authority, but not the obligation, to procure this insurance coverage and to charge you, which charges, together with a reasonable fee for our expenses incurred in this procurement, you will pay immediately upon notice. (See Section 12.10, Franchise Agreement). In the alternative, we may also reduce your Authorized Territory or instruct our Affiliate Max One to remove any product credit from your invoice, reduce or eliminate your product discount, or refuse to deliver any Max Muscle Products or Distributed Products to you until you have demonstrated to our satisfaction that you have purchased and maintained the insurance coverage required by the Franchise Agreement. (8)

(8) Additional Assistance. The Initial Franchise Fee includes 3 weeks of training for you and your Manager at a location designated by us. Ongoing assistance by telephone is also included. If you require or request additional on-site assistance beyond what is provided by us, you can request that we send a representative to provide further assistance to you. If we provide additional assistance at your request, we may charge you a fee. We must agree in advance to the charges you will pay, if any, and the length of the visit. The cost, if any, of additional assistance will depend on your needs, and the amount of assistance you desire.

(9) Training for Additional Persons. Training for both you and your Manager, is included in your Initial Franchise Fee. Additional charges are only applied if you choose to train more than 2 people. Training fees can be increased or decreased by us at any time in our discretion.

(10) Training a Replacement Manager. If your designated Manager quits or is terminated for any reason, you must allow us to train your new Manager at a location designated by us in our discretion. We charge a training fee of $1,500, plus you will need to pay for airfare, lodging, ground transportation, meals, salary and benefits, and other personal expenses of your new Manager while he or she is in training.

(11) Lease Negotiation Fee. At our option, which we may exercise in our discretion, we may require you to pay a separate Lease Negotiation Fee to compensate us for the cost of negotiating your lease.

(12) Relocation Processing Fee. You must pay us a Relocation Processing Fee of $1,500 at the time you request the right to relocate your Max Muscle Store. This fee covers our costs to review your proposed new Max Muscle Store location.

STANDARD FRANCHISE PROGRAM

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Royalties†	Between 2% and 6% of Gross Revenue for all Max Muscle Store. (1, 2, 3)	Monthly on or before the 10th day of each month.	Required of all Franchisees.
National Marketing Fee†	2%-3% of Gross Revenue. (1, 4)	Monthly on or before the 10th day of each month.	Required of all Franchisees.
Local Advertising Expense	2% of Gross Revenue. (1, 6)	Monthly.	You must spend this amount on regional and local advertising and submit monthly reports to us.
Cooperative Advertising	Proportional share to be determined, but not to exceed 2% of Gross Revenue. (1, 6)	Monthly.	Payable only if a cooperative is formed in your Authorized Territory.
Inventory Purchases†	Will vary based on needs. At a minimum, you must purchase $4,500, net of any credits, per month of Max Muscle Products. (5)	On placement of order.	Our Affiliate charges you for the products you purchase from them.
Successor Franchise Fee†	$1,500.	Upon execution of a Successor Franchise Agreement.	The successor Franchise Fee is currently $1,500, but we can increase this fee in our discretion. If you sign a successor franchise agreement, you will pay the then-current successor Franchise Fee.
Audit Fee†	Cost of inspection or audit and cost of re-audit within 1 year of current audit. Costs may range from $3,000-$10,000.	As incurred.	Payable only if you understate your Gross Revenue by 2% or more or fail to submit reports when due.
Transfer Fee†	$0 - $12,500. (7)	Before consummation of transfer	Payable by you or your buyer when the Franchise Agreement or other interest in your Max Muscle Store is transferred by you except transfers to an entity controlled by you or to certain family members.
Interest†	Lesser of 1.5% per month or highest rate of interest allowed by law.	As incurred.	Begins to accrue the day after payment becomes past due.
Insurance	Will vary based on location. (8)	Insurance provider.	Insurance requirements may be modified periodically by us in the Operations Manual.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Indemnification†	Will vary under circumstances.	As incurred.	You must reimburse us if we are held liable for claims arising from your Max Muscle Store operations.
Cost of Enforcement or Defense†	All costs including accounting and attorney's fees.	Upon settlement or conclusion of claim or action.	You must reimburse us if we are required to incur any expenses in enforcing our rights against you under the Franchise Agreement. In addition, if you continue to sell any Product after we tell you to stop selling such Product, we have the right to seek injunctive relief and you must reimburse us for all costs and legal fees we incur in seeking such relief.
Requested Additional Assistance†	Varies based on needs. (9) The estimated range of costs are $0-$5,000 plus travel expenses. The estimated range of costs for travel are $500-$2,500.	As incurred.	Additional training and assistance is available if you request. We have the right to charge you for this additional training and assistance.
Initial Training for Additional Persons†	$100 per person per day. (10)	As incurred.	Training for 2 people is included in the Initial Franchise Fee.
Training Fee for a Replacement Manager†	$1,500 (11)	As incurred.	Payable only when training a replacement Manager.
Lease Negotiation Fee†	$2,500 - $5,000 (12)	Prior to commencing lease negotiation.	Payable only if we or our attorneys negotiate a lease or sublease for your Max Muscle Store.
Site Selection Assistance Fee†	Reimburse us for our travel and living expenses plus pay the then-current published daily fee. The estimated range of costs are $0-$2,500 plus travel expenses estimated at $500-$2,500.	Within 30 days after assistance is rendered.	Payable only if you request that we send a representative to your Authorized Territory for site selection assistance. As of the date of this Franchise Disclosure Document, our daily fee is $500, plus travel and lodging expenses.
Operations Manual Replacement Fee†	$500.	Upon delivery.	You must replace any part of the Operations Manual which is lost, stolen, or destroyed. The Operations Manual remains our property at all times.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Technology Maintenance Expense	The then-current cost of purchasing required hardware and software upgrades. The estimated range of costs are $0-$5,000.	At time of upgrade, which may be required at any time if we determine that the existing hardware and/or software is outdated.	You should be aware that the cost to upgrade hardware and software may exceed the estimate in column 2 in certain circumstances.
Relocation Processing Fee†	$1,500. (13)	Upon submission of relocation request.	Payable only if you request to relocate your Max Muscle Store.
Relocation Logistics Fee	$12,000. (14)	Within 10 business days of approval of relocation request.	Payable only if we approve your request to relocate your Max Muscle Store.
Third-Party Product Review Fee†	Up to $1,500 for inspections and evaluation plus actual costs of tests. Costs may range from $3,000-$10,000.	At time of request.	Payable only if you request that we review a new supplier, product, or type of supply used in your Max Muscle Store.
Refurbishing	Varies based on refurbishment needs. The estimated range of costs is $5,000-$50,000.	At time of refurbishment. The refurbishment may be required at the time the Franchise Agreement is renewed.	We impose no cap or limitation on the amount of expense you may incur for refurbishing your Max Muscle Store.
Mandatory Seminars, Conventions or Programs	You must pay your expenses as well as the expenses your employees incur in attending these meetings. The estimated range of costs is $500-$2,500 plus materials estimated at $50.	As incurred.	We reserve the right to conduct periodic meetings of all Max Muscle franchisees that you must attend.
Legacy Store Format Upgrade Requirement	$65,000-$85,000.	Prior to transfer approval.	Owners of Legacy Store Format locations must upgrade their Max Muscle Stores to the then-current Max Muscle Store format prior to our approving any transfer requests.
Resale Marketing Fee	$20,000-$40,000.	Prior to engaging us to assist you with the resale of your franchise.	This fee is applicable only if you ask us to assist you in the resale of your Franchise.

†Denotes fees that are imposed by and payable to us or our Affiliates. All of these fees are non-refundable under any circumstances once paid. We may require you to pay Royalties, National Marketing Fees, and for all purchases from our Affiliate electronically by Automatic Clearing House ("**ACH**") or another form of electronic withdrawal. Fees paid to vendors or other suppliers may or may not be refundable depending on your arrangement with your vendors and suppliers.

Notes:

(1) Gross Revenue. Gross Revenue means the total of all receipts derived from services performed or products sold at your Max Muscle Store, whether such receipts are evidenced by cash, credit, checks, gift certificates, scrip, coupons, services, property or other means of exchange. You may only exclude from the calculation of Gross Revenues (1) sales tax receipts that you must by law collect from customers and that you actually pay to the government; (2) promotional or discount coupons to the extent that you receive no revenue; and (3) the receipt of services or products by any employee to the extent of the discount offered to the employee or if those services or products are delivered free to the employee.

(2) Royalties. The current Royalty rate for new Max Muscle Stores is 6%. If you are signing a Successor Franchise Agreement, and your current Franchise Agreement allows you to pay a lower Royalty rate, you may be able to retain that lower Royalty rate if your Max Muscle Store satisfies certain Max Muscle Product purchase thresholds. We also reserve the right to allow any current franchisee signing a Successor Franchise Agreement, who operates a single Max Muscle Store, to pay a 3% royalty. Please see your Operations Manual to determine the current Max Muscle Product purchase thresholds required to maintain your current Royalty rate. Notwithstanding anything to the contrary herein, you will pay us a Royalty rate of 6% of the Gross Revenue received from all sales of non-Max Muscle brand products.

(3) Royalty Reduction Program. If you own and operate multiple Max Muscle Stores, you qualify to earn a lower royalty rate through our royalty reduction program ("**Royalty Reduction Program**"). The Royalty rate will be based on combined Gross Revenue for all of your eligible Max Muscle Stores ("**Eligible Stores**") at the end of each month. The Royalty rate you will be required to pay for all of your Max Muscle Stores will be as follows:

STANDARD ROYALTIES

Number of Stores	Marketing Fund	Royalty-MMSN Products	Royalty – 3rd Party Products	E-Commerce Orders
1 Store	2%	6%	6%	3%

MULTI STORE ROYALTIES

Number of Stores	Marketing Fund	Royalty-MMSN Products	Royalty – 3rd Party Products	E-Commerce Orders
1 Store	2%	6%	6%	3%
2 Stores	2%	3%	6%	3%
3 Stores – or more	2%	2%	6%	3%

We reserve the right to change the Royalty Reduction Program or the definition of Eligible Store at any time. Please see the Operations Manual for more detail regarding the Royalty Reduction Program. However, regardless of the number of Max Muscle Stores you operate, you will still be required to pay us a Royalty rate of 6% of the Gross Revenue received from all sales of non-Max Muscle brand products.

(4) National Marketing Fee. The National Marketing Fee is initially assessed at 2% of Gross Revenue through the end of the first term of the Franchise Agreement, but we reserve the right to increase this amount in the future up to an additional 1% of Gross Revenue each year, for a maximum amount of 3% of Gross Revenue each year. These funds are used for national advertising, to generate marketing materials, and for administrative costs associated with our marketing efforts.

(5) Inventory. You must at all times maintain an inventory valued at least $25,000 (at cost), including at least $20,000 in Max Muscle branded supplements in the Max Muscle Nutrition and Max Nutraceuticals product lines ("**Max Muscle Product Inventory**"). The Max Muscle Product Inventory must include all non-discontinued products and at least one unit of each stock keeping unit ("**SKU**").

(6) Local Advertising Expense. You must spend a minimum of 2% of your Gross Revenue on local and regional marketing and advertising each calendar month. You must make these expenditures directly, subject to approval by us or an advertising agency designated by us, and you must prepare and submit a report to us accounting for the use of these funds within 10 days following the end of each month. We reserve the right, in our sole discretion, to require that up to 100% of your local advertising expenditure go towards contributions for cooperative advertising in your area. The members of the Cooperative for any area will consist of all Max Muscle Stores whether franchised or operated by us or our Affiliate and each member of the Cooperative will have one equal vote on potential fees imposed by the Cooperative. We will provide guidelines for local advertising and placement of such advertising in telephone directories.

(7) Transfer Fee. No Transfer Fee is required if you transfer your Max Muscle Store to a business entity in which you own the majority of the company's issued equity securities, or if you transfer your Max Muscle Store to your child, parent, sibling, spouse or domestic partner. You must pay a transfer fee of $1,500 if you transfer your Max Muscle Store to another franchisee of ours. In all other cases you must pay a Transfer Fee of $12,500.

(8) Insurance. For the Term of the Franchise Agreement, you must procure and maintain, at your own expense, insurance policies protecting you, us, our designated Affiliate and our and our designated Affiliates' officers, directors, shareholders, and employees against any loss, liability, personal injury, death, property damage, or expense resulting from the operation of your Max Muscle Store as we may require for your and our protection in our sole discretion. All of your insurance carriers must be licensed to do business in the state in which your Max Muscle Store is located and be rated A- or higher by A.M. Best and Company, Inc. (or such similar criteria as we periodically specify). The insurance policies must contain certain clauses approved by us and waivers approved by us as outlined in the Operations Manual, and must be "**occurrence**" coverage rather than "**claims made**" coverage. We and our designated Affiliate must be named as additional insured on a primary and noncontributory basis in each policy, and provide for thirty (30) days' prior written notice to us of the material modification, cancellation or non-renewal of any policy. A Waiver of Subrogation shall be added in favor of us and our Affiliate with respect to all described policies. The coverage described herein shall apply whether or not your indemnification obligation is valid. Regardless of the amounts we require, it will be your responsibility to maintain adequate insurance coverage at all times during the term and after the expiration of the Franchise Agreement. You should determine if additional insurance is necessary through consultation with your advisors. Your failure to maintain coverage will not relieve you of any contractual responsibility or obligation or liability under the Franchise Agreement. The following is a list of the required insurance coverage including minimum limits of coverage as of the date of this Franchise Disclosure Document:

(a) "**All Risks**" coverage insurance on all furniture, fixtures, equipment, supplies, products and other property used in the operation of your Max Muscle Store (which coverage must include flood and/or earthquake coverage where there are known exposures to either peril, and theft insurance) for full repair as well as replacement value, except that an appropriate deductible clause is permitted not to exceed $1,000;

(b) Workers' Compensation and Employer's Liability insurance and other insurance required by statute of the state or county in which your Max Muscle Store operates;

(c) Auto Liability with a minimum coverage limit of $1,000,000 if you own the vehicles, or $1,000,000 hired and non-owned limit if you do not own the vehicles; and

(d) Comprehensive General Liability insurance, including a per premises aggregate with the following coverage: broad form contractual; personal and advertising injury; products/completed operations; product liability; and medical payments and fire damage liability; insuring you, us and our designated Affiliate and our designated Affiliates' officers, directors, shareholders, and employees (each as an additional named insured) against all claims, suits, obligations, liabilities and damages, including attorneys' fees, based upon or arising out of actual or alleged personal injuries or property damage resulting from, occurring in the course of, or otherwise concerning your Max Muscle Store, including general aggregate coverage in the following limits:

Coverage	Minimum Limits of Coverage
General Aggregate*	$2,000,000
Products/Completed Operations Aggregate	$2,000,000
Personal and Advertising Injury	$1,000,000
Each Occurrence*	$1,000,000
Products Liability	$1,000,000
Automobile Liability	$1,000,000
Professional Liability/Errors and Omission	$1,000,000
Fire Damage (any one fire)	$ 100,000
Medical Expense (and one person)	$ 5,000
Umbrella Liability Limits*	$1,000,000

*Including products and completed operations. Coverage shall be provided by a standard Commercial General Liability form, (CG 001 or equivalent) without exclusions or limitations to Products Liability. Policy shall not contain a Total or Absolute Pollution Exclusion.

(e) Business Interruption insurance for actual losses sustained, including lost Royalties, National Marketing Fees, and other payments due to us or our Affiliates, for a minimum of 12 months.

(f) Cyber liability for all actual losses sustained.

(g) Other insurance and types of coverage that may be required by the terms of any lease or sublease for your Max Muscle Store or that we may require from time to time in the Operations Manual, including renter's insurance, if the premises are leased.

Within 90 days of signing the Franchise Agreement, but not later than the date when you acquire an interest in the real property from which you will operate the Max Muscle Store, you must furnish us with an Accord Form Certificate of Insurance showing compliance with our insurance requirements for approval. The certificate must state that each policy may not be canceled or materially altered without at least 30 days' prior written notice to us. The certificate must reflect proof of payment of all required premiums. Maintenance of the insurance and your performance of the obligations under the insurance provisions of the Franchise Agreement will not relieve you of liability under the Franchise Agreement's

indemnity provisions. We may modify the minimum insurance requirements from time to time in our sole discretion by adjusting the required amounts in the Operations Manual.

If you fail to procure and maintain this insurance coverage, we have the right and authority, but not the obligation, to procure this insurance coverage and to charge you, which charges, together with a reasonable fee for our expenses incurred in this procurement, you will pay immediately upon notice. (See Section 12.10, Franchise Agreement). In the alternative, we may also reduce your Authorized Territory or instruct our Affiliate Max One to remove any product credit from your invoice, reduce or eliminate your product discount, or refuse to deliver any Max Muscle Products or Distributed Products to you until you have demonstrated to our satisfaction that you have purchased and maintained the insurance coverage required by the Franchise Agreement.

(9) Additional Assistance. The Initial Franchise Fee includes 3 weeks of training for you and your Manager at a location designated by us. Ongoing assistance by telephone is also included. If you require or request additional on-site assistance beyond what is provided by us, you can request that we send a representative to provide further assistance to you. If we provide additional assistance at your request, we may charge you a fee. We must agree in advance to the charges you will pay, if any, and the length of the visit. The cost, if any, of additional assistance will depend on your needs, and the amount of assistance you desire.

(10) Training for Additional Persons. Training for both you and your Manager, is included in your Initial Franchise Fee. Additional charges are only applied if you choose to train more than 2 people. Training fees can be increased or decreased by us at any time in our discretion.

(11) Training a Replacement Manager. If your designated Manager quits or is terminated for any reason, you must allow us to train your new Manager at a location designated by us in our discretion. We charge a training fee of $1,500, plus you will need to pay for airfare, lodging, ground transportation, meals, salary and benefits, and other personal expenses of your new Manager while he or she is in training.

(12) Lease Negotiation Fee. At our option, which we may exercise in our discretion, we may require you to pay a separate Lease Negotiation Fee to compensate us for the cost of negotiating your lease.

(13) Relocation Processing Fee. You must pay us a Relocation Processing Fee of $1,500 at the time you request the right to relocate your Max Muscle Store. This fee covers our costs to review your proposed new Max Muscle Store location.

(14) Relocation Logistics Fee. We collect a Relocation Logistics Fee of $12,000 within 10 business days of the day you receive written authorization to relocate your Max Muscle Store from us. We reserve the right to return part of the Relocation Logistics Fee to you after the relocation is completed if we do not use all of the Relocation Logistics Fee in facilitating your relocation: You may incur additional costs if your current furniture, fixtures, and equipment do not adequately fit into the new Max Muscle Store location.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT FOR ONE MAX MUSCLE STORE ACQUIRED THROUGH THE MULTI-STORE ROYALTY SAVINGS PROGRAM OR THE CONVERSION PROGRAM

Type of Expenditure [1]	Amount Low	Amount High	Method of Payment	When Due	To Whom Payment is to be Made
Single Unit Initial Franchise Fee[2]	$0	$0	Lump sum.	Upon signing of a Franchise Agreement.	Not applicable for franchisees qualified to participate in the Special Incentive Program.
Real Estate Leasing[3]	$5,000	$18,000	Prior to opening.	As specified in the lease or sub-lease.	Third Parties.
Store Construction to FFE ready Condition[4]	$6,000	$42,500	As agreed.	As agreed.	Building Contractor.
Design, Fixtures, Furniture, Equipment, and Installation[4]	$30,500	$85,500	As agreed.	25% upon executing a lease or purchase agreement for your Max Muscle Store site; 25% due 14 days after first payment; balance due 14 days prior to the date the fixtures are scheduled to be shipped to you.	Us.
Storefront Sign[5]	$2,500	$7,500	Prior to opening or as arranged with Vendors.	As determined by Vendors.	Vendors.
Grand Opening[6]	$5,000	$10,000	As agreed.	As incurred.	Vendors or Third Parties.
Initial Inventory[7]	$25,000	$40,000	Lump sum.	Payment must be received 10 days prior to the date your Max Muscle Store opens for business.	Max One and Vendors.
Supplies	$500	$1,000	As agreed.	As incurred.	Vendors or Third Parties.
Travel and Living Expenses[8]	$1,500	$2,500	As agreed.	During training.	Restaurants, Car Rental Agencies, etc.

Type of Expenditure [(1)]	Amount Low	Amount High	Method of Payment	When Due	To Whom Payment is to be Made
Computer Hardware, the Max Muscle Point of Sale and CRM System, and Other Software[(9)]	$1,000	$2,000	As agreed.	4 weeks prior to the date that your initial training is scheduled to begin.	Us.
Prepaid Expenses[(10)]	$500	$1,500	As agreed.	As incurred.	Vendors or Third Parties.
Insurance Premiums[(11)]	$1,000	$3,500	As agreed.	As incurred.	Third Parties.
Vehicle[(12)]	$0	$2,500	As agreed.	As incurred.	Third Parties.
Additional Funds for First 3 months[(13)]	$15,000	$27,000	As agreed.	As incurred.	Vendors or Third Parties.
SINGLE UNIT TOTAL FOR PARTICIPANTS IN THE SPECIAL INCENTIVE PROGRAM[(14)(15)*]	**$93,500**	**$243,500**			

Notes:

(1) Expenditures. The high and low ranges in the table for Max Muscle Stores are based on the minimum size Max Muscle Store, which is generally 900 square feet of retail space (including restrooms) and the maximum size Max Muscle Store, which is 1,200 square feet of retail space (including restrooms). The costs for fixtures, rent, and improvements will vary based on the size of the Max Muscle Store, location, and other factors. All fees imposed by us or our Affiliate are non-refundable unless otherwise noted. Fees and expenses paid to vendors or other third parties may or may not be refundable depending on the arrangements you make with them.

(2) Initial Franchise Fee. If you operate one or more Max Muscle Stores and are in material compliance with the terms of all of your Franchise Agreements at the time you are ready to sign the Franchise Agreement for the new Max Muscle Store, and you are accepted into the Multi-Store Royalty Savings Program, you will not be required to pay an Initial Franchisee Fee. Similarly, if you currently operate one or more independent sports nutrition stores and meet our other qualifications, and you are accepted into the Conversion Program, you will not be required to pay an Initial Franchise Fee. If you fail to open your Max Muscle Store for any reason or before the Multi-Store Royalty Savings Program Opening Date of the Conversion Opening Date, identified in your Franchise Agreement, we may elect to terminate the Multi-Store Royalty Savings Program Franchise Agreement or the Conversion Program Franchise Agreement without providing you the opportunity to cure the default or charge you the then-current Initial Franchise Fee we are charging other new Franchisees on the date you open your Max Muscle Store for business.

(3) Real Estate Leasing. If you do not own adequate space, you must lease space for your Max Muscle Store. Generally, this will require that you pay first and last month's rent, plus a security deposit, at the time you sign the lease. Max Muscle Stores are typically located in regional malls and large strip centers. Unless approved in writing by us, a Max Muscle Store must include a minimum of 900 square feet of retail space (including restrooms) and a maximum of 1,200 square feet of retail space (including restrooms). If you require an office or storage room, you will need to lease additional space. In most cases, the terms and conditions of all agreements relating to the purchase, lease, and alteration of the property will be negotiated solely by you; however, we require you to

incorporate certain provisions into your lease. We may also require you to let us or our attorneys negotiate your lease, in which case we may charge you a Lease Negotiation Fee.

(4) Store Construction to FFE Ready Condition and Design, Fixtures, Furniture, Equipment and Installation. In most cases the interior of your Max Muscle Store will need to be altered before you open your Max Muscle Store. The costs will vary widely and may be significantly higher than projected in this table, depending on such factors as property location, population density, economic climate, prevailing interest rates and other financing costs, the conditions of the property, current building code requirements, current permit requirements, implementation and enforcement of the Americans With Disabilities Act in particular jurisdictions, and the extent of alterations required for the property. You should investigate all of these costs in the area where you wish to establish your Max Muscle Store and the costs associated with modifying the specific property in which you choose to locate your Max Muscle Store. In some limited cases, these costs have added more than $150,000 to the cost of opening a Max Muscle Store. We reserve the right to require you to use a designated or approved contractor to construct your Max Muscle Store to the point that is ready for the installation of your furniture, fixtures and equipment ("**FFE Ready Condition**") and to receive rebates or other consideration from such contractor. We will complete, at your expense, the interior build-out, fixturing, fabrication and installation of your Max Muscle Store after you complete, at your expense, the work necessary to bring the premises to FFE Ready condition as determined by the site survey plan or other instructions or information we will provide to you.

(5) Signage. You must purchase our approved sign for your storefront. We will provide you with the specifications that must be followed. The average cost for the storefront sign is $2,750, depending on the size.

(6) Grand Opening. You should plan to spend a minimum of $5,000 on your grand opening. The recommended grand opening celebration should last at least one full weekend.

(7) Initial Inventory. Your initial inventory will vary with the size of your Max Muscle Store. You must carry a minimum of $25,000 worth of all Max Muscle Products. When you sign a Franchise Agreement, you must also sign a Product Purchase Agreement with Max One. A copy of the Product Purchase Agreement is attached to this Franchise Disclosure Document as **Exhibit G**. As of the date of this Franchise Disclosure Document, Max One is the exclusive supplier of Max Muscle Products. You may also purchase an initial inventory of approved Authorized Third-Party Products.

(8) Initial Training - Travel and Lodging Expenses. We provide training at our headquarters located in Sioux Falls, South Dakota, or at another location designated by us for two people. You must pay for air fare, lodging, most meals, ground transportation, salaries and benefits, and any other personal expenses for yourself and any additional attendees incurred during this time. Some meals are provided during the training (continental breakfasts and some lunches).

(9) Computer Hardware, the Max Muscle Point of Sale and CRM System and Software. The estimated initial investment includes costs related to the purchase of specified computer hardware and software and will range from $1,000 to $2,000. The monthly license fee will range from $199 to $699. New Franchisees must purchase computer hardware and license the Max Muscle Point of Sale and CRM System from us or our designated Affiliate which has been developed for use in the operation of Max Muscle Stores. You must provide us with electronic access to certain daily information in the Max Muscle Point of Sale and CRM System. We own all customer data in the Max Muscle Point of Sale and CRM System.

(10) Prepaid Expenses. The estimated amount includes utility deposits, fees for city, state and local business licenses, business entity organization expenses, and other prepaid expenses.

(11) Insurance Premiums. Insurance premiums will vary under circumstances depending on amounts and areas of coverage that you desire. Average annual premium costs range between $1,000 and $3,500.

(12) Vehicle. We do not require that you have a vehicle.

(13) Additional Funds. This is for budgeting purposes only to account for unanticipated expenses. This amount includes estimated operating expenses you should expect to incur during the first 3 months of operations, not including any revenue generated by your Max Muscle Store. It includes payroll costs (but not a draw or salary for you), taxes, utilities, advertising, rent, accounting and other professional fees, and other operational expenses. These figures are estimates. You may incur additional expenses starting your business. Your costs depend on several factors, including how well you follow our methods and procedures; your management skill; experience and business acumen; local economic conditions; the local market for our products and services; the prevailing wage rate; competition and the sales level reached by your Max Muscle Store during the initial period.

(14) Total Estimated Initial Investment. This category does not include any sales, use, or similar taxes that may be assessed by state or local authorities. You should check with your local and state governmental agencies for any taxes that may be assessed.

YOUR ESTIMATED INITIAL INVESTMENT
FOR ONE MAX MUSCLE STORE
UNDER THE STANDARD FRANCHISE PROGRAM

Type of Expenditure [(1)]	Amount Low	Amount High	Method of Payment	When Due	To Whom Payment is to be Made
Single Unit Initial Franchise Fee[(2)]	$35,000	$35,000	Lump sum.	Upon signing of a Franchise Agreement.	Us.
Real Estate Leasing[(3)]	$5,000	$18,000	Prior to opening.	As specified in the lease or sub-lease.	Third Parties.
Store Construction to FFE ready Condition[(4)]	$6,000	$42,500	As agreed.	As agreed.	Building Contractor.
Design, Fixtures, Furniture, Equipment, and Installation[(4)]	$30,500	$85,500	As agreed.	25% upon executing a lease or purchase agreement for your Max Muscle Store site; 25% due 14 days after first payment; balance due 14 days prior to the date the fixtures are scheduled to be shipped to you.	Us.

Type of Expenditure [1]	Amount Low	Amount High	Method of Payment	When Due	To Whom Payment is to be Made
Storefront Sign[5]	$2,500	$7,500	Prior to opening or as arranged with Vendors.	As determined by Vendors.	Vendors.
Grand Opening[6]	$5,000	$10,000	As agreed.	As incurred.	Vendors or Third Parties.
Initial Inventory[7]	$25,000	$40,000	Lump sum.	Payment must be received 10 days prior to the date your Max Muscle Store opens for business.	Max One and Vendors.
Supplies	$500	$1,000	As agreed.	As incurred.	Vendors or Third Parties.
Travel and Living Expenses[8]	$1,500	$2,500	As agreed.	During training.	Restaurants, Car Rental Agencies, etc.
Computer Hardware, the Max Muscle Point of Sale and CRM System, and Other Software[9]	$1,000	$2,000	As agreed.	4 weeks prior to the date that your initial training is scheduled to begin.	Us.
Prepaid Expenses[10]	$500	$1,500	As agreed.	As incurred.	Vendors or Third Parties.
Insurance Premiums[11]	$1,000	$3,500	As agreed.	As incurred.	Third Parties.
Vehicle[12]	$0	$2,500	As agreed.	As incurred.	Third Parties.
Additional Funds for First 3 months[13]	$15,000	$27,000	As agreed.	As incurred.	Vendors or Third Parties.
SINGLE UNIT TOTAL[14]*	**$128,500**	**$278,500**			

Notes:

(1) Expenditures. The high and low ranges in the table for Max Muscle Stores are based on the minimum size Max Muscle Store, which is generally 900 square feet of retail space (including restrooms) and the maximum size Max Muscle Store, which is 1,200 square feet of retail space (including restrooms). The costs for fixtures, rent, and improvements will vary based on the size of the Max Muscle Store, location, and other factors. All fees imposed by us or our Affiliate are non-refundable unless otherwise noted. Fees and expenses paid to vendors or other third parties may or may not be refundable depending on the arrangements you make with them.

(2) Initial Franchise Fee. The Initial Franchise Fee for a single unit will be $35,000. The Initial Franchise Fee is due in full at the time you sign the Franchise Agreement. See Item 5 for additional information about your Initial Franchise Fee.

(3) Real Estate Leasing. If you do not own adequate space, you must lease space for your Max Muscle Store. Generally, this will require that you pay first and last month's rent, plus a security deposit, at the time you sign the lease. Max Muscle Stores are typically located in regional malls and large strip centers. Unless approved in writing by us, a Max Muscle Store must include a minimum of

900 square feet of retail space (including restrooms) and a maximum of 1,200 square feet of retail space (including restrooms). If you require an office or storage room, you will need to lease additional space. In most cases, the terms and conditions of all agreements relating to the purchase, lease, and alteration of the property will be negotiated solely by you; however, we require you to incorporate certain provisions into your lease. We may also require you to let us or our attorneys negotiate your lease, in which case we may charge you a Lease Negotiation Fee.

(4) Store Construction to FFE Ready Condition and Design, Fixtures, Furniture, Equipment and Installation. In most cases the interior of your Max Muscle Store will need to be altered before you open your Max Muscle Store. The costs will vary widely and may be significantly higher than projected in this table, depending on such factors as property location, population density, economic climate, prevailing interest rates and other financing costs, the conditions of the property, current building code requirements, current permit requirements, implementation and enforcement of the Americans With Disabilities Act in particular jurisdictions, and the extent of alterations required for the property. You should investigate all of these costs in the area where you wish to establish your Max Muscle Store and the costs associated with modifying the specific property in which you choose to locate your Max Muscle Store. In some limited cases, these costs have added more than $150,000 to the cost of opening a Max Muscle Store. We reserve the right to require you to use a designated or approved contractor to construct your Max Muscle Store to the point that is ready for the installation of your furniture, fixtures and equipment ("**FFE Ready Condition**") and to receive rebates or other consideration from such contractor. We will complete, at your expense, the interior build-out, fixturing, fabrication and installation of your Max Muscle Store after you complete, at your expense, the work necessary to bring the premises to FFE Ready condition as determined by the site survey plan or other instructions or information we will provide to you.

(5) Signage. You must purchase our approved sign for your storefront. We will provide you with the specifications that must be followed. The average cost for the storefront sign is $2,750, depending on the size.

(6) Grand Opening. You should plan to spend a minimum of $5,000 on your grand opening. The recommended grand opening celebration should last at least one full weekend.

(7) Initial Inventory. Your initial inventory will vary with the size of your Max Muscle Store. You must carry a minimum of $25,000 worth of all Max Muscle Products. When you sign a Franchise Agreement, you must also sign a Product Purchase Agreement with Max One. A copy of the Product Purchase Agreement is attached to this Franchise Disclosure Document as **Exhibit G**. As of the date of this Franchise Disclosure Document, Max One is the exclusive supplier of Max Muscle Products. You may also purchase an initial inventory of approved Authorized Third-Party Products.

(8) Initial Training - Travel and Lodging Expenses. We provide training at our headquarters located in Sioux Falls, South Dakota, or at another location designated by us for two people. You must pay for air fare, lodging, most meals, ground transportation, salaries and benefits, and any other personal expenses for yourself and any additional attendees incurred during this time. Some meals are provided during the training (continental breakfasts and some lunches).

(9) Computer Hardware, the Max Muscle Point of Sale and CRM System and Software. The estimated initial investment includes costs related to the purchase of specified computer hardware and software and will range from $1,000 to $2,000. The monthly license fee will range from $199 to $699. New Franchisees must purchase computer hardware and license the Max Muscle Point of Sale and CRM System from us or our designated Affiliate which has been developed for use in the operation of Max Muscle Stores. You must provide us with electronic access to certain daily

information in the Max Muscle Point of Sale and CRM System. We own all customer data in the Max Muscle Point of Sale and CRM System.

(10) Prepaid Expenses. The estimated amount includes utility deposits, fees for city, state and local business licenses, business entity organization expenses, and other prepaid expenses.

(11) Insurance Premiums. Insurance premiums will vary under circumstances depending on amounts and areas of coverage that you desire. Average annual premium costs range between $1,000 and $3,500.

(12) Vehicle. We do not require that you have a vehicle.

(13) Additional Funds. This is for budgeting purposes only to account for unanticipated expenses. This amount includes estimated operating expenses you should expect to incur during the first 3 months of operations, not including any revenue generated by your Max Muscle Store. It includes payroll costs (but not a draw or salary for you), taxes, utilities, advertising, rent, accounting and other professional fees, and other operational expenses. These figures are estimates. You may incur additional expenses starting your business. Your costs depend on several factors, including how well you follow our methods and procedures; your management skill; experience and business acumen; local economic conditions; the local market for our products and services; the prevailing wage rate; competition and the sales level reached by your Max Muscle Store during the initial period.

(14) Total Estimated Initial Investment. This category does not include any sales, use, or similar taxes that may be assessed by state or local authorities. You should check with your local and state governmental agencies for any taxes that may be assessed.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We have standards and specifications for your premises, equipment, product, furniture, fixtures, uniforms, supplies, forms, inventory, advertising materials and most other items used in or sold through your Max Muscle Store. Standards and specifications include requirements for delivery, performance, warranties, design, appearance, quality and other restrictions. You must purchase or lease all Max Muscle branded products, equipment, supplies, furniture, uniforms, fixtures, forms, inventory, advertising materials, and services used in or sold through your Max Muscle Store per our standards and specifications only from sources authorized by us. When you sign the Franchise Agreement, we will make available to you our standards and specifications and a list of our authorized products and suppliers as part of our Operations Manual. Our standards and specifications have been prescribed in order to maintain a uniform standard of high quality, value, customer recognition, advertising support and availability to be furnished to the public in connection with our Marks. In operating your Max Muscle Store, all Max Muscle Products, Distributed Products, and Authorized Third-Party Products, equipment, uniforms, fixtures, furniture, forms, advertising materials, and supplies must conform to our standards and specifications which have been established through years of experience. In order to maintain our standards of consistent, high quality products, customer recognition, advertising support, value and uniformity in our Max Muscle Stores, you must purchase all of your required equipment, uniforms, fixtures, furniture, forms, advertising materials, and supplies used in or sold through your Max Muscle Store, per our specifications and standards, only from us, our Affiliate or our approved suppliers and distributors which are currently the only approved suppliers of these products and services. You must make all purchases of Max Muscle Products, Distributed Products, and Authorized Third-Party Products through our proprietary business-to-business intranet portal and you must participate in the Max Muscle Auto-Ship program as modified periodically in the Operations Manual. In the future, we may modify our specifications for equipment, furniture, fixtures, forms, advertising materials, Max Muscle Products, Distributed Products, Authorized Third-Party Products and

supplies. We have the right to change these standards and specifications on 30 days' prior written notice to you. We estimate that the cost of purchases from designated or approved suppliers represents approximately 70% to 80% of your total purchases in connection with the establishment of your Max Muscle Store, and between 80% and 90% of your ongoing expenses.

If at any point we instruct you to stop selling one or more Max Muscle Products, Distributed Products, Authorized Third-Party Products, or any other product you are carrying in your Max Muscle Store, and you fail or refuse to stop selling such product, we have the right to seek injunctive relief in order to stop you from selling such product. If we seek injunctive relief, you must reimburse us for all costs, expenses, and legal fees we incur in the pursuit of such injunctive relief. In addition, it is important that you understand that the fact that a product is in the Authorized Third-Party Product list does not mean that the product has been tested and approved by the Franchisor, and you have the obligation to indemnify, defend, and hold us harmless for any claims made against us based on the sale of any Authorized Third-Party Products.

You must install and maintain in good condition, including restocking franchise sales materials as required by us, a franchise development fixture adjacent to or in close proximity to your Max Muscle Register System. Your failure to install and maintain this fixture at all times will constitute a breach of your Franchise Agreement. You will also be required to place franchise development materials at your Max Muscle Store as required by us in the Operating Manual.

You must maintain a specified inventory of Max Muscle Products and Distributed Products. We require this in order for you to maintain an inventory that includes all Max Muscle Products. However, if particular items do not sell well in your Authorized Territory, you may request that a specific item or items be removed from your required inventory list. We will respond to your request within 30 days from the date the request is received. We do not require that you maintain any specific inventory of Authorized Third-Party Products. You may not independently act as an exclusive distributor for any third-party vendor or secure any exclusive rights for any non Max Muscle Products.

Our Affiliate, Max One, is the designated supplier of all Max Muscle Products. Certain Officers and directors own Max One. During the fiscal year, end in December 31, 2018, Max One's revenue from the sale of Max Muscle Products to Franchisees was $8,020,000.00, which represented 84% of Max One's total revenue. This information was taken from Max One's unaudited financial statements.

As a result of the required purchases by Franchisees, Dakota One derived $967,800.00 in revenue, which equals 68% of its total revenue of $1,421,402. This information was taken from Dakota One's most recent audited financial statements.

We are not aware of any rebates or revenue derived by our Regional Directors as a result of required purchases. The list of our current Regional Directors is contained in **Exhibit E**.

Beginning on the 13th month of operations of your Max Muscle Store, you must purchase a minimum quota of Max Muscle Products from Max One, or such other approved supplier as we may designate, on a monthly basis. When you sign a Franchise Agreement, you must also sign a Product Purchase Agreement with Max One. (See **Exhibit G**). Any breach of any term of that Product Purchase Agreement with Max One will also constitute a breach of your Franchise Agreement. You must also purchase the standard furniture and fixture package from Max One prior to opening.

You will also be allowed to carry Authorized Third-Party Products and services from our authorized product list ("**Authorized Products and Services List**"). If you want to purchase or lease any products, equipment, furniture, fixtures, uniforms, forms, advertising materials, supplies, or services not previously authorized by us, you must first notify us and obtain our written approval. We will provide you with our specifications and standards for approval. Each request must be in writing and contain the product's or service's name, manufacturer and supplier, along with its specifications, cost and uses. We

may require you to submit to us sufficient specifications, photographs, drawings or other information and samples to determine whether those items meet our specifications. We may charge you a fee to evaluate the product or service. The fee to evaluate the product or service is up to $1,500 plus the actual costs of the tests. The cost of running the tests may range from $3,000 to $10,000. Your request will be reviewed by us and we will respond in writing within 30 days from the date we receive all requested information. Our failure to notify you in the specified time frame will be deemed a disapproval of your request. In some situations where products may require testing by an independent laboratory, the request may not be approved or rejected within 30 days. In those situations, we will advise you of any delay and the approximate time for notification of authorization or rejection of the request. If a product or service is accepted, we will include it in our Authorized Products and Services List and make it available to all of our franchisees.

If a product, service, or supplier is not authorized by us, you are prohibited from offering it in your Max Muscle Store. We will enforce these limitations by using "**secret shoppers**" or unannounced on-site visits to your Max Muscle Store on a regular basis. When we make other visits to Max Muscle Stores, such as to assist you, we may also take that opportunity to visibly inspect your inventory and determine if unauthorized products are being sold. In addition, we often receive information from other store owners, customers and consumers reporting that illegal products are being sold in a Max Muscle Store. We reserve the right to take whatever action we deem necessary in our discretion to prevent you from selling unauthorized products or services, including seeking injunctive relief or terminating your Franchise Agreement.

Franchisees operating Franchises must license from us or our designated Affiliate certain proprietary computer programs and related materials developed for use in the operation of Max Muscle Stores ("**Max Muscle Point of Sale and CRM System**"). We may use other suppliers of computer systems in the future.

You must procure and maintain, at your own expense, insurance policies protecting you, us, our designated Affiliate and our and our designated Affiliates' officers, directors, shareholders, and employees against any loss, liability, personal injury, death, property damage, or expense resulting from the operation of your Max Muscle Store as we may require for your and our protection in our sole discretion. The insurance policies must contain certain clauses approved by us and waivers approved by us as outlined in the Operations Manual, and must be "**occurrence**" coverage rather than "**claims made**" coverage. We and our designated Affiliate must be named as additional insured in each policy. Required insurance coverage, as of the date of this Franchise Disclosure Document, includes, All Risk coverage, Workers' Compensation and Employer's Liability insurance, and Comprehensive General Liability coverage.

You may use the Max Muscle Point of Sale and CRM System only on computer equipment approved by us ("**Designated Equipment**"). You shall acquire, maintain, and upgrade computer, information processing and communication systems, including all applicable hardware, software, and Internet and other network access providers, and Web site vendors, as prescribed in the Operations Manual. We require you to pay a monthly license fee for the services which will range from $299 to $699 per month. You must purchase the Designated Equipment from us or our designated Affiliate or obtain our written approval to purchase other equipment. We will respond to requests for approval to purchase equipment other than Designated Equipment within 30 days from the date the request is received. For Franchisees the cost to purchase the Designated Equipment for the Max Muscle Point of Sale and CRM System will range between $1,000 to $2,000. Franchisees will also be required to pay a monthly license ranging from $199 to $699 per month.

You may offer other services ("**Collateral Services**") from your Max Muscle Store, but you must obtain our written approval to do so. We will respond to requests for approval to offer Collateral Services within 30 days from the date the request is received. Our failure to respond in a timely manner will be deemed a denial of your request. Collateral Services means any other business or service that is not directly

or indirectly in competition with us, but is in some way related to our industry. You must also have a separate business license, carry separate insurance coverage, in amounts designated by us in our discretion, for any Collateral Services we approve to be offered from your Max Muscle Store, and you must indemnify and defend us in any legal action brought against us as the result of your Collateral Services. You may not use any Collateral Services, or any description of them, in any name associated with the Marks.

We do not have any purchasing or distribution co-operatives as of the date of this Franchise Disclosure Document. We may negotiate purchase arrangements with suppliers and distributors of approved Authorized Third-Party Products for the benefit of our franchisees. We reserve the right to receive rebates, commissions or other consideration (collectively, "**Market Development Funds**") from designated and approved suppliers, distributors or manufacturers. During our fiscal year ended December 31, 2018, we received $22,088.00 in Market Development Funds from designated or approved suppliers. We do not provide material benefits, such as renewing or granting additional franchises, to Franchisees based on their use of designated or approved suppliers.

On occasion current Franchisees will refer qualified prospects to us. We reserve the right to establish, and periodically modify, a program that pays a referral fee to any current Franchisee that refers a qualified candidate to us provided that the Franchisee strictly follows our requirements and guidelines ("**Referral Guidelines**") and that the referred candidate actually signs a Franchise Agreement and opens a Max Muscle Store. As of the date of this Disclosure Document, we pay referring franchisees a referral fee, of up to $5,000 per franchise sale. This referral fee may be paid in cash, product credit, or in some other form of consideration in our sole discretion. We reserve the right to revise the Referral Guidelines or to modify or eliminate the referral program at any time in our sole discretion.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Sections 8.2 & 10.2	ITEM 7 and ITEM 11 Exhibits B
b. Pre-opening purchases/leases	Sections 10.2 & 12.6	ITEM 7 and ITEM 8; and ITEM 1
c. Site development and other pre-opening requirements	Sections 10 & 12	ITEM 6, ITEM 7 and ITEM 11
d. Initial and ongoing training	Sections 8.4 & 8.5	ITEM 7 and ITEM 11;
e. Opening	Section 8.6	ITEM 7 and ITEM 11
f. Fees	Section 5	ITEM 5, ITEM 6 and ITEM 7; Exhibit G
g. Compliance with standards and policies/Operations Manual	Sections 7.4, 12.2 & 12.3	ITEM 1, ITEM 8, ITEM 11, ITEM 13 and ITEM 14
h. Trademarks and proprietary information	Sections 6 & 7	ITEM 13 and ITEM 14; Exhibit C
i. Restrictions on products/services offered	Sections 8.3 & 12.6	ITEM 8 and ITEM 16
j. Warranty and customer service requirements	Section 12.9	ITEM 8 and ITEM 1

Obligation	Section in Agreement	Disclosure Document Item
k. Territorial development and sales quotas	Section 4 & Attachment I	ITEM 1 and ITEM 12
l. On-going product/service purchases	Section 12	ITEM 8; and ITEM 1
m. Maintenance, appearance and remodeling requirements	Sections 10.1, 10.4, 12.3 & 12. 4	ITEM 17
n. Insurance	Section 12.8	ITEM 6; Exhibit ITEM 1
o. Advertising	Section 9	ITEM 6, ITEM 7 and ITEM 11; **Exhibit G**
p. Indemnification	Section 12.13	ITEM 6; **Exhibit G**
q. Owner's participation/ management/staffing	Section 12.4	ITEM 15
r. Records/reports	Sections 7 & 11	ITEM 14
s. Inspections/audits	Sections 11.3 & 12.5	ITEM 8 and ITEM 11
t. Transfer	Section 14	ITEM 5, ITEM 6, and ITEM 17; **Exhibit G**
u. Renewal	Section 3	ITEM 17; **Exhibit D**
v. Post-termination obligations	Sections 13.3 & 13.4	ITEM 17; and ITEM 1
w. Noncompetition covenants	Sections 7.5 & 15.1	ITEM 17
x. Dispute resolution	Section 16	ITEM 17; **Exhibit G**
y. Compliance with all laws and regulations	Section 12.1	ITEM 1

PRODUCT PURCHASE AGREEMENT

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Not applicable	**Exhibit G**
b. Pre-opening purchases/leases	Section 1	**Exhibit G**
c. Site development and other pre-opening requirements	Not applicable	**Exhibit G**
d. Initial and ongoing training	Not applicable	**Exhibit G**
e. Opening	Not applicable	**Exhibit G**
f. Fees	Section 3 and Attachment A to **Exhibit G** ITEM 1, paragraphs 2 and 3	**Exhibit G**
g. Compliance with standards and policies/Operations Manual	Not applicable	**Exhibit G**
h. Trademarks and proprietary information	Not applicable	**Exhibit G**
i. Restrictions on products/services offered	Section 1	**Exhibit G**
j. Warranty and customer service requirements	Attachment A to **Exhibit G** ITEM 1, paragraph 5	**Exhibit G**
k. Territorial development and sales quotas	Not applicable	**Exhibit G**

Obligation	Section in Agreement	Disclosure Document Item
l. On-going product/service purchases	Section 1	**Exhibit G**
m. Maintenance, appearance and remodeling requirements	Not applicable	**Exhibit G**
n. Insurance	Section 8	**Exhibit G**
o. Advertising	Attachment A to **Exhibit G** ITEM 1, paragraph 15	**Exhibit G**
p. Indemnification	Section 10 and Attachment A to **Exhibit G** ITEM 1, paragraph 6	**Exhibit G**
q. Owner's participation/ management/staffing	Not applicable	**Exhibit G**
r. Records/reports	Not applicable	**Exhibit G**
s. Inspections/audits	Not applicable	**Exhibit G**
t. Transfer	Not applicable	**Exhibit G**
u. Renewal	Not applicable	**Exhibit G**
v. Post-termination obligations	Sections 6 and 7	**Exhibit G**
w. Noncompetition covenants	Not applicable	**Exhibit G**
x. Dispute resolution	Section 9 and Attachment A to **Exhibit G** ITEM 1, paragraph 25	**Exhibit G**
y. Compliance with all laws and regulations	Section 9	**Exhibit G**

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 the opening of your Max Muscle Store, we (or our designee) are required by the Franchise Agreement to provide the following assistance and services to you.

1. We assist you in your site selection process by approving and accepting a site for the Max Muscle Store and approving and accepting a final lease for the Max Muscle Store. (Sections 8.2 and 10.2, Franchise Agreement).

2. We provide you with interior design and layout plans for your Max Muscle Store, site plan survey for your Max Muscle Store, an estimate of the construction, fabrication, fixturing, and installation for the interior build-out of your Max Muscle Store and our standards and specifications for the exterior design of the building, parking and driveway facilities, signs, color, decor, equipment, and machines. (Sections 8 and 10, Franchise Agreement).

3. We provide you with our standards and specifications for you to complete the site plan survey work identified in the site plan survey provided to you by us. After you complete the site plan survey work, we construct the Max Muscle Store interior build-out, fabrication, fixturing, and installation at your cost.

4. We loan you one copy of our confidential and proprietary Operations Manual (Section 7.4, Franchise Agreement). The Operations Manual contains approximately 368 pages which 4 pages are the Introduction; 25 pages are devoted to Opening a Max Muscle Store; 19 pages are for Customer Service; 49 pages are for Store Operations; 16 pages are for Safety & Security; 11 pages are for Store Image & Marketing; 30 pages are for the Franchisee Marketing Plan; 21 pages are for Accounting & Profitability; 5 pages are for Operation Formulas; 26 pages are the B2B User's Guide for Online Product Orders; 27 pages are for the Getting Started Guide; 44 pages are for Employee Relations; 35 pages are devoted to General Policies; 29 pages are for Management Forms; and 1 page is devoted to Max Muscle Products. The table of contents for the Operations Manual is attached as **Exhibit D**.

5. We provide you with a nonexclusive license to use certain computer programs including the Max Muscle Point of Sale and CRM System (Section 12, Franchise Agreement).

6. We provide you with recommendations for your accounting systems. (Section 11, Franchise Agreement).

7. At our sole discretion, between your actual opening and your grand opening promotion, we may have one of our representatives on site to assist you in training employees and in the opening of the Max Muscle Store. The time for the on-site opening assistance is established by mutual agreement. (Section 8.6, Franchise Agreement). There are no separate charges for these services.

8. We provide an initial training program for you or, if you are not an individual, your Manager, and 1 other person at a location chosen by us. (Section 8.4, Franchise Agreement). You must pay for air fare, lodging most meals, ground transportation, salaries and benefits, and any other personal expenses for yourself and any additional attendees incurred during this time.

Continuing Obligations

During the term of the Franchise Agreement we (or our designee) are required to provide the following assistance and services to you:

1. We provide you advice and consultation, as we believe is necessary, regarding the continuing operation and management of your Max Muscle Store. (Section 8.6, Franchise Agreement). There are no separate charges for these services.

2. We make available to you information regarding any new product, service or suppliers or any updated methods of doing business. (Section 8.8, Franchise Agreement). There are no separate charges for these services.

3. We make available to you our advertising and promotional programs and materials. (Section 8.7, Franchise Agreement). There are no separate charges for these services.

4. A representative of ours may visit your store at least once a year and provide consulting assistance. (Section 8.6, Franchise Agreement). There are no additional charges for these services. However, if you require additional on-site assistance beyond what is provided by us, you can request that we send a representative to provide further assistance. If we provide additional assistance at your request, we must agree in advance the charges you will pay and the length of the visit. (Section 8.6, Franchise Agreement). The estimated range of charges for the additional assistance is $0-$5,000 plus travel expenses. The estimated range of costs for travel are $500-$2,500.

5. We may choose to provide you with continuing national, regional or local workshops and seminars that we hold in our discretion. (Section 8.5, Franchise Agreement).

We reserve the right, in our discretion, to delegate some or all of our pre-opening and continuing obligations under the Franchise Agreement to an existing Regional Director Franchisee with regional responsibility over the geographic area in which you operate your Max Muscle Store. These obligations may include, but are not limited to, initial and ongoing training, site selection assistance, inspections and operations support.

Advertising Programs

New Franchisees must spend 2% of their total monthly Gross Revenue for marketing purposes in their local area and submit monthly reports to us ("**Local Advertising Expense**")... The Local Advertising Expense must be used by you for local advertising, to be selected and placed by you, in your Authorized Territory. These funds are reserved only for marketing, promotions and advertising of your Max Muscle Store and may not be used to market, promote or advertise any Collateral Services.

Under the Franchise Agreement, you must pay us a national marketing fee ("**National Marketing Fee**") of 2% of your Gross Revenue but we reserve the right to increase this amount in the future by an additional 1% of Gross Revenue each year. The maximum National Marketing Fee you may pay under your initial Franchise Agreement is 3% of your Gross Revenue each year. Franchisees who sign Successor Franchise Agreements must pay us a national marketing fee of 3% of their Gross Revenue ("**Successor National Marketing Fee**"), and we reserve the right to increase this amount by an additional 1%. The maximum Successor National Marketing Fee you may pay under your Successor Franchise Agreement is 4% of your Gross Revenue each year. Certain Legacy Franchisees are permitted to pay a Legacy Franchisee National Marketing Fee equal to 1.5% of Gross Revenue, until such time that their Agreement term expires. Specific information regarding qualifying for the Legacy Franchisee National Marketing Fee can be found in ITEM 6. Additionally, you must contribute 3% of all e-commerce revenue share orders you receive to the National Marketing Fund. The National Marketing Fee collected will be payable on the 10th of each month. We will deposit the National Marketing Fee in a separate bank account, commercial account or savings account ("**National Marketing Fund**"). We will require Max Muscle Stores operated by our Affiliates, if any, to contribute to the National Marketing Fund as well. The National Marketing Fund will be administered by us, in our discretion, and may use a professional advertising agency or media buyer to assist us.

We may reimburse ourselves from the National Marketing Fund for administrative costs, independent audits, reasonable accounting, bookkeeping, reporting and legal expenses, taxes and all other reasonable direct or indirect expenses that may be incurred by us or our authorized representatives and associated with the programs funded by the National Marketing Fund. We assume no other direct or indirect liability or obligation to collect amounts due to the National Marketing Fund or to maintain, direct or administer the National Marketing Fund. Any unused funds 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 National Marketing Fund on any terms we deem reasonable. Since we do not have this fund audited, audited financial statements are not available to franchisees. We will make available to you an annual accounting for the National Marketing Fund that shows how the National Marketing Fund proceeds have been spent for the previous year upon your request.

We may use the National Marketing Fund for the creation, production and placement of commercial advertising; agency costs and commissions; creation and production of video, audio and written advertisements; administering multi-regional advertising programs, direct mail and other media advertising; in-house staff assistance and related administrative costs; local promotions; supporting public relations; market research and other advertising and marketing activities, including participating at trade shows; and the production of *Max Sports & Fitness Magazine*. Advertising may be placed in local, regional

or national media of our choice, including print, direct mail, radio or television. We do not guarantee that advertising expenditures from the National Marketing Fund will benefit you or any other Franchisee directly, on a pro rata basis, or at all.

In the fiscal year ended December 31, 2019, the National Marketing Fund collected $437,000.00 and we spent 32% of the National Marketing Fund on the production of marketing and advertising materials, 68% on media placement, 0% on administration, and 0% on other promotional programs, We predecessor Peak did not use the National Marketing Fund to solicit the sale of franchises during our last fiscal year, nor will we use National Marketing Fund monies to solicit franchisees in our current fiscal year. Neither we nor our Affiliate receive payments for providing goods or services to the National Marketing Fund, except for reimbursement of expenses as described above.

You may create your own advertising and promotional materials; however, all advertising and promotions created by you must be approved by us in advance before you use them and must comply with our graphic standards. Your request will be reviewed by us and we will respond in writing within 30 days from the date we receive all requested information. Our failure to notify you in the specified time frame will be deemed a disapproval of your request. Use of logos, Marks and other name identification materials must be consistent with our approved standards. You may not use our logos, Marks and other name identification materials on items to be sold without our prior written approval. If we approve of promotional items that will be sold in your Max Muscle Store, those items must be included in your regular sales and will be subject to Royalties. You must not use the Max Muscle® name, logos or other Marks to promote or identify Collateral Services offered by you in your Max Muscle Store.

Although we currently do not do so, we reserve the right to form an advertising council. We also may designate any geographic area in which two or more Max Muscle Stores are located as a region for establishing an advertising cooperative ("**Cooperative**"). The members of the Cooperative for any area will consist of all Max Muscle Stores whether franchised or operated by us or our Affiliates. We will determine in advance how each Cooperative will be organized and governed and when it must start operation. Each Cooperative will be organized for the sole purposes of administering advertising programs and developing, subject to our approval, promotional materials for use by the members in local advertising. If a Cooperative has been established for a geographic area where your Max Muscle Store is located when the Franchise Agreement is signed, or if any Cooperative is established during the term of the Franchise Agreement, you must become a member of the Cooperative and abide by the rules of the Cooperative. We reserve the right to form, change, dissolve or merge any Cooperative.

If we have established a Cooperative for your area, you must contribute to the Cooperative the amounts required by its governing documents. However, you will not be required to contribute more than 2% of your Gross Revenue during any calendar month to the Cooperative. Your contributions to the Cooperative, if any, may be credited against your Local Advertising Expense obligation, up to 2%. Your total contributions to the Cooperative and Local Advertising Expense will not exceed 2% of your Gross Revenue. All contributions to the Cooperative will be maintained and administered per the documents governing the Cooperative. The Cooperative will be operated solely as a conduit for collecting and spending cooperative fees for the purposes outlined above. The Cooperative may not use any advertising or promotional plans or materials without our prior approval.

The amount of contribution will be determined by the members of the Cooperative, subject to our approval. We anticipate that each member will have one vote for each Max Muscle Store operated by the member within the geographic area subject to the Cooperative including company owned Max Muscle Stores. No member of the Cooperative has controlling voting power on any potential fees imposed by the Cooperative. Each Cooperative will have to prepare an annual financial statement reporting its expenditures for the previous year to its members. If a Cooperative is established, we will provide you with a copy of the governing documents.

You must also pay your pro rata share of the cost of a Yellow Pages advertisement or other business listings to be placed by us or any Cooperative on behalf of all Max Muscle Stores in the local market area, as determined by us or the Cooperative. If you operate the only Max Muscle Store under the System in the local market area, you will be responsible for full payment of the Yellow Pages advertising or other business listing, unless we determine, in our discretion, that placement of a Yellow Pages advertisement or other business listings for the local market area is not economically justified. Any amount you pay for the Yellow Pages listing or other business listings will apply toward satisfaction of your Local Advertising Expense requirement.

Except as described above, we are not obligated to spend any amount on advertising in the geographical area where you are or will be located.

We retain the sole right to use the Marks and market on the Internet, including all use of Web sites, domain names, URL's, linking, advertising, and co-branding arrangements. You may not establish a presence on the Internet except as we may specify, and only with our prior written consent. We retain the right to approve any linking to or other use of our Web sites.

Computer Systems

You must purchase and use any electronic point-of-sale recording system ("**Register System**") that Dakota One requires, as described in the Operations Manual. You must have the Register System purchased and set up with LivePOS. This Register System enables us to collect information concerning gross revenues on a timely basis including information concerning sales and inventory of your Max Muscle Store. The Register System provides you with detailed information necessary to prepare your financial statements, including sales and inventory information. The Register System also runs the computer software and control system described below. We have the right to independently access your electronic information and data through the electronic Register System, and to collect and use your electronic information and data in any manner we choose to promote the development of the System and the sale of franchises. There is no contractual limitation on our right to receive information through the Register System. You must also have QuickBooks purchased and installed on a laptop.

If you are a new Franchisee, you must also buy the computer equipment required to run the Max Muscle Education Center ("**MMEC**"). The Register System and the MMEC are collectively referred to as the "**Computer System**."

The Computer System will have all the necessary software pre-installed and will be shipped directly to your Max Muscle Store. The hardware components are not proprietary to us. We estimate that the cost of purchasing the Computer System will range from $1,000 to $2,000.

We may revise our specifications at any time in our discretion. There is no contractual obligation on us or our suppliers to upgrade or maintain your Computer System.

You are solely responsible for protecting yourself from viruses, computer hackers, and other communications and computer-related problems, and you may not sue us for any harm caused by such communications and computer-related problems.

Site Selection

You must select the site for the Max Muscle Store subject to our approval. Your proposed site must be submitted to us for approval within 90 days of signing the Franchise Agreement. Before leasing or purchasing the site for the Max Muscle Store, you must submit to us, in the form we specify, a description of the site, together with other information and materials that we may reasonably require, including a letter of intent or other evidence that confirms your favorable prospects for obtaining the site. We will have 30 days after we receive this information and materials to approve or disapprove the proposed site. If we

do not approve or disapprove the proposed site within such 30 days, the site will be deemed disapproved. If we approve the site, our approval will be good for a maximum of 60 days. Factors that we may consider when reviewing your site include the size and dimensions of the site, visibility factors, traffic flow and patterns, access and exits to and from the site, area population and market conditions. If we do not approve your site you will need to locate another site for your Max Muscle Store and receive our acceptance of the alternate site. In the event that we do not approve your alternate site, we may, at our sole discretion, extend your opening deadline. We may also extend the construction period of your Max Muscle Store to accommodate delays in selecting and obtaining our approval of an alternate site. If a site cannot be agreed upon, the Franchise Agreement could be terminated. You must purchase or lease, at your expense, the site for the Max Muscle Store within 60 days after we approve it, and you must open your Max Muscle Store no later than 270 days after you sign the Franchise Agreement. If you do not open your Max Muscle Store within 270 days after you sign the Franchise Agreement, we may terminate your Franchise Agreement unless we grant you an extension of time in writing. Unless we approve an alternate size in writing, in our sole discretion, a Max Muscle Store must include a minimum of 900 square feet of retail space, including restrooms, and a maximum of 1,200 square feet of retail space, including restrooms. You must obtain our approval of any sale or lease contract before you sign it.

Although your site is subject to our approval, you have the ultimate responsibility in choosing and obtaining the site for your Max Muscle Store. Our consultation and approval is not a promise or guarantee that the Max Muscle Store operated at your site will be successful.

Once your Max Muscle Store has opened for business, you may only relocate the Max Muscle Store by complying with our relocation policy and procedures specified in the Operations Manual. This includes paying us the Relocation Processing Fee and, if applicable, the Relocation Logistics Fee.

Build-Out, Fixturing, Fabrication and Installation of Your Site

As a Franchisee, we require that the interior build-out, fixturing, fabrication and installation of your Max Muscle Store be completed by us, at your expense. Within 15 days after purchasing or leasing your Max Muscle Store you must provide us with a minimum of 75 days' written notice to schedule the construction for the build-out, fixturing, fabrication and installation of your Max Muscle Store. A 25% deposit is payable to us for the build-out, fixturing, fabrication and installation of your Max Muscle Store at the time you sign a lease or a purchase agreement for your Max Muscle Store site. A second 25% deposit payable to us for the interior build-out, fixturing, fabrication and installation for your Max Muscle Store will be due 14 days after the initial deposit is due. The remaining 50% of the cost of interior build-out, fixturing, fabrication and installation for your Max Muscle Store will be due 14 days prior to the date that your fixtures are scheduled to be shipped to you.

The contractor will complete the build-out, fabrication, fixturing and installation for the interior of your Max Muscle Store. You must provide the contractor with a site plan for your Max Muscle Store within 30 days after purchasing or leasing your Max Muscle Store, but in no event later than 90 days prior to the date that the build-out, fixturing, fabrication and installation of your Max Muscle Store is scheduled to begin. The contractor will draw plans for the interior of your Max Muscle Store and provide you with a site survey plan for your Max Muscle Store. You are responsible for completing all work identified by the contractor on the site survey plan and other documents in order to deliver the site of your Max Muscle Store to the contractor in FFE Ready Condition. Upon completing the work necessary to bring your Max Muscle Store to FFE Ready Condition and any other work identified on the site survey plan or other documents provided to you, the contractor will construct the interior build-out, fixturing, fabrication and installation of your Max Muscle Store. You are responsible for all costs associated with getting your Max Muscle Store in FFE Ready Condition, completing the work on the site survey plan and the build-out, fixturing, fabrication and installation of your Max Muscle Store including all permitting costs. You are also responsible for obtaining and paying for all permits and all licenses required to complete the build-out, fixturing, fabrication and installation of your Max Muscle Store and compliance with all federal, state,

county or city regulations regarding the build-out, fixturing, fabrication and installation for your Max Muscle Store.

We reserve the right to receive rebates, commissions or other consideration from our designated or approved vendors for the build-out, fixturing, fabrication and installation of your Max Muscle Store. We also reserve the right to require you to use a designated or approved contractor to get your Max Muscle Store into FFE Ready Condition and to receive rebates or other consideration from such contractor.

Schedule for Opening

If you are purchasing a new Franchise, we estimate that the typical length of time between the signing of the Franchise Agreement and the opening of your Max Muscle Store is approximately 240 to 270 days. Unless we grant you an extension of time in writing, which may be granted or denied in our sole discretion, you must have your Max Muscle Store open and in operation no later than 270 days after you sign the Franchise Agreement. Some factors that may affect this timing are your ability to locate an acceptable site, the time to acquire the site through lease negotiations, your ability to secure any necessary financing, your ability to comply with local zoning and other ordinances, the timing of the delivery and installation of equipment and signs, and the time to renovate or build the premises.

You must schedule your construction and installation of your interior build-out for your Max Muscle Store and order your inventory and computer system before your Max Muscle Store is scheduled to open. You must give us lead time of 75 days for your Max Muscle Store build-out, fixturing, fabrication and installation. You must order your initial inventory 4 weeks prior to your Max Muscle Store build-out, fixturing, fabrication and installation and you must order your computer system 4 weeks prior to your initial training.

You must establish and operate your Max Muscle Store in compliance with the Franchise Agreement and the standards and specifications contained in the Max Muscle confidential operations manual ("**Operations Manual**") loaned to you by us. The Operations Manual consists of 1 or more manuals, technical bulletins or other written materials and may be modified by us periodically. The Operations Manual may be in printed or in an electronic format in our discretion. We reserve the right to require you to use an electronic version of the Operations Manual and to require you to access the document using the Internet or an intranet created and supported by us. You will have the opportunity to view the Operations Manual at our headquarters before purchasing the Franchise. The Operations Manual contains approximately 368 pages. The Table of Contents for the Operations Manual is attached to this Franchise Disclosure Document as **Exhibit D**.

Training Programs

Before the opening of your Max Muscle Store, we provide an initial training program conducted at the times and locations designated by us if you are a new Franchisee. This mandatory training is usually conducted at our corporate headquarters located in Sioux Falls, South Dakota, but the training course may be held elsewhere in the future in our discretion. Before you schedule your initial training, you or your Manager must first satisfy all of the training perquisites ("**Training Prerequisites**") specified in **Attachment X** of the Franchise Agreement to our satisfaction and advise us in writing that all of the Training Prerequisites have been satisfied. If you fail to satisfactorily complete all of the Training Prerequisites to our reasonable satisfaction prior to attending initial training, we reserve the right to send you home during the initial training program in our sole discretion, and to require you to attend an alternate initial training program at your sole cost and expense. The initial training program lasts up to 3 weeks and consists predominantly of classroom instruction. You or, if you are not an individual, your Manager must attend and successfully complete the training program to our satisfaction. We encourage you to have two people attend the training program. If a Manager's employment with you is terminated, you must designate a new Manager who must successfully complete our initial training program within 90 days after the

termination of the initial Manager, unless we do not hold an initial training program during that 90-day period in which case the replacement Manager must attend and successfully complete the first available initial training program held by us. You may be charged a training fee for a replacement Manager, and the costs for air fare, ground transportation, lodging, meals, and the Manager's salary and benefits must be paid by you.

There is no tuition or fee for the initial training program. You must pay for air fare, lodging, most meals, ground transportation, salaries and benefits, and any other personal expenses for yourself and any additional attendees incurred during this time.

The subjects covered in the initial training program are described below:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Opening Comments	1.0	-	Sioux Falls
Register Training	3.5	3.5	Sioux Falls
Business Operations Training	7		Sioux Falls
Accounting Training	7		Sioux Falls
Employee Management	7		Sioux Falls
Social Media Training	7		Sioux Falls
Product Training	32		Sioux Falls
Nutrition Training	12		Sioux Falls
In Store Training – Working in Corporate Store Live	32		Sioux Falls
Pricing Strategy	8		Sioux Falls
Total	**116.5**	**3.5**	Sioux falls

Currently, there are multiple instructors that oversee and present the training program both in person and via remote conferencing. Mr. Terry Wieting has over 25 years of business experience and has served as the President of Max One Nutrition since November 2017. Ms. Shereen Coleman has worked with computer and IT systems since 1998. Dr. Phil Harvey has been working in nutrition and product development since 1988. Mr. Brett Delany has been working with nutritional planning since 2014 and started with us in November 2017. Mr. Sean Greene has been working in the supplement industry in marketing since 1994. Tammy Loos supervise the initial training program. Tammy has served as the Learning and Development Director of Max Muscle since February 18, 2019 and has been with the franchise system since February 18, 2019. Tammy Loos has served as the Learning and Development Director of Max Muscle since February 18, 2019 and has been associated with the franchise system since February 18, 2019. Other than those individuals listed in this paragraph, no other Regional Directors provide training to franchisees. Our training materials may include but are not limited to the Franchise Operations Manual (FOM), educational videos, role-playing, quizzes, online learning tools, PowerPoint presentations, reference manuals, and courseware among other training materials.

We may present seminars, conventions or continuing development programs for the benefit of Franchisees. Your attendance at most of these seminars is voluntary. However, you or your Manager must attend any mandatory seminar, convention, or program we may offer. You or your Manager will not be required to attend any mandatory seminar, convention or program more than once per year. We will give you at least 30 days' prior written notice of any seminar, convention or program which is considered mandatory. The locations of the mandatory seminars, conventions and programs will vary among the

different regions of the country, and the duration will typically be between one and two days. You will not pay for attendance at mandatory seminars, conventions and programs except you must pay for your travel and living expenses incurred in attending any mandatory or voluntary seminar, convention or training program. In addition, unless mandatory, we may charge our then current published fee for attendance at any of the seminars, conventions and programs. Either you or your Manager must obtain certification as a Certified Fitness Nutrition Coach from the NESTA prior to opening your Max Muscle Store. The cost of the course materials for the Sports Nutrition Certification will be borne by us.

ITEM 12
TERRITORY

We designate a geographic area ("**Site Selection Area**") in which a site will be located for your Max Muscle Store and your territory ("**Authorized Territory**") will be determined. The Site Selection Area is a general geographic area designated solely to select a proposed suitable general location and Authorized Territory for the Max Muscle Store and does not give you any exclusive rights to the Site Selection Area nor imply any other territorial rights either before or after execution of a Franchise Agreement. The specific site or address of your Max Muscle Store is your "**Franchised Location**," which will be located in your Authorized Territory. Your Authorized Territory is based on postal zip codes. The minimum Authorized Territory will be based on a population ranging between 25,000 and 250,000 people residing within the proposed Authorized Territory. You will maintain your rights to the Authorized Territory even though the population in your Authorized Territory may increase or decrease. Other than as designated in the Franchise Agreement, there are no conditions for keeping the rights to your Authorized Territory. You may not use other channels of distribution, such as the Internet, telemarketing or direct marketing, to market outside of your Authorized Territory. Franchisor only grants options and the rights of first refusal upon transfer or for a successor term.

The Site Selection Area is customarily designated by city, county or other political, geographical or physical boundaries. You must operate your Max Muscle Store at the specific Franchised Location designated in the Franchise Agreement. Once we have designated your Franchised Location you cannot move it without our prior written approval. Our approval is based on a variety of factors, including the demographics of the proposed new location. Our approval of your Franchised Location does not guarantee the success of your Max Muscle Store. If you request to move your Max Muscle Store to a new Franchised Location, we may charge you a Relocation Fee to evaluate the new facility.

Although we will not grant another franchise in your Authorized Territory, customers from your Authorized Territory may purchase products from other Max Muscle Store locations or directly from us or our Affiliate over the Internet, or in other reserved channels of distribution. Such purchases will not act as an offset or in any way impact the Minimum Monthly Purchase Quota (as defined below) that you will have to meet. 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 reserve for ourselves the exclusive right to market any other products or services utilizing the Proprietary Marks or other marks utilizing alternative distribution channels, including over the Internet. We are not required to compensate you for any solicitation or acceptance of orders inside your territory via alternative channels of distribution. If you advertise or market your Franchised Location outside of your Authorized Territory (except for cooperative advertising approved or authorized by us), you will be in breach of your Franchise Agreement, and we would have the right to terminate your Franchise.

The continuation of your right to operate your Max Muscle Store is dependent on your ability to satisfy our requirements that you purchase a minimum amount of Max Muscle Products on a monthly basis ("**Minimum Monthly Purchase Quota**") beginning on the 13th month of operations of your Max Muscle Store. If you do not meet the Minimum Monthly Purchase Quota established for your Max Muscle Store, your Franchise Agreement may be terminated, and your Franchise may be revoked. Under the terms of the Franchise Agreement, the Minimum Monthly Purchase Quota that you must purchase from Max One, as evidenced by invoices, is as follows: Year One of operation of Max Muscle Store, no minimum purchase

requirement; and Year 2 and beyond of operation, a $4,500 monthly volume commitment of Max Muscle Products. If you do not satisfy the Minimum Monthly Purchase Quota, we may provide you with additional service to help you improve your sales, but you must pay the expenses related to those services. In our discretion, if your averaged purchase volume for Max Muscle Products falls below the Minimum Monthly Purchase Quota for 6 consecutive months, we may determine that you are not suitable to continue as a Franchisee and revoke your franchise or exercise any of our other remedies. The Minimum Monthly Purchase Quota is not, and should not be considered, an earnings estimate for your Max Muscle Store or a representation regarding your potential earnings as a Max Muscle Franchisee.

In some cases we allow you to establish a Satellite Store within your Authorized Territory. There are no exclusive territories associated with any Satellite Store you may open and we reserve the right to own, franchise or operate other Satellite Stores or Max Muscle Stores regardless of proximity to your Satellite Store as long as it is not in your Authorized Territory. Other franchisees are not permitted to establish Satellite Stores in your Authorized Territory. If you are a Franchisee in good standing, you may request authorization to open a Satellite Store. We will consider a variety of factors and decide each request on a case-by-case basis. We reserve the right to make this determination in our discretion. If you operate a Franchise and you are authorized to operate a Satellite Store within your Authorized Territory, you will not be charged any additional Initial Franchise Fees, but your Minimum Monthly Purchase Quota for Max Muscle Products will be increased and all sales from the Satellite Store are subject to Royalty payments and advertising allocations. You must own 100% of any Satellite Store that we authorize you to operate. Satellite Stores are not transferable under any circumstances without receiving prior written approval from us. You must operate the Satellite Store according to the Operations Manual and our other guidelines.

We reserve the right, among others:

1. to own, franchise, or operate Max Muscle Stores at any location outside of the Authorized Territory, or the Development Area, if applicable, regardless of the proximity to your Max Muscle Store;

2. to use the Marks and the System to sell any products, similar to those which you will sell, through any channels of distribution within or outside of the Authorized Territory, including to National Accounts. This includes, but is not limited to, retail locations such as grocery stores, gyms, health clubs, recreation centers, sports facilities, regional malls, airports, college campuses, special events, and military bases; and other channels of distribution such as television, mail order, 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, conduct e-commerce or engage in social networking using the Marks on the Internet without our advanced written approval;

3. to 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 retail store, at any location, including within the Authorized Territory, which may be the same as, similar to or different from the Max Muscle Store operated by you;

4. to purchase or be purchased by, or merge or combine with, any business, including a business that competes directly with your Max Muscle Store, wherever located; and

5. to implement multi-area marketing programs which may allow us or others (including designated third-party distributors) to solicit or sell, to customers anywhere ("**National Accounts**"). We also reserve the right to issue mandatory policies to coordinate such multi-area marketing programs.

ITEM 13
TRADEMARKS

The Franchise Agreement grants you the nonexclusive right to use our Marks, including the trademark "**MAX MUSCLE®**," and various designs and logo types associated with our products and services. You may also use our other current or future Marks as we may designate to operate your Max Muscle Store. You must indicate, as required in the Franchise Agreement and specified in the Operations Manual, that you are an independent operator of the Max Muscle Store and you shall use only the appropriate and authorized Marks as indicated by us.

The Marks are owned by Max One and are licensed exclusively to us and our Affiliates. Max One has granted us an exclusive, royalty-free license ("**Trademark License**") to use the Marks for purposes of franchising the System around the world. The Trademark License extends for 40 years, commencing September 1, 2001, but it will automatically renew for subsequent 40 year periods provided we are not in default or do not materially breach the Trademark License by engaging in any activity which damages the Marks or the goodwill of the System. In the event the Trademark License is terminated, Max One has agreed to license the use of the Marks directly to our Franchisees until such time as each Franchise Agreement expires or is otherwise terminated.

Max One has registered the following principal Marks with the United States Patent and Trademark Office ("**USPTO**") on the Principal Register:

Mark	Filing or Registration Date	Serial/Registration Number	Status
	Registered January 5, 1999	2,216,577	Registered on the Principal Register.
	Registered May 27, 2003	2,719,230	Registered on the Principal Register.
	Registered July 29, 2008	3,474,329	Registered on the Principal Register.
MAX MUSCLE (words only) Int'l Class 035	Registered December 18, 2007	3,356,345	Registered on the Principal Register.
MAX MUSCLE (words only) Int'l Class 05, 025 and 035	Registered August 19, 2008	3,489,594	Registered on the Principal Register.
	Registered October 5, 2010	3,857,441	Registered on the Principal Register.

Mark	Filing or Registration Date	Serial/Registration Number	Status
MAX MUSCLE SPORTS NUTRITION	Registered October 5, 2010	3,857,440	Registered on the Principal Register.

All required affidavits have been filed and accepted by the U.S. Patent & Trademark Office.

Max One has also applied registered the following principal Mark with the USPTO on the Principal Register:

Mark	Application Filing Date	Status	Serial No.
MM	March 2, 2015	Pending	86/550838

We do not have a federal registration for trademark identified above. Therefore, this trademark does not have as many legal benefits and rights as a federally-registered trademark. If our right to use the trademark is challenged, you may have to change to an alternate trademark, which may increase your expenses.

You must follow our rules when you use our Marks. You may not use any of the Marks alone or with modifying words, designs or symbols as part of a corporate or business name or in any form on the Internet, including but not limited to URLS, domain names, e-mail addresses, locators, links, metatags or search techniques, except as we license to you. You must get our prior written approval of your company name before you file any registration documents. Guidelines regarding proper trademark use and notices are in the Operations Manual and will be updated periodically in our discretion.

You may not use our Marks with an unauthorized product or service, or in a manner not authorized in writing by us. You may not use our Marks with any Collateral Service provided by you, whether or not the Collateral Service has been approved by us.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, any pending infringement, opposition or cancellation proceedings or any pending material litigation involving any of our Marks which are relevant to the use of these Marks. We reserve the right to control any litigation related to the Marks and we have the sole right to decide to pursue or settle any infringement actions related to the Marks. No currently effective litigation affects our use or ownership rights in any Mark. Except as described above, no currently effective agreement limits our right to use or license the use of our Marks.

You must notify us within three days of when you learn about an infringement of or challenge to your use of our Marks. We will take the action necessary, in our sole discretion, to protect the unauthorized use of our Marks, which may include our payment of reasonable costs associated with the action. We are not obligated to protect your rights to use the Marks or protect you against any claims of infringement or unfair competition arising out of your use of Marks. We will have no obligation to defend or indemnify you if a claim against you relates to your use of the Marks in violation of the Franchise Agreement.

You must modify or discontinue the use of a Mark if we modify or discontinue its use. If this happens, we will reimburse you for your tangible cost of compliance (for example, changing signs) if you are required to modify or discontinue use due to an infringement claim, court order or settlement with a third party. You must not directly or indirectly contest our right to our Marks, trade secrets or business techniques that are part of our business or the System.

We will control any litigation or proceeding.

We do not know of any infringing uses that could materially affect your use of our Marks. You should understand that there could be other businesses using trademarks, trade names, or other commercial symbols similar to our Marks with superior rights to our rights. Before opening your Max Muscle Store, you should research this possibility, using telephone directories, trade directories, Internet directories, or otherwise in order to avoid the possibility of having to change your Max Muscle Store name.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

The information contained in the Operations Manual is proprietary and is protected by copyright and other laws. The Operations Manual and the limitations of the use of it by you and your employees are described in this Franchise Disclosure Document. The designs contained in the Marks, the layout of our advertising materials, the content and format of our Max Muscle Products, as well as any other writings or recordings in print or electronic form are also protected by copyright and other laws. Although we have not filed an application for copyright registration for the Operations Manual, the Marks, the advertising materials, the content and format of our Max Muscle 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 ("**Copyright Works**") in connection with your operation of your Max Muscle Store, but such copyrights remain our sole property.

You must notify us within three days 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 Copyright Works or if someone challenges your use of our Copyright Works. We will take whatever action we deem appropriate, in our sole and absolute discretion, to protect our rights in and to the Copyright Works, which may include payment of reasonable costs associated with the action.

We will indemnify, hold harmless, and reimburse you for your liability and reasonable costs in connection with defending your use of our Copyright Works. To receive reimbursement you must have notified us within the required timeframe upon your learning of the use of identical or substantially similar language or visual image, and you must have used the Copyright Works only per the terms of the Franchise Agreement.

You must add, modify, or discontinue the use of a Copyright Work if we instruct you to do so. You must not directly or indirectly contest our rights to any of our Copyright Works that are part of our business or the System.

Our Operations Manual, electronic information and communications, sales and promotional materials, the development and use of our Max Muscle Products, and other related materials are proprietary and confidential and are considered to be our property to be used by you only as described in the Franchise Agreement or the Operations Manual. Where appropriate, certain information has also been identified as trade secrets ("**Trade Secrets**"). You must maintain the confidentiality of our information and adopt reasonable procedures to prevent unauthorized disclosure of our Trade Secrets and confidential information.

No patents are material to us at this time.

We own all records with respect to the customers, suppliers, and other services providers of, and related in any way to, your Max Muscle Store. This includes, without limitation, all databases (whether in print, electronic, or other form), including, among other things, all names, addresses, phone numbers, e-mail addresses, and customer purchase records. We may use or transfer the records in any way we wish, both before and after any termination, expiration, repurchase, transfer or otherwise. We may contact any or all of your customers, suppliers, and other service providers for quality control, market research, and such other purposes, as we deem appropriate, in our sole discretion.

Max One has received a federal copyright registration for the duration of 95 years for the publication listed below. Max One intends to renew its copyright registration upon expiration.

Title	Format	Status	First Publication
MaxFormation Total Fitness & Nutrition System	Book	Registered TX0005464808	1999

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

You, or your managing shareholder or partner, are not obligated to participate personally in the direct operation of your Max Muscle Stores so long as a designated manager ("**Manager**"), who has completed our initial training program, does so. If you are a legal or business entity, your Manager need not own an equity interest in the entity. You or your Manager must devote full time and best efforts to the management and operation of your Max Muscle Store. You or, if applicable, your Manager, must successfully complete our mandatory initial training program by demonstrating to us appropriate levels of competence in the subject matters taught in the training program, in our discretion. If your Manager's employment with you is terminated, you must designate a new Manager who must successfully complete our initial training program within 90 days after the termination of the initial Manager, unless we do not hold an initial training program during that 90-day period, in which case the replacement Manager must attend and successfully complete the first available initial training program held by us.

If you are a legal or business entity, we may require that your Manager and each of your officers, directors, partners, shareholders or members (and, if you are an individual, immediate family members) execute our standard Guaranty and Assumption of Franchisee's Obligations. (See Franchise Agreement **Attachment V**, and our Nondisclosure and Noncompetition Agreement attached to this Franchise Disclosure Document as **Exhibit C**). Your spouse or domestic partner, if any, must also sign the Franchise Agreement.

In signing the Franchise Agreement, you acknowledge that the risks, financial and otherwise, which are inherent with the beginning of any new business, are yours alone. We, as a matter of policy, will not assist you in any decision-making process that may affect the operations of your Max Muscle Store. The success or failure of the Franchise as a business enterprise is dependent on your efforts. The purchase of this Franchise should not be considered by anyone who is unfamiliar with standard business practices or is unwilling to accept the responsibilities associated with running a small business.

You may not, without our express written permission, which may be granted or denied in our sole discretion, become an exclusive distributor for any third-party vendor or obtain exclusive distribution rights for any non-Max Muscle Products.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must keep your Max Muscle Store open and in normal operation for the minimum hours and days we may specify. You must refrain from using or permitting the use of your Max Muscle Store for any other purpose or activity at any time, including the offering of Collateral Services, without first obtaining our written consent.

You must sell or offer for sale only these services and products that are authorized by us and that meet our standards and specifications. You must follow our policies, procedures, methods, and techniques. You must sell or offer for sale all types of services and products specified by us. We may change or add to our required services and products at our discretion with prior notice to you. You must discontinue selling and offering for sale any services or products which we may, in our discretion, disapprove in writing at any time. We reserve the right to establish maximum resale prices for use with multi-area marketing programs and special price promotions.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

FRANCHISE AGREEMENT

Provision		Section in Franchise Agreement	Summary
a.	Length of the franchise term	Section 3	Five years.
b.	Renewal or extension of the term	Section 3	Your renewal right permits you to continue to operate your Max Muscle Store after the initial term of your Franchise Agreement expires. If you wish to do so, and you satisfy the required pre-conditions to renewal, we will offer you the right to obtain an additional 5-year term. You must sign our then-current Franchise Agreement ("**Successor Franchise Agreement**") for the renewal term, and this Successor Franchise Agreement may have different terms and conditions (including *e.g.* higher royalty and/or advertising contributions) from the Franchise Agreement than covered your original term.

Provision		Section in Franchise Agreement	Summary
c.	Requirements for franchisee to renew or extend	Section 3	Renewal Notice; no material default or money owed; sign Successor Agreement with materially different terms and conditions (including *e.g.* higher royalty and/or advertising contributions) from the Franchise Agreement that covered your original term; pay renewal fee. You may be asked to sign a contract with materially different terms and conditions than your original contract.
d.	Termination by you	Section 13.1	Default by us if we fail to cure such default within 90 days of receipt of written notice from you.
e.	Termination by us without cause	None	N/A.
f.	Termination by us with cause	Section 13.2	We can terminate if you commit any one of several violations.
g.	"Cause" defined - defaults which can be cured	Section 13.2(a)	You have 30 days to cure, including failure to comply with Franchise Agreement, System, Operation Manual, nonpayment of fees and other obligations, and failure to comply with Federal, State and Local laws.
h.	"Cause" defined – non-curable defaults	Section 13.2(b)	Non-curable defaults include misrepresentation by you, failure to complete Initial Training, bankruptcy††, insolvency, or appointment of a receiver, loss of possession, trademark misuse, unauthorized transfer, change in ownership without approval, abandonment, allegation or conviction on charges related to the possession or use of illegal drugs, controlled substances, or steroids; and conviction of any type of felony; the failure or refusal to stop selling any unauthorized product or service after being instructed to do so by us in writing; and the sale of any Controlled Substance at any time.
i.	Your obligations on termination/non-renewal	Section s 13.3 & 13.4; Exhibit C, Section 12.5; Section 6.4	Obligations include complete de-identification, noncompetition and payments of amounts due and the removal of the Max Muscle Point of Sale and CRM System.
j.	Assignment of contract by us	Section 14.2	No restriction on our right to assign.
k.	Transfer" by you – definition	Section 14.3	Includes transfer of interest in Franchise Agreement, Franchise or all or a substantial portion of assets of your Max Muscle Store.

Provision		Section in Franchise Agreement	Summary
1.	Our approval of transfer by you	Section 14.3	We have the right to approve all transfers.
m.	Conditions for our approval of transfer	Section 14.4	New Franchisee qualifies, Transfer Fee paid, transferee executes separate Franchise Agreement, execute a general release†† training arranged, transferee personal guarantee, transferee provides cash flow analysis, transferee upgrades to current Register System and CRM System, and transferee must have at least $25,000 of Max Muscle Products in inventory.
n.	Our right of first refusal to acquire your business	Section 14.7	We can match any offer for your business.
o.	Our option to purchase your business	Section 14.7	We may purchase your inventory and equipment at fair market value if Franchise Agreement is terminated for any reason.
p.	Your death or disability	Section 14.6	Franchise must be assigned by estate to an approved buyer within 120 days.
q.	Noncompetition covenants during the term of the franchise	Section 15.1	No involvement within any State where Franchisor or its Affiliate do business.
r.	Noncompetition covenants after the franchise is terminated or expires†	Section 15.1	No competing business for two years within 50 miles from the boundary of your Authorized Territory or from another franchised, Franchisor-owned or affiliated company owned premises.
s.	Modification of the agreement	Section s 7.4, 8.9	No modification but Manual subject to change†.
t.	Integration/merger clause	Section 18.1	Only the terms of the franchise agreement are binding (subject to state law); any representations or promises outside the disclosure document and franchise agreement may not be enforceable. Notwithstanding the foregoing, nothing in any franchise agreement is intended to disclaim the express representations made in this Franchise Disclosure Document.
u.	Dispute resolution	Section 16	Except for certain claims all disputes must be arbitrated.
v.	Choice of forum†	Section 16.6	South Dakota (subject to State law).
w.	Choice of law†	Section 16.6	South Dakota (subject to State law).

PRODUCT PURCHASE AGREEMENT

Provision		Section in Product Purchase Agreement	Summary
a.	Length of the franchise term	Section 5	Continues for the duration of the term of the Franchise Agreement unless terminated earlier.
b.	Renewal or extension of the term	None	N/A.
c.	Requirements for franchisee to renew or extend	None	Notice; no material default or money owed; sign Successor Agreement which may have different terms and conditions from the Product Purchase Agreement that covered your original term; pay renewal fee. You may be asked to sign a contract with materially different terms and conditions than your original contract.
d.	Termination by you	Section 6	You can terminate if we commit any one of several violations.
e.	Termination by us without cause	None	N/A.
f.	Termination by us with cause	Section 6	We can terminate if you commit any one of several violations.
g.	"Cause" defined – non-curable defaults	Section 6	Failure to comply with or perform the obligations under the Product Purchase Agreement.
h.	"Cause" defined - defaults which cannot be cured	Section 6	Defaults include an order of dissolution or liquidation; decree or order for relief or stay entered in any bankruptcy, insolvency, liquidation or dissolution; voluntarily or involuntarily commencing bankruptcy, insolvency, liquidation, or dissolution proceedings; termination of the Franchise Agreement.
i.	Your obligations on termination/non- renewal	Sections 6 and 7	Return of inventory for repurchasing.
j.	Assignment of contract by us	None	N/A.
k.	"Transfer" by you - definition	None	N/A.
1.	Our approval of transfer by you	None	N/A.
m.	Conditions for our approval of transfer	None	N/A.
n.	Our right of first refusal to acquire your business	None	N/A.

Provision		Section in Product Purchase Agreement	Summary
o.	Our option to purchase your business	None	N/A.
p.	Your death or disability	None	N/A.
q.	Noncompetition covenants during the term of the franchise	None	N/A.
r.	Noncompetition covenants after the franchise is terminated or expires	None	N/A.
s.	Modification of the agreement	Attachment A, par. 22	Modifications must be in writing signed by both parties.
t.	Integration/merger clause	Section 17 and Attachment A, par. 26	Terms in Product Purchase Agreement and Attachment A constitute the entire agreement regarding purchasing products. Any representations or promises outside the disclosure document and franchise agreement may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Section 9.1 and Attachment A, par. 25	All disputes must be arbitrated.
v.	Choice of forum	Section 9.1 and Attachment A, par. 25	South Dakota (subject to State law).
w.	Choice of law	Section 9.1 and Attachment A, par. 25	South Dakota (subject to State law).

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

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to 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.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting the Contracts Administrator at 4901 S. Isabel Place, #200, Sioux Falls, South Dakota 57108 and (605) 271-2670, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1: Systemwide Outlet Summary*
For Years 2016-2018

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2016	136	129	-7
	2017	129	124	-5
	2018	124	103	-21
Company-Owned	2016	0	0	0
	2017	0	0	0
	2018	0	1	1
Total Outlets	**2016**	**136**	**129**	**-7**
	2017	**129**	**124**	**-5**
	2018	**124**	**104**	**-20**

* As described in ITEM 1, we were formed in July 2017, and began offering franchises in November 2017. Therefore, the table above includes only figures from our Predecessor prior to the assignment of the Franchise Agreements to us.

Table No. 2: Transfers of Franchised Outlets*
For Years 2016-2018

State	Year	Number of Transfers
California	2016	1
	2017	9
	2018	1
Colorado	2016	2
	2017	4
	2018	0
Illinois	2016	1
	2017	0
	2018	0
Iowa	2016	0
	2017	1
	2018	0
Minnesota	2016	0
	2017	1
	2018	0

State	Year	Number of Transfers
North Carolina	2016	1
	2017	0
	2018	0
Oregon	2016	0
	2017	1
	2018	0
Texas	2016	1
	2017	0
	2018	0
Totals	**2016**	**6**
	2017	**15**
	2018	**1**

* As described in ITEM 1, we were formed in July 2017, and began offering franchises in November 2017. Therefore, the table above includes only figures from our Predecessor prior to the assignment of the Franchise Agreements to us.

Table No. 3: Status of Franchised Outlets*
For Years 2016-2018

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
Alabama	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	1	0
Alaska	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Arizona	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
California	2016	49	5	5	0	0	0	49
	2017	49	4	0	0	0	5	48
	2018	48	0	2	0	1	7	38
Colorado	2016	12	1	0	0	0	1	12
	2017	12	0	0	0	0	3	9
	2018	9	0	0	0	0	0	9
Connecticut	2016	1	0	0	0	0	0	1
	2017	1	1	0	0	0	0	2
	2018	2	0	0	1	0	1	0
Florida	2016	5	0	0	0	0	0	5
	2017	5	1	0	0	0	1	5
	2018	5	1	0	0	0	1	5

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
Georgia	2016	4	0	0	0	0	1	3
	2017	3	1	0	0	0	2	2
	2018	2	0	0	0	0	0	2
Hawaii	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	-1	0
	2018	0	0	0	0	0	0	0
Illinois	2016	4	1	0	0	0	2	3
	2017	3	0	0	0	0	1	2
	2018	2	0	0	0	0	1	1
Iowa	2016	2	1	0	0	0	0	3
	2017	3	0	0	0	0	0	3
	2018	3	0	0	1	0	0	2
Kentucky	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Maryland	2016	1	0	0	0	0	1	0
	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
Massachusetts	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Michigan	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	1	0
	2018	0	0	0	0	0	0	0
Minnesota	2016	2	0	1	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Missouri	2016	1	0	1	0	0	0	0
	2017	0	0	0	0	0	0	0
	2018	0	0	0	0	0	0	0
Mississippi	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Montana	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	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
Nebraska	2016	5	1	0	0	0	0	6
	2017	6	1	0	0	0	0	7
	2018	7	0	0	0	0	0	7
Nevada	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
New Jersey	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	1	0
	2018	0	0	0	0	0	0	0
New York	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
	2018	2	0	1	0	0	0	1
North Carolina	2016	3	0	0	0	0	0	3
	2017	3	0	0	0	0	0	3
	2018	3	0	0	0	0	1	2
Ohio	2016	3	0	0	0	0	1	2
	2017	2	0	0	0	0	0	2
	2018	2	0	0	0	0	0	2
Oregon	2016	9	0	0	0	0	0	9
	2017	9	0	0	0	0	0	9
	2018	9	0	0	0	0	1	8
Pennsylvania	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
	2018	1	0	0	0	0	0	1
South Carolina	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	1	0
South Dakota	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
	2018	1	0	0	0	0	0	1
Tennessee	2016	1	0	1	0	0	0	0
	2017	0	0	0	0	0	0	0
	2018	0						
Texas	2016	7	1	0	0	0	1	7
	2017	7	2	0	0	0	1	8
	2018	8	0	0	0	0	0	8
Utah	2016	5	0	0	0	0	0	5
	2017	5	0	0	0	0	1	4
	2018	4	0	0	0	0	0	4

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
Virginia	2016	3	0	0	0	0	0	3
	2017	3	0	0	0	0	0	3
	2018	3	0	0	1	0	1	1
Washington	2016	3	0	0	0	0	1	2
	2017	2	0	1	0	0	0	1
	2018	1	0	0	0	0	0	1
Totals	**2016**	**136**	**10**	**8**	**0**	**0**	**9**	**129**
	2017	**129**	**12**	**1**	**0**	**0**	**16**	**124**
	2018	**124**	**1**	**3**	**3**	**1**	**15**	**103**

** As described in ITEM 1, we were formed in July 2017, and began offering franchises in November 2017. Therefore, the table above includes only figures from our Predecessor prior to the assignment of the Franchise Agreements to us.*

Table No. 4: Status of Company-Owned Outlets*
For Years 2016-2018

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
California	2016	0	0	0	0	0	0
	2017	0	0	0	0	0	0
	2018	0	1	0	0	0	1
Totals	**2016**	**0**	**0**	**0**	**0**	**0**	**0**
	2017	**0**	**0**	**0**	**0**	**0**	**0**
	2018	**0**	**1**	**0**	**0**	**0**	**1**

* As described in ITEM 1, we were formed in July 2017, and began offering franchises in November 2017. Therefore, the table above includes only figures from our Predecessor prior to the assignment of the Franchise Agreements to us.

Table No. 5: Projected Openings as of December 31, 2018

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
South Dakota	0	0	0
Totals	**0**	**0**	**0**

A list of the names and addresses of persons operating under a Franchise Agreement as of the end of our last fiscal year (unless another date is stated on the list) are listed on **Exhibit E** to this Franchise Disclosure Document. The names and addresses of persons having signed a Franchise Agreement but have not opened a Store as listed in Table 5 are also listed on **Exhibit E**. The names and addresses of former franchisees who had an outlet terminated, canceled, transferred, not renewed or who otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our last fiscal year, or who have not communicated with us within 10 weeks of the issuance date of this Franchise Disclosure Document, are listed on **Exhibit F** to this Franchise Disclosure Document. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experiences with

Dakota One Franchising, LLC, or our predecessor Peak Franchising, Inc., however, during the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system. If you buy a Max Muscle store, your contact information may be disclosed to other buyers when you leave the franchise system.

As of September 30, 2017, we are not offering any franchised outlets to prospective franchisees, including those that either have been reacquired by us or are still being operated by current franchisees pending a transfer. In the event that we begin to offer any such outlet, specific information about the outlet will be provided to you in a separate Addendum to this Franchise Disclosure Document.

ITEM 21
FINANCIAL STATEMENTS

Exhibit H contains the audited financial statements required to be included with this Franchise Disclosure Document: audited financial statements as of December 31, 2018, and December 31, 2017, as well as unaudited financials dated March 31, 2019. As described in Item 1, we were formed in July 2017 and began offering franchises in November 2017. Since we have not been in operation for three years, we are not able to provide audited financial statements for a three-year period. Our fiscal year end is December 31st.

ITEM 22
CONTRACTS

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

Exhibit:

B. Franchise Agreement
   Attachment I - Addendum to Franchise Agreement
   Attachment II - Electronic Payment Authorization
   Attachment III - Collateral Assignment of Telephone Numbers, Addresses, and Listings
   Attachment IV - Statement of Ownership
   Attachment V - Guaranty and Assumption of Franchisee's Obligations
   Attachment VI – Controlled Substances Certification
   Attachment VII - Sample Acknowledgement of Termination and Release Agreement
   Attachment VIII – SBA Addendum to Franchise Agreement
   Attachment IX – Lease Addendum
   Attachment X – Training Prerequisites
   Attachment XI – Multi-Store Royalty Savings Program Addendum
   Attachment XII – Conversion Program Addendum
C. Non-Disclosure and Non-Competition Agreement
G. Product Purchase Agreement
I. Statement of Franchisee
J. State Specific Addenda

ITEM 23
RECEIPTS

On the last two pages of this Franchise Disclosure Document, you will find two copies of the Receipt Page. You must sign, date and deliver one copy of the Receipt Page to us for our records.

EXHIBIT A

DAKOTA ONE FRANCHISING, LLC
LIST OF STATE AGENCIES /
AGENTS FOR SERVICE OF PROCESS

EXHIBIT A
DAKOTA ONE FRANCHISING, LLC

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	California Department of Business Oversight One Sansome Street, Suite 600 San Francisco, CA 94104 415-972-8559 1-866-275-2677	California Commissioner of Business Oversight 320 West 4th Street, Suite 750 Los Angeles 90013-2344 1-866-275-2677
CONNECTICUT	Securities and Business Investment Division Connecticut Department of Banking 260 Constitution Plaza Hartford, CT 06103 860-240-8230	Connecticut Banking Commissioner Same Address
FLORIDA	Department of Agriculture & Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, FL 32399-0800 850-245-6000	Same
GEORGIA	Office of Consumer Affairs 2 Martin Luther King Drive, S.E. Plaza Level, East Tower Atlanta, GA 30334 404-656-3790	Same
HAWAII	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities 335 Merchant Street, Room 203 Honolulu, HI 96813 808-586-2722	Commissioner of Securities of the State of Hawaii Dept. of Commerce and Consumer Affairs Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
ILLINOIS	Franchise Division Office of the Attorney General 500 South Second Street Springfield, IL 62706 217-782-4465	Illinois Attorney General Same Address
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington Street, Room E 111 Indianapolis, IN 46204 317-232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
IOWA	Iowa Securities Bureau Second Floor Lucas State Office Building Des Moines, IA 50319 515-281-4441	Same
KENTUCKY	Kentucky Attorney General's Office Consumer Protection Division 1024 Capitol Center Drive Frankfort, KY 40602 502-696-5389	Same
LOUISIANA	Department of Urban & Community Affairs Consumer Protection Office 301 Main Street, 6th Floor One America Place Baton Rouge, LA 70801 504-342-7013 (gen. info.) 504-342-7900	Same
MAINE	Department of Business Regulations State House - Station 35 Augusta, ME 04333 207-298-3671	Same
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 410-576-6360	Maryland Securities Commissioner Same Address
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, MI 48913 517-373-7117	Michigan Department of Commerce Corporations and Securities Bureau Same Address
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 500 St. Paul, MN 55101 651-539-1500	Minnesota Commissioner of Commerce Same Address
NEBRASKA	Department of Banking and Finance Bureau of Securities/Financial Institutions Division 1526 K Street, Suite 300 Lincoln, NE 68508-2732 P.O. Box 95006 Lincoln, Nebraska 68509-5006 Tele: 402-471-2171	Same

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
NEW HAMPSHIRE	Attorney General Consumer Protection and Antitrust Bureau State House Annex Concord, NH 03301 603-271-3641	Same
NEW YORK	Bureau of Investor Protection and Securities New York State Department of Law 28 Liberty Street, 21st Floor New York, NY 10005 212-416-8000	Secretary of State of New York 99 Washington Avenue Albany, New York 12231
NORTH CAROLINA	Secretary of State's Office/Securities Division 2 South Salisbury Street Raleigh, NC 27601 919-733-3924	Secretary of State Secretary of State's Office Same Address
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue State Capitol, Fifth Floor Bismarck, ND 58505-0510 701-328-4712; Fax: 701-328-0140	North Dakota Securities Commissioner Same Address
OHIO	Attorney General Consumer Fraud & Crime Section State Office Tower 30 East Broad Street, 15th Floor Columbus, OH 43215 614-466-8831 or 800-282-0515	Same
OKLAHOMA	Oklahoma Securities Commission 2915 Lincoln Blvd. Oklahoma City, OK 73105 405-521-2451	Same
OREGON	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 96310 503-378-4387	Director Department of Insurance and Finance Same Address
RHODE ISLAND	Rhode Island Department of Business Regulation Securities Division John O. Pastore Center – Building 69-1 1511 Pontiac Avenue Cranston, RI 02920 401-222-3048	Director, Rhode Island Department of Business Regulation Same address

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
SOUTH CAROLINA	Secretary of State P.O. Box 11350 Columbia, SC 29211 803-734-2166	Same
SOUTH DAKOTA	South Dakota Department of Labor and Regulation Division of Insurance, Securities Regulation 124 S. Euclid Avenue, Suite 104 Pierre, SD 57501 605-773-3263	Director of the South Dakota Division of Securities Regulation Same Address
TEXAS	Secretary of State Statutory Documents Section P.O. Box 12887 Austin, TX 78711-2887 512-475-1769	Same
UTAH	Utah Department of Commerce Consumer Protection Division 160 East 300 South (P.O. Box 45804) Salt Lake City, UT 84145-0804 TELE: 801-530-6601 FAX:801-530-6001	Same
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising Tyler Building, 9th Floor 1300 E. Main Street Richmond, VA 23219 804-371-9733	Clerk of the State Corporation Commission Tyler Building, 1st Floor 1300 E. Main Street Richmond, VA 23219 804-371-9051
WASHINGTON	Department of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501 360-902-8762	Director, Dept. of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501
WISCONSIN	Wisconsin Dept. of Financial Institutions Division of Securities 345 W. Washington Avenue, 4th Floor Madison, WI 53703 608-266-8557	Wisconsin Commissioner of Securities Same Address

EXHIBIT B

DAKOTA ONE FRANCHISING, LLC

FORM OF FRANCHISE AGREEMENT

DAKOTA ONE FRANCHISING, LLC

FRANCHISE AGREEMENT

Franchisee: _____
Date: _____
Authorized Territory: _____

TABLE OF CONTENTS

Page

1. DEFINITIONS 1
2. GRANT OF FRANCHISE 3
3. TERM AND SUCCESSOR TERM 3
4. TERRITORY 4
5. FEES AND ROYALTIES 6
6. MARKS 8
7. OPERATIONS MANUAL AND CONFIDENTIAL INFORMATION 9
8. FRANCHISOR'S DUTIES 10
9. SOLICITATION AND ADVERTISING 13
10. CONSTRUCTION AND MAINTENANCE OF MAX MUSCLE STORE 15
11. RECORDS AND REPORTS 16
12. FRANCHISEE'S DUTIES 17
13. DEFAULTS AND REMEDIES 21
14. TRANSFER 25
15. GENERAL PROVISIONS 28
16. DISPUTE RESOLUTION 29
17. RELATIONSHIP OF THE PARTIES 30
18. MISCELLANEOUS 30
19. ACKNOWLEDGEMENT 32

ATTACHMENTS

Attachment I	Addendum to Franchise Agreement	I-1
Attachment II	Authorization Agreement For Preauthorized Payment Service	II-1
Attachment III	Collateral Assignment of Telephone Numbers, Addresses and Listings	III-1
Attachment IV	Statement of Ownership	IV-1
Attachment V	Guaranty and Assumption of Franchisee's Obligations	V-1
Attachment VI	Controlled Substances Certification	VI-1
Attachment VII	Sample Acknowledgement of Termination and Release Agreement	VII-1
Attachment VIII	SBA Addendum to Franchise Agreement	VIII-1
Attachment IX	Lease Addendum	IX-1
Attachment X	Training Prerequisites	X-1
Attachment XI	Successor Franchisee Addendum	XI-1
Attachment XII	Multi-Store Royalty Savings Program Addendum	XII-1
Attachment XIII	Conversion Program Addendum	XIII-1

FRANCHISE AGREEMENT

This Franchise Agreement ("**Agreement**") is entered into and effective this ____ day of _____, 20__, between **Dakota One Franchising, LLC**, a South Dakota limited liability company, located at 4901 South Isabel Place, Suite 200, Sioux Falls, SD 57108 ("**Franchisor**") and _____, ("**Franchisee**"), residing at _____.

In consideration of the mutual promises in this Agreement, the parties agree as follows:

1. DEFINITIONS

1.1. "**Assets**" means the Business, including all inventories, supplies, furnishings, equipment, fixtures, land, buildings and improvements, and other tangible items.

1.2. "**Authorized Territory**" means the territory described in **Attachment I** to this Agreement, subject to any reservations or exceptions contained in this Agreement.

1.3. "**Authorized Third-Party Products**" means products that are sold in Max Muscle Stores that are manufactured and distributed by third-parties and that are identified in the Operations Manual as Authorized Third-Party Products.

1.4. "**Business**" means the right that is granted to Franchisee to operate a Max Muscle Store at the Franchised Location as set forth in this Agreement.

1.5. "**Business Records**" means evidence of each business transaction, and all financial, marketing, and other operating aspects of the Business, and all evidence and records with respect to customers, employees, and other service professionals relating to the Business including, without limitation, all databases in print, electronic or other form, including all names, addresses, phone numbers, e-mail addresses, customer purchase records, and all other records contained in the database, and all other records created and maintained by Franchisee in operation of the Business.

1.6. "**Collateral Business**" means any business or service provided by Franchisee at the Franchised Location that is not part of the System and is not in direct or indirect competition with Franchisor's products and services but is related to the sports, fitness or body building industry.

1.7. "**Confidential Information**" means all methods for establishing, operating and promoting the Business pursuant to the Franchisor's distinctive business format, plans, methods, data, processes, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, Marks and information and know-how of Franchisor and such other information as may be further developed periodically by Franchisor.

1.8. "**Controlled Substance**" means a substance designated by the United States Drug Enforcement Administration as a "controlled substance" and any substantially similar analogue thereof, including but not limited to substances listed on the schedules published in the Code of Federal Regulations, 21 C.F.R. § 1308 et seq.

1.9. "**Distributed Products**" means products that are sold in Max Muscle Stores and that do not bear the Marks but that are distributed by Max One Nutrition, LLC, an affiliate of Franchisor.

1.10. "**Franchised Location**" means the one location within the Authorized Territory and as described in Attachment I at which Franchisee may operate the Business using the System.

1.11. "**Gross Revenue**" means the total of all receipts derived from services performed or products sold at the Max Muscle Store, whether the receipts are evidenced by cash, credit, checks, gift certificates, scrip, coupons, services, property, or other means of exchange. Gross Revenue shall exclude only sales tax receipts that Franchisee must by law collect from customers and that Franchisee pays to the government, promotional or discount coupons to the extent that Franchisee realizes no revenue, and employee receipt of services or products, if free, or any portion not paid for by an employee.

1.12. "**Marks**" means Franchisor's trade names, trademarks, service marks, logos, décor, trade dress, lay out, and commercial symbols, and similar and related words or symbols, now or in the future associated with Franchisor, the System or the Business, whether or not they are registered, including, but not limited to, "Max Muscle" and the various Max Muscle design marks.

1.13. "**Max Muscle Products**" means products sold in Max Muscle Stores which bear one or more of the Marks and which are distributed by Franchisor's affiliate, Max One Nutrition, LLC.

1.14. "**Max Muscle Store**" means the Max Muscle Store that Franchisee is granted the right to operate in conformity with the requirements of this Agreement, and which contains a minimum of 900 square feet and a maximum of 1,200 square feet, including restrooms.

1.15. "**Multi-Area Marketing Programs**" means regional, national, or international programs designed to increase business, such as marketing to multi-area customers, Internet, shows, events, yellow pages, directories, affinity marketing, vendor programs, and co-branding programs. Such programs may require Franchisee's cooperation and participation, including refraining from certain channels of marketing and distribution, and payment of commissions or referral fees. Franchisee must also adhere to maximum retail pricing to the extent permitted by law. All such programs are proprietary trade secrets of Franchisor.

1.16. "**National Marketing Fund**" means the separate bank account used by Franchisor for the purposes specified in this Agreement. The National Marketing Fund is not a trust or escrow account, and is managed by Franchisor in its sole discretion.

1.17. "**Operations Manual**" means Franchisor's operations manual and other written materials, including information posted on Franchisor's Web site and information sent to or accessed by Franchisee in print or electronic form, manuals, written procedures, memoranda and their supplements loaned to Franchisee by Franchisor.

1.18. "**Satellite Store**" means a business location operated within Franchisee's Authorized Territory that functions as part of another store, such as a kiosk or a display rack located in a gym, and does not have a separate store front or entrance.

1.19. "**System**" means, collectively, Franchisor's valuable know-how, information, trade secrets, methods, Operations Manual, standards, designs, Marks, methods of trademark usage, copyrightable works, products and service sources and specifications, proprietary software, confidential electronic and other communications, methods of Internet usage, marketing programs, and research and development connected with the operation and promotion of the Business, as modified by Franchisor at any time.

1.20. "**Trade Secret**" is the whole or any portion of know-how, knowledge, methods, specifications, processes, procedures, and improvements regarding the System that is valuable and secret in the sense that it is not generally known to competitors of Franchisor.

1.21. "**Transfer**" means to voluntarily or involuntarily transfer, assign, sell, or encumber any interest in or ownership or control of, the Business, substantial assets of the Business, or of this Agreement.

2. GRANT OF FRANCHISE

2.1. Grant of License. Subject to the terms and conditions of this Agreement, Franchisor grants to Franchisee a non-exclusive license to operate a Max Muscle Store at the Franchised Location, as designated in **Attachment I** to this Agreement and described in Section 4, using the System and the Marks for the Initial Term of this Agreement. Franchisee may use the Marks and System only in accordance with the terms and conditions of this Agreement.

2.2. Modification of System. Franchisor reserves the right to periodically change, improve, or further develop the System, or any part of the System. Franchisee must promptly accept and comply with any change to the System and make any reasonable expenditures, which are not limited or capped by Franchisor in any way, as necessary to comply.

2.3. Ownership and Principal Contact of Franchisee. If Franchisee is an entity, Franchisee shall complete and update throughout the Initial Term of this Agreement and any Interim Period, as necessary, the Statement of Ownership attached hereto as **Attachment IV**. In addition, if Franchisee is an entity, all persons who own more than five percent (5%) of the beneficial ownership interests in the entity shall guaranty Franchisee's performance under this Agreement by signing the Guaranty and Assumption of Franchisee's Obligations attached hereto as **Attachment V**. If Franchisee is a limited liability company, partnership, corporation or other entity, Franchisee shall provide to Franchisor a resolution signed by all members, partners, or directors as appropriate, designating the principal contact for the Business. This principal contact must be either a managing member, general partner or controlling shareholder. Such representative shall have the authority to speak for and bind Franchisee in all matters pertaining to this Agreement, and all matters relating to the Business. Further, if Franchisee is an entity, such entity shall engage in no business other than the operation of the Business governed by this Agreement.

3. TERM AND SUCCESSOR TERM

3.1. Term of Agreement. This Agreement begins on the date executed by both parties, and will continue for a period of five (5) years ("**Initial Term**"), unless earlier terminated as provided under this Agreement.

3.2. Rights Upon Expiration. At the end of the Initial Term of this Agreement, Franchisee may extend its rights to operate the Max Muscle Store for one successive period of five (5) years ("**Successor Term**"), provided Franchisor does not exercise its rights of refusal as set forth below.

3.3. Right of Refusal to Extend Franchisee's Rights to Operate the Max Muscle Store. Franchisor may refuse, in Franchisor's sole discretion, to extend Franchisee's rights to operate the Max Muscle Store if Franchisee:

(a) fails to remedy, in the time frame set forth in this Agreement, any breach of this Agreement specified by Franchisor in a written notice; or

(b) has committed two (2) or more defaults of this Agreement in the preceding twenty four (24) months prior to expiration, regardless of whether or not such defaults were cured in a timely manner; or

(c) fails or refuses to cease the sale of unauthorized products or services after being instructed to cease such sales by Franchisor, as further described in section 4.4 below; or

(d) sells, brokers, or otherwise facilitates the sale of a Controlled Substance, whether on or off store premises; or

(e) fails to give notice of franchisee's intent to extend its rights to operate the Max Muscle Store at least six (6) months, but no more than twelve (12) months, prior to the expiration of this Agreement. Failure to give timely notice will be considered an election not to extend Franchisee's rights to operate the Max Muscle Store; or

(f) is not current in payment obligations to Franchisor or its subsidiaries and affiliates and to trade creditors, landlords, or mortgage holders at the time Franchisee delivers its notice of its intent to extend its rights to operate the Max Muscle Store or on the date this Agreement is scheduled to expire; or

(g) fails to upgrade Franchisee's Max Muscle Store to meet Franchisor's current standards prior to the date this Franchise Agreement expires by its own terms.

3.4. Successor Franchise Agreement. Franchisee must execute a new franchise agreement ("**Successor Franchise Agreement**") and all other legal agreements in Franchisor's then-current form for new franchisees. These agreements may vary in material aspects from this Agreement, including, but not limited to, higher Royalty Fees and National Marketing Fees. Franchisee must also make capital expenditures that are reasonably required for the renovation and modernization of the Max Muscle Store, signs, vehicles, or any other required equipment to reflect the then-current image of Franchisor.

3.5. Successor Franchise Fee. Upon signing a Successor Franchise Agreement, Franchisee will not be required to pay another Initial Franchise Fee, but will be required to pay the then-current successor franchise fee ("**Successor Franchise Fee**").

4. TERRITORY

4.1. Location. Franchisee may operate the Business only at the Franchised Location as designated in **Attachment I** to this Agreement. Franchisee may not relocate the Business from the Franchised Location without Franchisor's prior written approval, which may be withheld for any reason.

4.2. Authorized Territory. During the Initial Term of this Agreement and any Interim Period, neither Franchisor nor its affiliates will own, operate or franchise a fixed location for the operation of any other Max Muscle Store within Franchisee's Authorized Territory as designated in **Attachment I** to this Agreement. Franchisee will also have the right to market its Max Muscle Store to any persons residing in the Authorized Territory, subject to Franchisor's express reservation of rights set forth in Section 4.6(a). Once established, the boundaries of Franchisee's Authorized Territory will not be adjusted without Franchisor's written consent regardless of whether the population of Franchisee's Authorized Territory increases or decreases over time.

4.3. Soliciting Outside the Authorized Territory. Subject to the requirements of Sections 9.1 and 9.2, Franchisee may not solicit, advertise, sell or distribute to people or other businesses who reside or operate outside the Authorized Territory without the express written permission of Franchisor.

4.4. Sale of Unauthorized Products or Services. Franchisee's failure or refusal to cease selling any unauthorized products or services after being instructed to cease such sales by Franchisor shall grant Franchisor the right to reduce or eliminate Franchisee's Authorized Territory or to terminate this Agreement. Franchisee acknowledges and agrees that the obligation applies to Franchisee even if such product or service had been previously authorized by Franchisor.

4.5. Minimum Monthly Purchase Quota. In order to maintain the Authorized Territory, beginning on the thirteenth (13th) month of operating the Max Muscle Store, Franchisee must maintain a minimum monthly purchase quota ("**Minimum Monthly Purchase Quota**"), defined as the total invoices for Max Muscle Products purchased in a calendar month, net of any credits received during the same calendar month. The Minimum Monthly Purchase Quota that Franchisee must purchase from Max One, as evidenced by invoices, is as follows: (i) for months 0 through 12 (year 1 of operating the Max Muscle Store), no minimum; and for months 13 until the end of the Term of this Agreement (year 2 and beyond of operating the Max Muscle Store), $4,500 per month. Franchisee's failure to satisfy the Minimum Monthly Purchase Quota may result in the reduction or elimination of Franchisee's Authorized Territory or the termination of this Agreement, in Franchisor's sole discretion. In the event that Franchisee is authorized to operate a Satellite Store, Franchisor may increase Franchisee's Monthly Minimum Purchase Quota in Franchisor's discretion to account for the additional product being sold from the Satellite Store.

4.6. Reservation of Rights. Franchisor reserves the rights, among others:

(a) to own, franchise, or operate Max Muscle Stores at any location outside of the Authorized Territory, regardless of the proximity to the Franchised Location;

(b) to use the Marks and System to sell any products, similar to those that Franchisee will sell, through alternative channels of distribution within or outside of the Authorized Territory, including to National Accounts, other than through the Max Muscle Store at the Franchised Location. This includes, but is not limited to, retail locations such as military bases or installations, grocery stores, gyms, health clubs, recreation centers, sports facilities, regional malls, airports, and college campuses, at special events, and other channels of distribution such as television, mail order, catalog sales, wholesale sale to unrelated retail outlets, or over the Internet. The Internet is a channel of distribution reserved exclusively to Franchisor, and Franchisee may not independently market on the Internet, conduct e-commerce or engage in social networking on the Internet using the Marks without Franchisor's advanced written approval;

(c) to use and license the use of other proprietary and non-proprietary marks or methods that are not the same as or confusingly similar to the Marks, whether in alternative channels of distribution or in the operation of a retail store, at any location, including within the Authorized Territory, which may be the same as, similar to or different from the Max Muscle Store operated by Franchisee;

(d) to purchase or be purchased by, or merge or combine with, any businesses wherever located, including a business that competes directly with Franchisee's Max Muscle Store; and

(e) to implement multi-area marketing programs that may allow Franchisor or others (including designated third-party distributors) to solicit or sell to customers anywhere ("**National Accounts**"), as set forth in Section 9. Franchisee will still have the option of servicing any customer within its Authorized Territory. Franchisor also reserves the right to issue mandatory policies to coordinate such multi-area marketing programs.

4.7. Satellite Store. Franchisee may apply in writing to Franchisor for the right to operate a Satellite Store in Franchisee's Authorized Territory. Franchisor may approve or deny Franchisee's request in Franchisor's sole discretion. Franchisor shall have thirty (30) days to approve or reject Franchisee's written request. If Franchisor fails to respond to Franchisee within thirty (30) days, Franchisee's request shall be deemed denied. If Franchisor approves Franchisee's request to operate a Satellite Store, Franchisee will operate such Satellite Store pursuant to the Operations Manual and Franchisor's guidelines. No Authorized Territory will apply to any Satellite Store and Franchisor may own, franchise or operate Max Muscle Stores regardless of the proximity to Franchisee's Satellite Store.

5. FEES AND ROYALTIES

5.1. Payment of Fees and Royalties. All payments required under this Section are imposed by and payable to Franchisor or its affiliates, and are non-refundable except as expressly provided below. All payments must be made by any method Franchisor reasonably specifies, including check, cash, certified check, money order, credit or debit card, automatic pre-authorized payment plan, automatic clearing house ("**ACH**") electronic funds transfer, or the Internet. Franchisee must sign an Authorization for Electronic Withdrawal, set forth as **Attachment II** and Franchisor may require Franchisee to submit any payments electronically. All payments to Franchisor and dollar amounts stated in this Agreement are in U.S. dollars unless otherwise expressed. Franchisor will not require Franchisee to deposit all Franchisee's revenue into an account that Franchisor controls, or from which withdrawals may be made only with Franchisor's consent, except to secure a loan or financing arrangement by Franchisor.

5.2. Initial Franchise Fee. Franchisee must pay an initial franchise fee ("**Initial Franchise Fee**") upon the signing of this Agreement as set forth in **Attachment I**. The Initial Franchise Fee is fully earned upon payment, and is non-refundable under any circumstances.

5.3. Royalties. Franchisee must pay to Franchisor a monthly royalty ("**Royalty Fee**") for its first Business equal to the lesser of six percent (6%) of Gross Revenues on all products sold for the preceding calendar month, and three percent (3%) of Gross Revenues for all e-commerce product orders. If Franchisee operates multiple Max Muscle Stores, and satisfies the listed conditions ("**Multi-Store Reduced Royalty Conditions**") Franchisee will qualify to earn a lower royalty rate through the royalty reduction program ("**Royalty Reduction Program**") as follows:

Number of Max Muscle Stores	Royalty-MMSN Products	Royalty – Third Party Products	E-Commerce Orders
1 Max Muscle Store	6%	6%	3%
2 Max Muscle Stores	3%	6%	3%
3 Max Muscle Stores – or more	2%	6%	3%

Notwithstanding the foregoing, and regardless of the number of Max Muscle Stores Franchisee operates, Franchisee must pay Franchisor a monthly Royalty Fee ("**Third Party Sales Royalty Fee)** of 6% of the Gross Revenue received from all sales of non-Max Muscle Products. After the Third Party Sales Royalty Fee is calculated, the remainder of the Gross Revenues will be used to calculate the Royalty Fee as described above. The Royalty Fee payment is due to Franchisor, without notice from Franchisor, on the

10th day of each month. Royalty Fees must be reported in a form specified by Franchisor, and must be paid in accordance with Franchisor's requirements, which may include electronic withdrawal, as determined by Franchisor periodically and in Franchisor's sole discretion. Royalty Fee payments are non-refundable under any circumstances once paid.

(a) Multi-Store Reduced Royalty Conditions. In order to qualify for the Royalty Reduction Program, Franchisee must:

(i) Utilize the POS system and the CRM System required by Franchisor;

(ii) Comply with the corporate marketing and signage guidelines;

(iii) Comply with all Approved Third Party Vendor restrictions;

(iv) Maintain an inventory that consists of at least 70% Max Muscle Products and have sales that consist of at least 70% of Max Muscle Products; and

(v) Be current on Royalty Fee payments.

(b) Franchisee Violation of Multi-Store Reduced Royalty Conditions.

(i) Upon Franchisee's first violation of any of the conditions listed in Section 5.3(a) of this Agreement, Franchisee will be suspended from participating in the Royalty Reduction Program for the following three (3) months and will be required to pay a monthly royalty for those three (3) months equal to six percent (6%) of Gross Revenues on all products sold for the preceding calendar month, and three percent (3%) of Gross Revenues for all e-commerce product orders.

(ii) Upon Franchisee's second violation of the conditions listed in Section 5.3(a), be it of the same condition as Franchisee's first violation or a different condition, Franchisee will be suspended from participating in the Royalty Reduction Program for the following six (6) months after the second violation, and will be required to pay a monthly royalty for those six (6) months equal to six percent (6%) of Gross Revenues on all products sold for the preceding calendar month, and three percent (3%) of Gross Revenues for all e-commerce product orders.

(iii) Upon Franchisee's third violation of the conditions listed in Section 5.3(a), be it the same condition as Franchisee's first or second violation or a different condition, Franchisor will have the right to immediately terminate Franchisee upon written notice.

5.4. Late Charges and Other Fees. Unless otherwise stated, Franchisee must pay interest at the rate of one and one-half percent (1.5%) per month for any late payments due under this Agreement, or the maximum interest rate allowed by applicable law, whichever is less. Franchisee must pay any damages, expenses through appeal, collection costs, and reasonable attorneys' fees Franchisor incurs in connection with Franchisee's failure to make any required payments.

5.5. Taxes and Debts. Franchisee will promptly pay when due all taxes, fees, debts, expenses, and assessments of the Business, including payroll taxes. Franchisee will not permit a tax sale, seizure, levy, execution, bankruptcy, assignment of assets for or by creditors, or similar action to occur.

5.6. Enforcement Costs. In the event Franchisor is required to incur any direct or indirect costs, accounting and legal fees, or administrative expenses ("**Enforcement Costs**"), to enforce Franchisor's rights under this Agreement, Franchisee shall reimburse Franchisor for such enforcement costs within five (5) days of the day Franchisor presents Franchisee with an invoice for such Enforcement Costs.

6. MARKS

6.1. Marks. Franchisee must only use the Marks in the conduct of the Business as specified in this Agreement. Any unauthorized use of the Marks by Franchisee will constitute a breach of this Agreement and an infringement on Franchisor's rights in and to the Marks. As between Franchisor and Franchisee, Franchisor has a prior and superior claim to the Marks, and Franchisee has no rights in the Marks other than the right to use them in the operation of the Business in compliance with this Agreement.

6.2. Authorized Marks. Franchisee shall use no trademarks other than "MAX MUSCLE®," authorized "MAX MUSCLE® design" marks, or any other Marks that Franchisor may specify for use in the identification, marketing, promotion, or operation of the Business. If Franchisee cannot lawfully use the Marks in the Authorized Territory, Franchisee must obtain Franchisor's written approval to use other marks. Franchisee must also follow the copyright guidelines as specified by Franchisor in the Operations Manual.

6.3. Change of Marks. Franchisor may add, modify, or discontinue any Marks to be used under the System. Within a reasonable time of receiving written notification of any change, Franchisee must comply with the change at Franchisee's sole expense. In the event that Franchisee is required to change one or more of the Marks it uses as the result of an infringement claim, court order, or settlement by Franchisor with a third party, Franchisor will reimburse Franchisee for its tangible cost of compliance (for example, the cost of changing Franchisee's signs).

6.4. Limitations on Franchisee's Use of the Marks. Franchisee must use the Marks as the sole identification of the Business, but must also identify itself as the independent owner of the Business in the manner prescribed by Franchisor. All Marks must be displayed in the manner prescribed by Franchisor. Franchisee may not use the Marks, or any words or symbols similar to the Marks, alone or with any prefix, suffix, modifying words, terms, designs, or symbols:

(a) as part of any entity or business name;

(b) in conjunction with any documents, contracts, licenses, permits and other official documents. Any reference to the Marks in any document must state that Franchisee's use of the Marks is limited by this Agreement;

(c) in any form on the Internet, including, but not limited to, addresses, domain names, URLs, links, metatags, locators, search techniques, and social networking sites;

(d) in connection with the performance or sale of any unauthorized services or products; or

(e) in any other manner not expressly authorized by Franchisor.

6.5. Marks on the Internet. Franchisor retains the sole right to use the Marks and market on the Internet, including all use of Web sites, domain names, URL's, linking, advertising, social networking, and co-branding arrangements. Franchisee may not establish a presence on the Internet except as Franchisor may specify, and only with Franchisor's prior written consent. Franchisee will provide Franchisor with content for Franchisor's Internet marketing, and Franchisee must sign the Internet and intranet usage agreements when developed by Franchisor. Franchisor retains the right to approve any linking to or other use of the Max Muscle Web site.

6.6. Marks in Advertising. Subject to Section 9.3, Franchisee must obtain Franchisor's prior written approval for any use of any item of printed, audio, visual, Internet, electronic media, or multimedia material of any kind bearing any of the Marks, unless supplied by Franchisor. Franchisee must indicate that it is "independently owned and operated."

6.7. Goodwill. All usage of the Marks by Franchisee and any goodwill associated with the Marks, including any goodwill that might be deemed to have arisen through Franchisee's operation of the Business or other activities, will inure to the exclusive benefit of Franchisor.

6.8. Infringement. Franchisee must notify Franchisor in writing within three (3) days of obtaining knowledge of any possible infringement or illegal use by others of a trademark that is the same as or confusingly similar to the Marks. Franchisor may, in its sole discretion, commence or join any claim against the infringing party, and bear the reasonable costs associated with the action.

6.9. Signage. As specified by Franchisor, Franchisee must display signage bearing the Marks and identifying the Franchised Location as a Max Muscle Store, and signage indicating that the Business is independently owned and operated as a franchised business. All signage must remain current with the System's standards as Franchisor may modify periodically.

7. OPERATIONS MANUAL AND CONFIDENTIAL INFORMATION

7.1. Confidential Information. The System, the Operations Manual, and other Confidential Information are proprietary, involve Trade Secrets of Franchisor, and are disclosed to Franchisee solely on the express condition that Franchisee agrees, and Franchisee does hereby agree to:

(a) fully and strictly adhere to all security procedures prescribed by Franchisor, in its sole discretion, for maintaining the proprietary information as confidential;

(b) disclose such information to its employees only to the extent necessary to market products and services and for the operation of the Business in accordance with this Agreement;

(c) not use any such information in any other business or in any manner not specifically authorized or approved in writing by Franchisor; and

(d) exercise the highest degree of diligence and make every effort to maintain the absolute confidentiality of all such information during and after the Initial Term of this Agreement, and follow Franchisor's security procedures, which include the execution of approved nondisclosure agreements, and intranet, extranet and Internet usage agreements when developed by Franchisor, by Franchisee and any employee or agent who is allowed access.

7.2. Standards and Authorized Use. Franchisee must maintain strict compliance with the Operations Manual as presently set forth and as subsequently amended and revised, which is incorporated into and made part of this Agreement by reference.

7.3. Unauthorized Use. Franchisee must not copy or otherwise reproduce any Confidential Information, and must establish procedures to prevent unauthorized use by any other person. Unauthorized use of the Operations Manual or the System will constitute a breach of this Agreement and an infringement of Franchisor's proprietary rights, including Trade Secrets and copyrights. Franchisee must promptly report any unauthorized use of the Operations Manual or other Confidential Information to Franchisor.

7.4. Operations Manual. Franchisor will loan to Franchisee during the Initial Term of the franchise and any Interim Period one (1) copy of Franchisor's confidential Operations Manual, which may be in print, on an access code-protected company intranet or extranet, a CD ROM, or through other media. Franchisor reserves the right to require Franchisee to use the Operations Manual in only an electronic format. The Operations Manual will at all times remain the property of Franchisor, and Franchisee must immediately return the Operations Manual to Franchisor upon expiration, termination, or Transfer of this Agreement. Franchisor may periodically update and revise the Operations Manual. Franchisee acknowledges that its entire knowledge of the operation of the Business is and shall be derived from information disclosed to Franchisee by Franchisor and that certain of such information is proprietary, confidential and a Trade Secret of Franchisor. Franchisee shall maintain the absolute confidentiality of all such Trade Secrets during and after the Initial Term of this Agreement, and shall not use any such information in any other business or in any manner not specifically authorized or approved in writing by Franchisor. Franchisee is bound by the standards for maintaining the privacy of the Operations Manual in the same manner as all other Confidential Information set forth above.

7.5. Nondisclosure and Noncompetition Agreements. Franchisee and its owners, members, managers, partners or shareholders, officers, directors, agents, beneficial owners, principal employees, and immediate family members shall execute Franchisor's standard Nondisclosure and Noncompetition Agreement before performing any work at the Business or otherwise having access to Franchisor's Confidential Information. A copy of all such signed agreements shall be delivered to Franchisor within one (1) week of their execution.

7.6. Ownership of Business Records. Franchisee acknowledges and agrees that Franchisor owns all Business Records with respect to customers, employees, and other service professionals of, and related to, the Max Muscle Store including, without limitation, all databases (whether in print, electronic or other form), including all names, addresses, phone numbers, e-mail addresses, customer purchase records, and all other records contained in the database, and all other Business Records created and maintained by Franchisee. Franchisee further acknowledges and agrees that, at all times during and after the termination, expiration or cancellation of this Agreement, Franchisor may access such Business Records, and may utilize, transfer, or analyze such Business Records as Franchisor determines to be in the best interest of the System, in Franchisor's sole discretion.

8. FRANCHISOR'S DUTIES

8.1. Services Provided by Franchisor. Franchisor will provide initial and continuing services as it deems necessary or advisable in furthering Franchisee's Business and the business of the System as a whole and in connection with protecting the Marks and goodwill of Franchisor. Provision of services by Franchisor, either initial or continuing, is independent from the payment the Initial Franchise Fee or the continuing Royalty Fees. Franchisor will provide the services listed below on a continuing basis.

8.2. Site Selection. Franchisee is solely responsible for locating a site for the Business and negotiating a lease for the property. Upon request, Franchisor will provide assistance to Franchisee in analyzing a location and in negotiating a lease. If Franchisee requests that Franchisor send a representative into Franchisee's Authorized Territory to assist Franchisee in the site selection process for the Franchised Location, Franchisor reserves the right to charge a site selection assistance fee ("**Site Selection Assistance Fee**") in accordance with the fee schedule set forth in the Operations Manual. Franchisor will analyze a location by examining population density, census data, proximity of the proposed location to any other Max Muscle Stores, or any other reasonable criteria, as set forth in Section 10.2. Unless otherwise approved in writing by Franchisor, in Franchisor's sole discretion, Franchisee's Max Muscle Store must include at least 900 square feet of retail space, including restrooms and may not exceed 1,200 square feet of retail space, including restrooms. The Franchised Location site is subject to Franchisor's approval, which may be

granted or denied in Franchisor's discretion. Franchisee agrees that the location of the Max Muscle Store is a factor in the potential for success of the Business and Franchisor may reject any location in its sole discretion, but consent will not be unreasonably withheld. However, Franchisor's assistance in no way constitutes a representation or warranty with respect to the success or viability of the property or the lease. Franchisee acknowledges that Franchisor's approval of the site indicates only that Franchisor believes that the site falls within the acceptable criteria established by Franchisor as of the approval date.

8.3. Equipment, Inventory, Advertising and Services. Franchisor will specify or approve certain equipment, inventory, and supplies used in the Business, as provided elsewhere in this Agreement. Franchisor may negotiate marketing programs with suppliers and obtain advertising allowances or rebates for doing so, and may utilize such allowances or rebates in any manner in which Franchisor elects, in its sole discretion. Franchisor shall publish inventory guidelines ("**Inventory Requirements**") in the Operations Manual, and such Inventory Requirements may be amended from time to time by Franchisor in Franchisor's sole discretion. Franchisee shall at all times comply with Franchisor's Inventory Requirements and the terms of any automatic inventory shipping requirements ("**Auto-Ship Program**") instituted by Franchisor and more fully set forth in the Operations Manual.

8.4. Initial Training. Franchisor will provide initial and ongoing training and assistance, as Franchisor may reasonably determine to be appropriate, within three (3) months of the date Franchisee anticipates opening its Max Muscle Store. Franchisor will provide the initial training program at its corporate headquarters, or at another location designated by Franchisor, to Franchisee and one designated Manager (as defined in Section 12.4) or other employee. Franchisee and a designated Manager must attend and satisfactorily complete the initial training program. The training program lasts for approximately one hundred and sixteen and one-half (116.5) hours over three (3) weeks, and consists of a discussion of the System, techniques, procedures, and methods of operation, hiring employees, customer service, ordering, sales, procedures, accounting, support procedures and instructions on quality standards and practical experience in the operation of the Max Muscle Store. Prior to scheduling training, Franchisee or a designated Manager must first complete the Training Prerequisites in accordance with Section 12.13 of this Agreement. Franchisee and the Manager must also obtain a certification as a Certified Fitness Nutrition Coach from the National Exercise Sports Trainers Association ("**NESTA**"). Franchisee shall pay all costs of air fare, lodging, ground transportation, meals, and other personal expenses incurred by Franchisee or Franchisee's employees during training, but shall not be required to pay for the cost of the course materials for the NESTA certification.

8.5. Ongoing Training. Franchisor reserves the right to hold and require Franchisee to attend national or regional seminars, conventions, conferences, or continuing development programs ("**Conferences**") on an annual or more frequent basis to discuss on-going changes in the industry, products, sales techniques, personnel training, bookkeeping, accounting, inventory control, performance standards, and advertising programs. Franchisee will not be required to attend mandatory Conferences more than once each year, nor will Franchisee be required to pay any tuition or conference fee for mandatory Conferences. However, Franchisee shall pay for all personal travel and living expenses for its employees attending any mandatory Conference. Franchisee will also be required to pay all personal travel and living expenses plus other reasonable costs and expenses imposed by Franchisor for all of Franchisee's employees attending any voluntary Conference. Conferences will be held at Franchisor's corporate headquarters or at alternate locations chosen by Franchisor.

8.6. Opening and Continuing Assistance. In Franchisor's sole discretion, Franchisor may provide on-site assistance in connection with initial training during the opening of the Max Muscle Store. Franchisor will also provide reasonable ongoing assistance by telephone, email, or other form of communication to Franchisee during normal business hours. If Franchisee requests additional on-site assistance, Franchisee may be charged Franchisor's then-current additional assistance fee per day, plus

travel and living expenses for Franchisor's representative. Franchisor and Franchisee shall agree in advance on the total cost of additional assistance prior to the departure of Franchisor's employee for Franchisee's Max Muscle Store.

8.7. Advertising and Promotional Programs. Franchisor will provide advertising and promotional programs as set forth in Section 9.

8.8. Development of Programs. Franchisor may develop new products and service methods, as Franchisor deems beneficial to the System. Franchisor will offer such new products and service methods to Franchisee on terms reasonably determined by Franchisor.

8.9. Modification of System. Franchisor will periodically continue to improve, modify, and revise the Operations Manual and the specifications, standards, and operating procedures and rules of the System, as set forth in Sections 2.2 and 7.1(c).

8.10. Central Purchasing. Franchisor reserves the right to implement a centralized purchasing system for franchisees and to negotiate prices and terms with suppliers and to receive rebates or other financial incentives from such purchases by franchisees. Franchisor may utilize such rebated funds in any manner it chooses in Franchisor's sole discretion. Franchisor reserves the right to require Franchisee to purchase all Max Muscle Products, Distributed Products and Authorized Third-Party Products through Franchisor's proprietary business to business intranet portal.

8.11. Web Site. Franchisor will provide information regarding Franchisee's Business on its Web site, as set forth in Section 9.2.

8.12. Build-Out, Fixturing, Fabrication and Installation of the Max Muscle Store. At Franchisee's sole cost and expense, Franchisor will complete the interior build-out, fabrication and installation of Franchisee's Max Muscle Store.

(a) Scheduling. Within fifteen (15) days after Franchisee purchases or leases the site for its Max Muscle Store, Franchisee will provide Franchisor with a minimum of seventy-five (75) days written notice to schedule the interior build-out, fixturing, fabrication and installation of Franchisee's Max Muscle Store. Franchisee must also provide Franchisor with a site plan of the site for the Max Muscle Store within thirty (30) days after purchasing or leasing the site, but in no event later than ninety (90) days prior to the date that the interior build-out, fixturing, fabrication and installation of Franchisee's Max Muscle Store is scheduled to start.

(b) "Vanilla Shell" Condition. Franchisor will provide Franchisee with a site survey plan and other information or instructions for Franchisee's site. Franchisee must complete the work on the site survey plan and other information or instructions to bring the site, at its sole cost, into "vanilla shell" condition within the time period provided by Franchisor. Upon Franchisee completing the work necessary to bring the site for its Max Muscle Store to vanilla shell condition in accordance with the site survey plan and other information or instructions provided by Franchisor, Franchisor will complete the interior build-out, fixturing, fabrication and installation of Franchisee's Max Muscle Store. Franchisor reserves the right to require Franchisee to use a designated or approved contractor for construction of Franchisee's "Vanilla Shell".

(c) Payment. Franchisor will provide Franchisee with an estimate of the costs for the interior build-out, fixturing, fabrication and installation for Franchisee's Max Muscle Store and all related expenses; provided that, notwithstanding the estimate, Franchisee will pay all actual costs and related expenses incurred for the interior build-out, fixturing, fabrication and installation of its

Max Muscle Store. Franchisee will provide Franchisor with the following payments: (i) a twenty-five percent (25%) deposit at the time Franchisee signs the lease or purchase agreement for the Max Muscle Store site; (ii) a second twenty-five percent (25%) deposit fourteen (14) days after the initial deposit is paid pursuant to this Section 8.12(c)(i); and (iii) the remaining balance owed seven (7) days prior to the date the fixtures for Franchisee's Max Muscle Store is scheduled to be delivered.

Notwithstanding anything herein to the contrary, Franchisee is responsible for all costs associated with getting its Max Muscle Store in vanilla shell condition, completing the work on the site survey plan and the build-out fabrication, and installation of the Max Muscle Store including all permitting costs. Franchisee is also responsible for obtaining and paying for all permits and all licenses required to complete the vanilla shell work, fabrication, build-out, fixturing and installation of its Max Muscle Store and compliance with all federal, state, county or city regulations.

9. SOLICITATION AND ADVERTISING

9.1. Solicitation. Without Franchisor's advanced written permission, Franchisee may not directly or indirectly market to, solicit, or deliver to any customer or business who resides or operates outside of the Authorized Territory. However, Franchisee will have the exclusive right to service customers within the Authorized Territory generated by Multi-Area Marketing Programs, except through the Internet.

9.2. Local Advertising. Franchisee shall spend, on a monthly basis, an amount equivalent to at least two percent (2%) of Franchisee's Gross Revenue on advertising and promotion for the Max Muscle Store. Any expenditures by Franchisee for any Collateral Business (as defined in Section 1.6) shall not count towards satisfaction of Franchisee's obligations under this Section 9.2.

Franchisee must also participate, at Franchisee's expense, in any Multi-Area Marketing Programs as determined by Franchisor. All expenditures will be reported to Franchisor at such times and in such manner as Franchisor specifies, including by electronic means. Franchisee may not advertise in any media with a primary circulation outside Franchisee's Authorized Territory, except with Franchisor's prior written consent and with the consent of any franchisee whose territory is reached by the media. However, Franchisee may advertise in media whose circulation is primarily inside Franchisee's Authorized Territory, even if it also reaches outside Franchisee's Authorized Territory. All Internet marketing is a part of Multi-Area Marketing Programs, and must be coordinated through and approved by Franchisor. Franchisee may not market independently on the Internet or acquire an independent Internet domain name or Web site, but Franchisor will include Franchisee's Max Muscle Store on its Web site.

Should Franchisor, in Franchisor's sole discretion, institute a program in which Franchisor provides matching advertising dollars ("**Matching Program**") to Franchisee, Franchisee acknowledges and agrees that Franchisee must comply with the terms of Franchisor's Matching Program as set forth in the Operations Manual in order to be eligible to receive such available matching dollars. Franchisee further acknowledges and agrees that Franchisor may institute, terminate or modify the Matching Program at any time in Franchisor's sole discretion.

9.3. Advertising and Marketing Materials. Franchisor will provide Franchisee with reasonable amounts of advertising and marketing materials that may include, but are not limited to, video and audiotapes, multimedia, print-ready advertising materials, posters, banners, shaker cups, bag stuffers, a reasonable number of copies of the Max Sports & Fitness Magazine and other items. Franchisee must purchase any additional copies of advertising and marketing materials. Franchisee may develop and produce additional advertising and marketing materials, at Franchisee's own expense, but any advertising and marketing materials must be approved in writing by Franchisor in advance of Franchisee's use of such materials. Franchisor will approve or disapprove of materials submitted by Franchisee within fifteen (15) days of receipt. Franchisor's failure to approve any submitted materials within fifteen (15) days shall be

deemed a disapproval of such materials. In the event Franchisee develops any advertising materials with Franchisor's approval, Franchisor is hereby granted the unlimited right to use, reproduce, and disseminate such advertising materials to other Franchisees in the System. Franchisor reserves the right to receive rebates, commissions or other consideration from any designated or approved supplier of advertising and marketing materials and to use such rebates, commissions or other consideration in any way Franchisor deems appropriate in Franchisor's sole discretion, without any obligation to share or remit any portion of such rebates, commissions or other consideration to Franchisee.

9.4. National Marketing Fund. Franchisee must pay a fee ("**National Marketing Fee**") into the National Marketing Fund to advertise the System on a regional, national, or international level. Franchisee will pay a National Marketing Fund contribution equal to two percent (2%) of Franchisee's Gross Revenue at the same time and in the same manner as the Royalty Fee. Franchisor reserves the right to increase the National Marketing Fee Franchisee will pay into the National Marketing Fund; provided that, such National Marketing Fee will not increase by more than 1% of Franchisee's Gross Revenue in any one year. Additionally, Franchisee must contribute 3% of all e-commerce revenue share orders it receives to the National Marketing Fund. Franchisor will hold the National Marketing Fund contributions in a separate bank account. Franchisor may use the National Marketing Fund for local, regional, national, Internet, or international advertising or marketing, including print, direct mail, radio or television, the production of Max Sports & Fitness Magazine; development and maintenance of any Internet or e-commerce programs; and related expenses. Franchisor may also use the National Marketing Fund for the creation, production and placement of commercial advertising; agency costs and commissions; creation and production of video, audio and written advertisements; administering multi-regional advertising programs, direct mail and other media advertising; in-house staff assistance and related administrative costs; local promotions; supporting public relations; market research and other advertising and marketing activities. Franchisor may also use the National Marketing Fund to attend franchise trade shows, sports and fitness trade shows, and other events. Franchisee acknowledges and agrees that expenditures from the National Marketing Fund may or may not be proportionate to contributions made by Franchisee or provide a direct or any benefit to Franchisee. The National Marketing Fund will be spent at Franchisor's sole discretion, and Franchisor has no fiduciary duty with regard to the National Marketing Fund. Franchisor may accumulate these funds, and the balance may be carried over to subsequent years and used for the purposes stated in this Agreement. If the National Marketing Fund operates at a deficit or requires additional funds at any time, Franchisor reserves the right to loan such funds to the National Marketing Fund on any terms Franchisor determines. Franchisor may also utilize the National Marketing Fund to reimburse itself for administrative expenses incurred in administering the National Marketing Fund. An unaudited annual financial statement of the National Marketing Fund will be prepared within one hundred twenty (120) days of the close of Franchisor's fiscal year and will be available to Franchisee upon request.

9.5. Franchisee Advertising Councils or Cooperatives. Franchisor may require the formation of franchisee advertising councils or cooperatives, which shall be established and administered by a majority vote of the Franchisees in the region in which Franchisee operates its Max Muscle Store. If Franchisor establishes an advertising council or cooperative which encompasses all or any part of Franchisee's Authorized Territory, Franchisee shall contribute to the council or cooperative the amounts required by the governing documents. The purpose of the franchisee council or cooperative will be solely to develop and implement cooperative advertising and special promotions within the region, including Yellow Pages advertising. The amount of contribution and type of advertising or promotions approved will be set by majority vote of the members of the council or cooperative, but Franchisor will not approve a contribution of more than two percent (2%) of any franchisee's Gross Revenue. Franchisor must approve the amount of contribution, the membership of the council or cooperative, the regions covered, council or cooperative's governing documents, and all advertising and promotions created by the council or cooperative. The council or cooperative must prepare annual unaudited financial statements, which must be delivered to Franchisor and other Franchisees in the council or cooperative within one hundred twenty

(120) days after Franchisor's fiscal year end. Franchisor reserves the right to form, change, dissolve, or merge advertising councils or cooperatives at any time in Franchisor's sole discretion.

10. CONSTRUCTION AND MAINTENANCE OF MAX MUSCLE STORE

10.1. Max Muscle Store Construction. The Franchisee's Max Muscle Store will be constructed and equipped at Franchisee's expense, as specified by Franchisor and in accordance with Section 8.12 of this Agreement. Franchisor reserves the right to receive rebates, commissions or other consideration from designated or approved suppliers involved in the construction or fixturing of Franchisee's Max Muscle Store, and to use such rebates, commissions or other consideration in any way Franchisor deems appropriate in Franchisor's sole discretion, without any obligation to share or remit any portion of such rebates, commissions or other consideration to Franchisee.

10.2. Property. Franchisee may purchase or lease the required real property and improvements from any source upon terms approved by Franchisor in writing. Proposals for location of the Max Muscle Store must be submitted to Franchisor within ninety (90) days of the execution of this Agreement, or Franchisor shall have the right, in Franchisor's sole discretion, to terminate this Agreement and to retain all fees and other consideration paid to Franchisor. Franchisee must deliver to Franchisor any traffic, competition, and demographic and similar location information relating to any proposed site, that Franchisor reasonably requests, for review prior to Franchisor's approval of the proposed Max Muscle Store site. Franchisor shall have thirty (30) days from the date Franchisor receives all requested information to approve or disapprove the proposed site. If Franchisor does not notify Franchisee in writing within thirty (30) days that the site is approved, the site will be deemed disapproved. If Franchisor approves the site, Franchisor's approval shall be valid for a maximum of sixty (60) days from the date Franchisee receives Franchisor's written approval. If Franchisor does not approve the proposed site, Franchisee must locate and propose an alternate site to Franchisor in accordance with this Section 10.2. If Franchisor does not approve Franchisee's proposed alternate site Franchisor may, in its sole discretion, elect to extend Franchisee's approval deadline or terminate this Agreement and retain all fees and other consideration paid to Franchisor. Franchisee must deliver to Franchisor a copy of the proposed purchase agreement or lease and an option to assume the lease signed by the lessor in favor of Franchisor in a form acceptable to Franchisor. Within sixty (60) days of Franchisee's receipt of Franchisor's written site approval, Franchisee must execute a final version of the approved form of purchase agreement or lease. If Franchisor assists Franchisee in negotiating the lease or negotiating Franchisor's required option to assume the lease, or Franchisor requires Franchisee to use an independent third-party or attorney to assist in Franchisee's lease negotiation. Franchisor may charge Franchisee a lease negotiation fee ("**Lease Negotiation Fee**"). The Lease Negotiation Fee will be due prior to the negotiation of the lease, and is non-refundable once paid even if the lease negotiation is not completed. Notwithstanding anything herein to the contrary, Franchisor may, in its sole discretion, extend the time periods set forth in this Section 10.2. Unless extended in writing by Franchisor, in Franchisor's sole discretion, Franchisee must open Franchisee's Max Muscle Store for business no later than two hundred seventy (270) days after Franchisee signs this Agreement. Franchisee's failure to open the Max Muscle Store within this time period for any reason shall entitle Franchisor, in Franchisor's discretion, to terminate this Agreement and retain all fees and other consideration paid to Franchisor and to recover from Franchisee lost future Royalty Fees, National Marketing Fees, and associated Enforcement Costs.

10.3. Lease Addendum. Franchisee shall ensure that the terms of the lease Addendum attached as **Attachment IX** are substantially incorporated into Franchisee's lease for the Max Muscle Store. Franchisee shall not be authorized to sign the lease for the Max Muscle Store until Franchisor has verified that the terms from the Lease Addendum have been substantially incorporated into the lease or Franchisor has approved the terms actually incorporated into the lease.

10.4. Maintenance and Upgrades. Subject to the terms of this Section, Franchisee must at all times comply with Franchisor's standards, specifications, processes, procedures, requirements and instructions regarding the Max Muscle Store's physical facilities, including the layout of furnishings and fixtures. Franchisee must maintain the Max Muscle Store and any parking areas in good and safe condition, as specified in the Operations Manual. Franchisee must remodel or upgrade the Max Muscle Store at its own cost in accordance with Franchisor's reasonable standards and requests, and Franchisee acknowledges that the costs or expenses of such remodeling or upgrade are not capped or limited by Franchisor in any way.

10.5. Relocation of Max Muscle Store. Once Franchisee's Max Muscle Store is open for business, Franchisee may only relocate the Max Muscle Store by complying with Franchisor's relocation policy and procedures as set forth in the Operations Manual, including paying the Relocation Processing Fee and, if applicable, the Relocation Logistics Fee, to Franchisor.

11. RECORDS AND REPORTS

11.1. Records. Franchisee must keep and transmit complete and accurate Business Records on a current basis relating to the Business in the form, time, and manner that Franchisor prescribes. Franchisee must provide Franchisor with all hard copies and access to electronic reports, as reasonably prescribed. Franchisee must maintain an accounting system, which accurately reflects all operational aspects of the Max Muscle Store including uniform reports as may be required by Franchisor. Franchisee must submit to Franchisor current financial statements and other reports as Franchisor may reasonably request to evaluate or compile research data on any operational aspect of the Max Muscle Store. Franchisor reserves the right to require that Franchisee make available its sales records and files by way of an Internet connection. Business Records will specifically also include:

(a) tax returns;

(b) daily reports;

(c) statements of Gross Revenues and expenses, to be prepared each month for the preceding month;

(d) profit and loss statements, to be prepared at least quarterly and by an independent Certified Public Accountant annually; and

(e) balance sheets, to be prepared at least annually by an independent Certified Public Accountant.

Franchisee must keep accurate records relating to the Business for a period of six (6) years after the termination or expiration of this Agreement.

11.2. Records Standards. Franchisee must prepare all financial reports in accordance with generally accepted accounting principles, consistently applied, in a form approved by Franchisor. Franchisee must periodically deliver to Franchisor copies of accounting, tax and other documents and information, within ten (10) business days of Franchisor's requests. Franchisee must provide Franchisor with a copy of its annual financial statements including a profit and loss statement and a balance sheet containing complete notes and disclosures. Such statements must be compiled by an independent Certified Public Accountant, and be delivered to Franchisor within ninety (90) days after Franchisee's fiscal year end.

11.3. Audits. Franchisee must provide Franchisor or its agents access to Franchisee's Business and computer systems to examine or audit Franchisee's Business, at any reasonable time without notice. Franchisor will bear the cost of the audit, unless Franchisee fails to report as required or understates Gross Revenue by two percent (2%) or more for any reported time period, in which case Franchisee will pay the audit cost plus interest on understated costs of one and one-half percent (1.5%) per month from the date the underpayments first become due. Franchisee must pay within five (5) days to Franchisor all sums owed in addition to any other remedies provided in this Agreement or by law.

12. FRANCHISEE'S DUTIES

12.1. Compliance with Applicable Laws. Franchisee agrees to (i) comply with all applicable laws, ordinances and regulations or rulings, or licensing requirements, of every nature whatsoever that in any way regulate or affect the operation of its Business; (ii) keep Franchisee and its employees informed of, and to comply with, all laws, regulations, and rulings issued by the U.S. Food and Drug Administration ("**FDA**"), the Drug Enforcement Administration ("**DEA**"), the Federal Trade Commission ("**FTC**"), and all State and local health agencies; (iii) pay promptly all taxes and business expenses; and (iv) comply with all laws covering occupational hazards, accommodations for the disabled, including without limitation, the Americans with Disabilities Act, if applicable, health, workers' compensation insurance and unemployment insurance. Franchisee agrees, at its expense, to modify its Max Muscle Store, if necessary, to comply with any such applicable laws or regulations.

12.2. System Compliance. Franchisee must comply with the System, the Operations Manual, systems, procedures and forms, as in effect from time to time. All mandatory specifications, standards, and operating procedures prescribed by Franchisor in the Operations Manual, or otherwise communicated to Franchisee in writing, shall constitute provisions of this Agreement as if fully set forth herein. Franchisor may require Franchisee to add additional products or concepts to the Business in the future, at Franchisee's expense, which Franchisee acknowledges will not be limited or capped in any way by Franchisor. Franchisee shall not engage in any activity or practice that results, or may reasonably be anticipated to result, in any public criticism of, or liability exposure to, the System or any part thereof. Franchisee shall at all times comply with Franchisor's Inventory Requirements and the terms of any Auto-Ship Program as set forth in the Operations Manual and revised by Franchisor from time to time in Franchisor's sole discretion.

12.3. Uniformity and Image. In order to maintain uniform standards of quality, appearance, and marketing, it is essential that Franchisee conform to Franchisor's standards and specifications. While Franchisee will manage its own operations and employees, Franchisee must agree and conform with all the requirements of this Section.

12.4. Operations. Franchisee must operate the Business in accordance with the System and Operations Manual, as amended by Franchisor at Franchisor's discretion. Franchisee or a fully trained and qualified manager ("**Manager**") approved by Franchisor must participate personally and full-time in the operation of the Business.

12.5. Right of Entry and Inspection. Franchisee shall permit Franchisor or its authorized agent or representative to enter the Franchised Location during normal business hours and to reasonably inspect the operations of the Business. Without any liability to Franchisee, Franchisor may confiscate any materials that Franchisor, in its reasonable judgment, determines to be either illegal or in violation of this Agreement. Franchisor shall have the right to observe Franchisee and its employees rendering services, to confer with Franchisee's employees and customers, and to generally review the Business operations for compliance with the standards and procedures set forth in the Operations Manual.

12.6. Restrictions on Services and Products. Franchisee is prohibited from offering or selling any services or products not authorized by Franchisor as being a part of the System. Franchisee shall purchase all products, equipment, services, supplies and materials required for the operation of the Business from suppliers designated or authorized by Franchisor. Franchisee shall purchase all Max Muscle Products, Authorized Third-Party Products and Distributed Products from Franchisor's affiliate, Max One Nutrition, LLC, or its designee in accordance with the terms of a separate Product Purchase Agreement executed by Franchisee at the same time Franchisee executes this Agreement. Franchisor reserves the right to disapprove the sale of any previously Authorized Third-Party Products or Distributed Products at any time upon written notice to Franchisee, and Franchisee shall immediately cease offering such disapproved Authorized Third-Party Product or Distributed Product for sale. 80% of Franchisee's total Gross Revenue must consist of Max Muscle Products. Therefore, the sale of Third-Party Products can never consist of more than 20% of Franchisee's total Gross Revenue. Franchisee's failure or refusal to cease such sales shall entitle Franchisor to seek injunctive relief in accordance with Section 16.2 and to be reimbursed by Franchisee for all costs and expenses incurred by Franchisor in seeking such injunctive relief in accordance with Section 18.7.

12.7. Seeking Approval of New Services or Products. Franchisee may purchase Authorized Third-Party Products only from authorized manufacturers and distributors identified in the Operations Manual. Franchisee acknowledges and agrees that the term "Authorized" does not mean that the product has been tested and approved by Franchisor. Consequently, Franchisee shall be obligated to indemnify, defend, and hold Franchisor harmless as specified in Section 12.15 of this Agreement for any harm to Franchisor or expense incurred by Franchisor caused by the sale of an Authorized Third-Party Product by Franchisee to any person. However, if Franchisee proposes to offer, conduct or utilize any services, products, materials, forms, items, or supplies for use in connection with or sale through the Business that are not previously authorized by Franchisor as meeting its specifications, Franchisee shall first request authorization in writing from Franchisor. Franchisor may, in its sole discretion, for any reason whatsoever, elect to withhold such authorization; however, in order to make such determination, Franchisor may require submission of specifications, information or samples of such services, products, materials, forms, items or supplies. At the time of the request, Franchisee shall pay to Franchisor a fee ("**Third-Party Review Fee**"), which shall not exceed one thousand five hundred dollars ($1,500.00), for analyzing and inspecting the proposed product or service, and Franchisee shall reimburse Franchisor for the actual costs of any tests conducted by an independent testing organization. Franchisor will advise Franchisee within a reasonable time whether such services, products, materials, forms, items or supplies meet its specifications. Authorized product descriptions and supplier contact information are outlined in the Operations Manual. If there is no designated or authorized supplier for particular items, Franchisee may purchase from suppliers authorized in advance by Franchisor who meet all of Franchisor's specifications and standards as to quality, composition, finish, appearance and service, and who shall adequately demonstrate their capacity and facilities to supply Franchisee's needs in the quantities, at the times, and with the reliability requisite to an efficient operation of the Business. Franchisor reserves the right to receive rebates, commissions or other consideration from purchases made by Franchisee from suppliers, distributors or manufacturers authorized or designated by Franchisor. Franchisor shall have the right, in Franchisor's sole discretion, to use such rebates, commissions or other consideration in any way Franchisor chooses without any obligation to share or remit any portion of such rebates, commissions or other consideration to Franchisee. Franchisee shall not, without Franchisor's express written permission, which may be granted or denied in Franchisor's sole discretion, become an exclusive distributor for any third-party vendor or obtain exclusive distribution rights for any non-Max Muscle Products.

12.8. Controlled Substances Certification. Franchisee shall at all times comply with Franchisor's policy regarding the sale or distribution of Controlled Substances, and shall sign, within forty-eight (48) hours of such request by Franchisor, a copy of the then-covered form of Controlled Substances Certification. Franchisee acknowledges and agrees that a copy of the Controlled Substances Certification

form is attached to this Agreement as **Attachment VI**, but Franchisor shall have the right to modify such form in any way and at any time.

12.9. Limitations on Supply Obligations. Nothing in this Agreement shall be construed to be a promise or guarantee by Franchisor as to the continued existence of a particular product, nor shall any provision herein imply or establish an obligation on the part of Franchisor and its affiliates to sell products to Franchisee if Franchisee is in arrears on any payment to Franchisor, its affiliates, or any other designated or approved supplier, or otherwise in default under this Agreement. If Franchisee fails to pay in advance in full for each shipment of products purchased, Franchisor or its affiliates shall not be obligated to sell products to Franchisee. In addition, Franchisor may impose interest on any late payments on the terms described in Section 5.4.

12.10. Insurance. Franchisee must keep in force insurance policies, in such amounts and on such terms, as prescribed by Franchisor in the Operations Manual, by an insurance company acceptable to Franchisor at all times during the Initial Term of this Agreement and any Interim Period. Insurance coverage must include general liability, combined single limit, bodily injury and property damage insurance for premises operations, products liability and all other occurrences against claims of any person, employee, customer, agent or otherwise in an amount per occurrence of not less than such amount set forth in the Operations Manual and adjusted by Franchisor periodically in Franchisor's sole discretion. Insurance policies must insure Franchisee, Franchisor and Franchisor's affiliates, regional directors, officers, directors, and all other parties designated by Franchisor, as additional named insureds against any liability that may accrue against them by reason of the ownership, maintenance or operation by Franchisee of the Max Muscle Store. The policies must also stipulate that Franchisor shall receive a thirty (30) day prior written notice of cancellation. Original or duplicate copies of all insurance policies, certificates of insurance, or other proof of insurance acceptable to Franchisor, including original endorsements affecting the coverage required by this Section, shall be furnished to Franchisor together with proof of payment within ten (10) days of issuance thereof. Franchisee shall also furnish Franchisor with certificates and endorsements evidencing such insurance coverage within ten (10) days after each of the following events: (i) at all policy renewal periods, no less often than annually, and (ii) at all instances of any change to, addition to, or replacement of any insurance. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are subject to approval by Franchisor. Franchisor reserves the right to require complete, certified copies of all required insurance policies at any time in Franchisor's sole discretion. In the event Franchisee fails to obtain the required insurance and to keep the same in full force and effect, Franchisor may, but shall not be obligated to, purchase insurance on Franchisee's behalf from an insurance carrier of Franchisor's choice, and Franchisee shall reimburse Franchisor for the full cost of such insurance, along with a reasonable service charge to compensate Franchisor for the time and effort expended to secure such insurance, within five (5) days of the date Franchisor delivers an invoice detailing such costs and expenses to Franchisee. Notwithstanding the foregoing, failure of Franchisee to obtain insurance constitutes a material breach of this Agreement entitling Franchisor to terminate this Agreement or exercise any or a combination of the other default remedies set forth in Section 13 of this Agreement. Franchisee shall also procure and pay for all other insurance required by state or federal law, including, without limitation, workers' compensation and unemployment insurance.

12.11. Appearance and Customer Service. Franchisee and its employees shall (i) maintain a clean and attractive appearance, (ii) give prompt, courteous and efficient service to the public, and (iii) otherwise operate the Business in strict compliance with the policies, practices and procedures contained in the Operations Manual so as to preserve, maintain and enhance the reputation and goodwill of the System. Franchisee may not alter, change, or modify the System, including the Max Muscle Store or products, in any way without the prior written consent and approval of Franchisor.

12.12. Fixtures and Signage. All Max Muscle Store fixtures and signs to be used on or in connection with the Business must be approved in writing by Franchisor prior to their use by Franchisee, and Franchisor reserves the right to require Franchisee to purchase some or all of the required fixtures and signs from Franchisor or an affiliate of Franchisor. Franchisee is required to provide counter space for the display of brochures provided by Franchisor promoting the Max Muscle franchising opportunity.

12.13. Training. Franchisee or its Manager must complete Franchisor's initial training program described in Section 8.4. Franchisee shall train its employees according to standards and procedures established by Franchisor. Prior to attending Franchisor's initial training program, Franchisee or its designated Manager shall have completed the training prerequisites ("**Training Prerequisites**") as set forth on **Attachment X** to this Agreement. Prior to scheduling the attendance at the initial training program, Franchisee shall advise Franchisor in writing, by submitting the Franchisee Certification form, that Franchisee or its Manager has fully completed the Training Prerequisites. Should Franchisee or its Manager fail to complete all of the Training Prerequisites to Franchisor's reasonable satisfaction, Franchisor reserves the right to require Franchisee to leave the initial training program and to attend an alternate initial training program of Franchisee's sole cost and expense.

12.14. Correction of Defects. Should Franchisor notify Franchisee at any time of defects, deficiencies or unsatisfactory conditions in the appearance or conduct of the Business, Franchisee shall correct immediately any such items. Franchisee shall establish and maintain an image and reputation for the Business consistent with the standards set forth in this Agreement, the Operations Manual, or as otherwise specified by Franchisor. Franchisee shall keep its Max Muscle Store clean and in good order and repair at all times. In the event Franchisee fails to comply with the provisions of this Section 12.12 after written notice from Franchisor and the specified opportunity to cure such noncompliance, Franchisor shall be entitled to exercise its right to one or more of the remedies set forth in Section 13 of this Agreement.

12.15. Indemnification. Franchisee agrees to indemnify, defend and hold Franchisor, its parent corporation, its subsidiaries, affiliates and regional directors, and their respective shareholders, directors, officers, employees, agents, successors, assignees, and their other franchisees and licensees (collectively, "**Franchisor Indemnitees**") harmless from and against any and all expenses, damages, claims, suits, losses, actions, judgments, liabilities, and costs, including but not limited to attorneys' fees, directly or indirectly arising out of or based on any claim, action, judicial proceeding, or administrative proceeding, (1) concerning the operation of the Max Muscle Store, (2) any Collateral Business, (3) arising out of the use of the Marks and the System in any manner not in accordance with this Agreement, (4) the sale of unauthorized products or services, (5) the sale of Authorized Third-Party Products, or (6) any breach of this Agreement or any other agreement Franchisee may have with Franchisor or Franchisor's affiliates. Franchisee's duty to indemnify shall include all damages caused or alleged to be caused in whole or in part by any negligent act or omission, whether active or passive, of Franchisor Indemnitees. Franchisee will cooperate fully with Franchisor Indemnitees, their insurers, and their counsel in the investigation and defense of all claims subject to this indemnity. Franchisor Indemnitees will have the right to appoint counsel of their choice and control the defense of all such claims, and may in their sole discretion agree to a settlement upon reasonable notice to Franchisee. This indemnity shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

12.16. Computer Systems. Franchisee shall acquire, maintain, and upgrade computer, information processing and communication systems, including all applicable hardware, software, and Internet and other network access providers, and Web site vendors, as prescribed in the Operations Manual. Franchisee shall comply with any separate software or other license agreement that Franchisor or its designee uses in connection with providing these services.

12.17. Computer Problems, Viruses, and Attacks. Franchisee acknowledges and understands that computer systems are vulnerable to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, date-related problems, and attacks by hackers and other unauthorized intruders. Franchisor has taken reasonable steps to ensure that these problems will not materially affect the System. Franchisor does not guarantee that information or communication systems supplied by Franchisor or its suppliers will not be vulnerable to these problems. Franchisee acknowledges and agrees that Franchisee is solely responsible for protecting itself from these problems. Franchisee must also take reasonable steps to verify that Franchisee's suppliers, lenders, landlords, customers, and governmental agencies on which Franchisee relies, are reasonably protected. This may include taking reasonable steps to secure Franchisee's systems, including, but not limited to, firewalls, access code protection, anti-virus systems, and use of backup systems.

12.18. Hazardous Materials. Franchisee must not cause or permit any toxic or hazardous waste, substances, or materials, as defined under applicable government laws and regulations to be used, generated, stored or disposed or near, on, under, about or transported to or from the Franchised Location or any of Franchisee's vehicles except as necessary for Franchisee's operation of the Business and in accordance with the Operations Manual. Franchisee shall conduct such permissible hazardous materials activities in strict compliance, and at Franchisee's expense, with all applicable federal, state, and local laws, rules and regulations now or hereafter in effect and using all necessary and appropriate precautions. Franchisor will not be liable for any of these activities. Franchisee must provide Franchisor with a copy of all hazardous materials inventory statements and updates filed by any governmental agency or regulation and must immediately notify Franchisor both by telephone and in writing of any spill or unauthorized discharge of hazardous materials or of any conditions constituting an imminent hazard.

12.19. Collateral Business. If Franchisee elects to operate one or more Collateral Businesses from the Franchised Location, such Collateral Business shall not offer, sell or provide sports or fitness nutrition supplements in any form. Franchisee shall secure Franchisor's prior written approval, which may be granted or denied in Franchisor's sole discretion, prior to operating any Collateral Business, and such Collateral Business shall not (i) be the primary business operated from the Franchised Location, (ii) generate more than twenty-five percent (25%) of the Gross Revenue of the Max Muscle Store, or (iii) be associated in any way with Franchisor's Marks in any manner or form for any purposes. Franchisee shall indemnify Franchisor and Franchisor Indemnities in accordance with Section 15.

12.20. Franchise Sales Materials. Franchisee shall at all times install and maintain in good condition, including restocking franchise sales materials as required by Franchisor, a franchise sales and development display ("**Sales Display**") adjacent to or in close proximity to Franchisee's point-of-sale system ("**Register System**"). Franchisee shall also place franchise sales materials at the Max Muscle Store as required by Franchisor, in Franchisor's sole discretion, in the Operations Manual. Franchisee's failure or refusal to install and maintain the Sales Display, or to comply with Franchisor's requirements to place franchise sales materials as required by the Operations Manual, at all times shall constitute a breach of this Agreement.

13. DEFAULTS AND REMEDIES

13.1. Termination by Franchisee. Franchisee may terminate this Agreement if Franchisor violates a material provision of this Agreement and fails to remedy or to make substantial progress toward curing the violation within ninety (90) days after receiving written notice from Franchisee detailing the alleged default. Termination by Franchisee is effective ten (10) days after Franchisor receives written notice of termination. If Franchisee terminates this Agreement under this provision, Franchisee must follow the termination procedures as set forth below.

13.2. Termination by Franchisor. Subject to applicable law to the contrary, Franchisor may, at its option, terminate this Agreement before its expiration as set forth below:

(a) With Notice of 30 Days. This Agreement will terminate thirty (30) days after Franchisor gives written notice to Franchisee and Franchisee fails to cure the defect within the thirty (30) day period, in the event that:

(i) FRANCHISEE FAILS OR REFUSES TO MAINTAIN AND OPERATE THE BUSINESS IN COMPLIANCE WITH THIS AGREEMENT, THE SYSTEM, OR THE OPERATIONS MANUAL;

(ii) Franchisee fails to pay Franchisor or its affiliates or suppliers for obligations under this Agreement;

(iii) Franchisee fails to comply with any material federal, state, or local law or regulation applicable to the operation of the Business;

(iv) Franchisee fails or refuses to remove any products or other items from the Max Muscle Store deemed to constitute a violation of this Agreement by Franchisor;

(v) Franchisee is in breach of any other term, condition, or provision of this Agreement;

(vi) Franchisee fails to record any customer purchase on Franchisee's Register System;

(vii) Franchisee fails to comply with Franchisor's Inventory Requirements as set forth in the Operations Manual;

(viii) Franchisee fails to comply with the terms of any Auto-Ship Program as set forth in the Operations Manual; or

(ix) Franchisee enters into any agreement granting Franchisee exclusive distribution rights or appointing Franchisee an exclusive distributor for any non-Max Muscle Products without first securing Franchisor's advanced written permission.

(x) Franchisee fails to open the Max Muscle Store within 270 days of the date of this Agreement.

(xi) Franchisee fails or refuses to display and maintain the franchise Sales Display or to place the franchise sales materials at Franchisee's Max Muscle Store in accordance with the terms of this Agreement and the Operations Manual.

(b) Without Notice. This Agreement and license will immediately terminate without notice in the event that:

(i) Franchisee misrepresented or omitted material facts that induced Franchisor to enter into this agreement;

(ii) Franchisee fails or refuses to cease selling unauthorized products or services after being instructed to cease such sales by Franchisor;

(iii) Franchisee sells, brokers, or otherwise facilitates the sale of a controlled substance, whether on or off store premises;

(iv) Franchisee fails to complete the required initial training or has failed to designate an acceptable site pursuant to Section 10;

(v) Franchisee fails or refuses to execute a copy of the controlled substances certification within forty-eight (48) yours of being requested to sign such form by franchisor.

(vi) A permanent or temporary receiver or trustee for the Max Muscle Store or all or substantially all of Franchisee's property is appointed by any court, or any such appointment is consented to or not opposed through legal action by Franchisee, or Franchisee makes a general assignment for the benefit of Franchisee's creditors or Franchisee makes a written statement to the effect that Franchisee is unable to pay its debts as they become due, or a levy or execution is made on the license, or an attachment or lien remains on the Max Muscle Store for thirty (30) days unless the attachment or lien is being duly contested in good faith by Franchisee and Franchisor is advised in writing;

(vii) Franchisee loses possession or the right of possession of all or in a significant part of the Max Muscle Store through condemnation, casualty, lease termination or mortgage foreclosure and the Max Muscle Store is not relocated or reopened as provided in Section 10;

(viii) Franchisee contests the validity of, or Franchisor's ownership of, any of the Marks in any court or proceeding;

(ix) Franchisee makes an unauthorized Transfer;

(x) Franchisee is a business entity and any action is taken that purports to merge, consolidate, dissolve or liquidate the entity without Franchisor's prior written consent;

(xi) Franchisee voluntarily abandons or ceases operation of the Business at the Franchised Location for more than five (5) consecutive days;

(xii) Franchisee or any owner of greater than ten percent (10%) of Franchisee if Franchisee is an entity, or operator is charged or convicted of a felony, a crime involving moral turpitude, or any crime or offense that is reasonably likely, in the sole opinion of franchisor, to materially and unfavorably affect the Max Muscle System, Marks, goodwill or reputation;

(xiii) Franchisee fails to record any customer purchase on Franchisee's Register System three (3) or more times during the term of this Agreement; or

(xiv) Franchisee is charged with the possession or use of illegal drugs, including but not limited to Controlled Substances.

13.3. Effect of Termination. Upon any termination or expiration of this Agreement, all obligations that by their terms or by reasonable implication survive termination, including those pertaining to non-competition, confidentiality, and indemnity, will remain in effect, and Franchisee must immediately:

(a) promptly pay all amounts owed to Franchisor, its affiliates and its suppliers, based on the operation of the Max Muscle Store through the effective date of termination;

(b) return to Franchisor all copies of the Operations Manual, customer lists, records, files, instructions, brochures, advertising materials, agreements, Confidential Information and any and all other materials provided by Franchisor to Franchisee or created by a third party for Franchisee relating to the operation of the Business, and all items containing any Marks, copyrights, and other proprietary items;

(c) cancel or assign within five (5) days all registrations relating to Franchisee's use of any of the Marks, in Franchisor's sole and absolute discretion. Franchisee must notify the telephone, Internet, email, electronic network, directory, and listing entities of the termination or expiration of Franchisee's right to use any numbers, addresses, domain names, locators, directories and listings associated with any of the Marks, and must authorize their transfer to Franchisor or any new franchisee as may be directed by Franchisor. Franchisee acknowledges as between Franchisor and Franchisee, Franchisor has the sole rights to, and interest in, all numbers, addresses, domain names, locators, directories and listings used by Franchisee to promote the System. The Franchisee hereby irrevocably appoints Franchisor, with full power of substitution, as its true and lawful attorney-in-fact, which appointment is coupled with an interest, to execute such directions and authorizations as may be necessary or prudent to accomplish the foregoing. Such appointment is evidenced by **Attachment III**;

(d) cease doing business under any of the Marks, cancel any assumed name registration that includes any of the Marks, assign all domain names and Internet directory listings that contain the Marks to Franchisor, and refrain from identifying itself as a Max Muscle franchisee;

(e) allow Franchisor or representatives access to the Business and the computer systems to verify and secure Franchisee's compliance with the obligations under this Agreement;

(f) allow Franchisor to make a final inspection and audit of Franchisee's computer system, books, records and accounts;

(g) abide by the terms of the required noncompetition covenant; and

(h) tender all new and unexpired inventory of Max Muscle Products and Distributed Products to Franchisor and Franchisor's designated affiliates or destroy, if notified by Franchisor in writing to do so, all inventory of Max Muscle Products and Distributed Products in a timely manner in accordance with the terms of the Product Purchase Agreement between Franchisee and Max One Nutrition, LLC.

13.4. Failure to Cease or Remove Identification. If, within ten (10) days after termination of this Agreement by Franchisor, Franchisee fails to remove all displays of the Marks from the Max Muscle Store that are identified or associated with the System, Franchisor may enter the Max Muscle Store to effect removal. In this event, Franchisor will not be charged with trespass nor be accountable or required to pay for any displays or materials. If, within thirty (30) days after termination, Franchisee has not taken all steps necessary to amend or terminate any registration or filing of any fictitious name or any other registration or filing containing the Marks, Franchisee hereby irrevocably appoints Franchisor as Franchisee's true and lawful attorney for Franchisee, for the purpose of amending or terminating all registrations and filings, this appointment being coupled with an interest to enable Franchisor to protect the System. Franchisee shall also reimburse Franchisor for all direct and indirect legal costs and other expenses incurred by Franchisor in enforcing its rights under this Section in accordance with Section 5.6.

13.5. Other Claims. Termination of this Agreement will not affect, modify or discharge any claims, rights, causes of action or remedies, which Franchisor may have against Franchisee, whether such claims or rights arise before or after termination.

13.6. Alternative Remedies. In the event Franchisor elects not to terminate this Agreement in accordance with the terms of this Section 13, Franchisor may, in Franchisor's sole discretion, elect one or more of the following remedies:

(a) Reduce the size of Franchisee's Authorized Territory;

(b) Instruct Franchisor's affiliate to cease delivery of Max Muscle Products, Distributed Products, and/or marketing and advertising materials, until such time as the default is cured to Franchisor's reasonable satisfaction by Franchisee;

(c) Instruct Franchisor's affiliate to remove all credits from Franchisee's account, suspend and/or eliminate application of any pending or future credits to Franchisee's account, and/or eliminate or reduce any product discounts offered to Franchisee; or

(d) Require Franchisee to pay the cost of shipping and delivery of Max Muscle Products or Distributed Products, including but not limited to, marketing and advertising materials, until such time as Franchisor determines.

14. TRANSFER

14.1. Prohibited Acts. Any unauthorized Transfer or other conveyance, by operation of law or otherwise, or any attempt to do so, shall be deemed void, a breach of this Agreement, and grounds for termination of this Agreement by Franchisor.

14.2. Transfer by Franchisor. Franchisor's obligations under this Agreement are not personal, and Franchisor may unconditionally assign and transfer, in its sole and absolute discretion, this Agreement to another person or business entity at any time. Franchisor does not need permission of Franchisee for the transfer, and may transfer free of any responsibility or liability whatsoever to Franchisee, provided the transferee assumes Franchisor's material obligations. Franchisor may also:

(a) sell or issue its stock, other ownership interests, or assets, whether privately or publicly;

(b) merge with, acquire, or be acquired by another entity, including an entity that competes directly with Franchisee; or

(c) undertake a refinancing, recapitalization, leveraged buyout, or other economic or financial restructuring.

14.3. Transfer by Franchisee. Franchisee's obligations under this Agreement are personal and may not be voluntarily or involuntarily sold, pledged, assigned, transferred, shared, subdivided, subfranchised, encumbered or transferred in any way without the prior express written approval of Franchisor.

14.4. Conditions for Transfer or Assignment. No Transfer of this Agreement will be approved by Franchisor or be effective unless and until:

(a) Franchisee is under no default in the performance or observance of any of its obligations under this Agreement or any other agreement with Franchisor at the time Franchisee requests permission to assign this Agreement or at the time of the assignment;

(b) Franchisee is not currently selling any unauthorized products or services and Franchisee has not previously sold unauthorized products or services;

(c) Franchisee has settled all outstanding accounts with Franchisor, Franchisor's affiliates, and all suppliers, and Franchisee, and every principal of Franchisee's entity, have executed a general release of Franchisor and all principals of Franchisor from all claims that may be brought by Franchisee or any principal of Franchisee;

(d) the proposed transferee pays Franchisor a fee to transfer the Business ("**Transfer Fee**") in the amount of twelve thousand five hundred dollars ($12,500.00) unless the transferee is:

(i) a corporation of which franchisee is the majority stockholder, or a child, parent, sibling, spouse or domestic partner of Franchisee, in which case no Transfer Fee will be required, or

(ii) another franchisee of Max Muscle, in which case the Transfer Fee will be one thousand five hundred dollars ($1,500.00);

(e) the proposed transferee executes a separate franchise agreement with Franchisor, using the then-current form of franchise agreement;

(f) the proposed transferee pays for, attends, and satisfactorily completes the training program for new franchisees unless:

(i) the transferee is a current franchisee in good standing in the System, or

(ii) the transferee is and has been a Manager for a period of one year or more of a Max Muscle Store in good standing;

(g) the individual proposed transferee, or the stockholders, partners, members, or trustees and beneficiaries of a proposed entity transferee, each execute a personal guarantee, jointly and severally guaranteeing the performance of the proposed transferee's obligations;

(h) the proposed transferee demonstrates to Franchisor's satisfaction that it, in all respects, meets Franchisor's standards applicable to new franchisees regarding experience, personal and financial reputation and stability, willingness and ability to devote his or her full time and best efforts to the operation of the Business, and any other conditions as Franchisor may reasonably apply in evaluating new franchisees. The proposed transferee must also provide a business plan with Cash Flow Analysis to Franchisor.

(i) Franchisor must be provided all information about the proposed transferee as it may reasonably require. Because of the confidential information available to a franchisee, no assignment to a competitor of the System will be permitted;

(j) Franchisee executes a general release in favor of the Franchisor, including its officers, directors, agents and employees, in a form satisfactory to Franchiser and releasing all claims against Franchisor, including any obligations under this Agreement;

(k) the proposed transferee agrees to immediately (within three (3) days) upgrade to Franchisor's current POS system and CRM System;

(l) the proposed transferee, at the time of the Transfer, must have at least $25,000 worth of Max Muscle Products in the Business's inventory; and

(m) if the Max Muscle Store is a Legacy Franchise Store, as identified by Franchisor in Franchisor's sole discretion, Franchisee shall upgrade the Max Muscle Store to Franchisor's then-current standards prior to Franchisor's execution of the new Franchise Agreement, transfer agreement, or any other documentation evidencing Franchisor's approval of the transfer or assignment.

14.5. Transfer to an Entity. Notwithstanding the preceding section, Franchisee may Transfer its rights and obligations under this Agreement without Franchisor's consent, to an entity in which Franchisee owns one hundred percent (100%) of the outstanding stock, provided:

(a) Franchisee remains on the Agreement as a party and the entity is added as a co-party;

(b) Franchisee, or Franchisee's operational partner or Manager approved by Franchisor, continues to devote full time and best efforts to manage the daily operations of the Business;

(c) the entity's activities are confined exclusively to operating the Business; and

(d) the entity assumes joint and several liability with Franchisee.

14.6. Death or Disability of Franchisee. Upon the death or permanent disability of an individual Franchisee (or the controlling shareholder, member or partner if Franchisee is a legal entity), the personal representative of such person shall transfer all right, title and interest in this Agreement or such interest in Franchisee to any approved third party, which may include an heir or legatee that otherwise satisfies Franchisor's then-current standards and qualifications for new Franchisee. Such disposition of this Agreement or such interest (including, without limitation, transfer by bequest or inheritance, provided such transfer is in accordance with the requirements of this Section 14.6) shall be completed within a reasonable time, not to exceed six (6) months from the date of death or permanent disability (unless extended by probate proceedings), and shall be subject to all the terms and conditions applicable to transfers contained in this Section. Franchisor shall have the right, in Franchisor's sole discretion, to operate the Max Muscle Store or to appoint a representative or designee to operate the Max Muscle Store, for a period of up to one hundred eighty (180) days, or until such time as Franchisee's interest shall have been transferred to an approved third party, whichever occurs first. Franchisor or the appointed representative shall be entitled to retain all revenues, and shall pay all operating expenses from the operation of the Max Muscle Store, without the right to seek or require reimbursement by Franchisee's estate or personal representative, during the period of operation of the Max Muscle Store. Failure to transfer the interest in this Agreement or such interest in Franchisee within said period of time shall constitute a breach of this Agreement and shall entitle Franchisor to terminate this Agreement without further notice or the opportunity to cure. For purposes hereof, the term "**Permanent Disability**" shall mean a mental or physical disability, impairment or condition that prevent Franchisee or Franchisee's controlling shareholder, member or partner from performing the essential functions of Franchisee.

14.7. Right of First Refusal. Franchisee grants Franchisor the right to purchase the Business on the same terms and conditions specified in a bona fide written offer from a qualified third party. Within seven (7) days after receipt of the bona fide offer acceptable to Franchisee to transfer all or part of the Business, Franchisee must forward a signed copy of the written offer to Franchisor. Franchisor will then have access to all Franchisee's Business Records in order to evaluate the offer, and may purchase the Business upon notification to Franchisee within sixty (60) days on the same terms as those in the offer.

14.8. Election of Right/Set Offs. If Franchisor elects to exercise its option to purchase under this Agreement, Franchisor will have the right to set off against any payment all amounts due from Franchisee under this Agreement and the cost of the appraisal, if any.

14.9. Rights After Refusal. If Franchisor does not exercise its right to purchase within the required timeframe, Franchisee may transfer the Business to the third party, but not at a lower price or on more favorable terms than disclosed to Franchisor in writing. Such transfer remains subject to Franchisor's prior written approval and other conditions specified in this Agreement. If Franchisee does not transfer the Business to the transferee on the same terms offered to Franchisor, then Franchisee must again extend the right of first refusal to Franchisor in the manner described above, before another desired transfer.

14.10. Franchisor's Resale Assistance. Franchisee may, at any time, request Franchisor's assistance in locating a buyer for the Max Muscle Store. Franchisor may, at Franchisor's option, provide such assistance in accordance with the policies and procedures set forth in the Operations Manual. Franchisor reserves the right to charge Franchisee a fee ("**Resale Marketing Fee**") to cover Franchisor's reasonable costs and expenses (including the time committed by Franchisor's employees) incurred in providing such assistance. If Franchisor elects to assist Franchisee in finding a buyer for the Max Muscle Store in any way, Franchisor makes no promises or commitments to Franchisee that a buyer will be located or that any one will be willing to purchase the Max Muscle Store at a price that is acceptable to Franchisee. Franchisor reserves the right to reject any proposed sale based on Franchisor's determination, in Franchisor's sole discretion, that the purchase price or purchase terms agreed to between Franchisee and any prospective buyer is excessive or will not enable the buyer to succeed as a franchisee in the Max Muscle System, and by requesting Franchisor's assistance Franchisee waives any liability claims it may have against Franchisor for such rejection.

15. GENERAL PROVISIONS

15.1. Covenants Not to Compete. During the Initial Term of this Agreement, any Interim Period and for two (2) years after termination, Transfer, or expiration of this Agreement for any reason, neither Franchisee, nor persons associated with Franchisee, including owners, Managers, employees or agents, may participate directly or indirectly or serve in any capacity in any business engaged in the sale of services or products the same as, similar to, or competitive with the System, including the production or manufacturing of any product that is similar to, or competes with, any Max Muscle Product, Distributed Product, Authorized Third-Party Product, or any product offered or sold in vitamin, supplement, or sports nutrition stores, or in any channel of distribution selling similar products. This covenant not to compete applies: (i) during the Initial Term of the Agreement and any Interim Period, within any state in which Franchisor, Franchisor's affiliates, or franchisees do business; and after termination within a fifty (50) mile radius from the boundary of Franchisee's Authorized Territory, and from any franchised, Franchisor-owned or affiliated company-owned premises; (ii) on the Internet; and (iii) in any other Multi-Area Marketing channels used by Franchisor.

This covenant not to compete is given in part in consideration for training and access to Franchisor's Trade Secrets, and which, if used in a competitive business without paying royalties and other payments, would give Franchisee an unfair advantage over Franchisor and Franchisor's franchisees and affiliates. The

unenforceability of all or part of this covenant not to compete in any jurisdiction will not affect the enforceability of this covenant not to compete in other jurisdictions, or the enforceability of the remainder of this Agreement.

15.2. Stock Ownership. Nothing in this Section will prevent any active officer of Franchisee or member of Franchisee's family either individually or collectively, from owning not more than a total of five percent (5%) of the stock of any company, which is subject to the reporting requirements of Section 11 or Subsection 14(d) of the Securities and Exchange Act of 1934.

16. DISPUTE RESOLUTION

16.1. Negotiation. Other than disputes arising from issues related to the health or safety of Franchisee's customers or employees, the parties will first attempt to resolve any dispute relating to or arising out of this Agreement by negotiation. Franchisor will provide a procedure for internal dispute resolution as set forth in the Operations Manual, and this procedure may be revised periodically at Franchisor's discretion.

16.2. Right to Relief. To protect from violations that would cause immediate loss and damages or that threaten the health or safety of Franchisee's customers or employees, Franchisor and Franchisee each have the right to seek from a court of competent jurisdiction:

(a) injunctive relief and any related incidental damages;

(b) adjudication of disputes or claims related to or based on the Marks; and

(c) enforcement of a covenant not to compete.

16.3. Arbitration. Except as specifically provided under this Agreement, any dispute or claim relating to or arising out of this Agreement must be resolved exclusively by mandatory arbitration by and in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("**AAA**") or another arbitration service agreed to by the parties. Arbitration will be conducted solely on an individual, not a class-wide, basis, unless all parties so agree in writing. No award in arbitration involving Franchisor will have any effect of preclusion or collateral estoppel in any other adjudication or arbitration. A single arbitrator shall be selected in accordance with standard AAA procedure, and the proceedings will be conducted at the AAA's Denver, Colorado office. Each party shall bear all of its own costs and attorneys' fees and one-half of the arbitrator's expenses, except as set forth in Section 18.7. The decision of the arbitrator shall be final and binding.

16.4. Applicability. This dispute resolution section applies to claims by and against all parties and their affiliates, successors, owners, Managers, officers, directors, employees, agents, and representatives, as to claims arising out of or relating to this Agreement, except as stated above. This dispute resolution clause shall survive the termination or expiration of this Agreement.

16.5. Governing Arbitration Law. Notwithstanding any choice of law provision of this Agreement, all issues relating to arbitration or the enforcement of the agreement to arbitrate contained in this Agreement are governed by the U.S. Federal Arbitration Act (9 U.S.C. § 1 et seq.) and the U.S. federal common law of arbitration. This federal act preempts any state rules on arbitration, including those relating to the site of arbitration. Judgment on an arbitration award, or on any award for interim relief, may be entered in any court having jurisdiction, and will be binding.

16.6. Governing Law/Consent to Venue and Jurisdiction. Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law, this Agreement shall be interpreted under the laws of the State of South Dakota and any dispute between the parties shall be governed by and determined in accordance with the substantive laws of the State of South Dakota, which laws shall prevail in the event of any conflict of law; provided, however, the parties expressly agree that this Agreement is not intended to confer on any franchisee that is not a resident of the State of South Dakota the benefit of the South Dakota Franchise Investment Law, or any other South Dakota law providing specific protection to franchisees residing in the State of South Dakota. Franchisee and Franchisor have negotiated regarding a forum in which to resolve any disputes that may arise between them and have agreed to select a forum in order to promote stability in their relationship. Therefore, if a claim is asserted in any legal proceeding involving Franchisee, its officers, directors, managers or partners (collectively, "**Franchisee Affiliates**"), and Franchisor, its parent, subsidiaries or affiliates and their respective officers, directors and sales employees (collectively, "**Franchisor Affiliates**"), the parties agree that the exclusive venue for disputes between them shall be in the state and federal courts of South Dakota or the Denver, Colorado office of the AAA and each party waives any objection it may have to the personal jurisdiction of or venue in the state and federal courts of South Dakota or the Denver, Colorado office of the AAA. Franchisor, Franchisor Affiliates, Franchisee and Franchisee Affiliates each waive their rights to a trial by jury.

16.7. Limitations on Actions. Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or arbitration proceeding brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of two (2) years from the date of discovery of the conduct or event that forms the basis of the legal action or proceeding.

17. RELATIONSHIP OF THE PARTIES

17.1. Independent Contractor. Franchisee is an independent contractor and is not an agent, partner, joint venturer, or beneficiary of Franchisor, nor is Franchisor a fiduciary of Franchisee. Neither party will be bound or obligated by the other, except as set forth in this Agreement. Franchisee may not act as an agent in Franchisor's name or on behalf of Franchisor for any purpose whatsoever.

17.2. Operations and Identification. Franchisee must conspicuously identify itself in all dealings with the public as "independently owned and operated" separate from Franchisor. Franchisee's employees are employees of Franchisee alone and are not, for any purpose, considered employees under the control of Franchisor. Franchisor and Franchisee must file separate tax, regulatory, and payroll reports for each party's own operations, and must indemnify the other for any liability arising from the other's reports.

18. MISCELLANEOUS

18.1. Entire Agreement. This Agreement, together with all written related agreements, exhibits and attachments, constitutes the entire understanding of the parties and supersedes all prior negotiations, commitments, and representations; provided, however, nothing in this Section 18.1 shall be construed to disclaim the representations made by Franchisor in Franchisor's Franchise Disclosure Document provided to Franchisee in connection with this Agreement.

18.2. Modification. No modifications of the terms of this Agreement shall be valid unless made in writing and executed by both Franchisor and Franchisee. However, the Operations Manual may be periodically modified by Franchisor and such modifications shall be fully enforceable against Franchisee.

18.3. Waiver. Franchisor's waiver of any particular right by Franchisee will not affect or impair Franchisor's rights as to any subsequent exercise of that right of the same or a different kind; nor will any delay, forbearance or omission by Franchisor to execute any rights affect or impair Franchisor's rights as to any future exercise of those rights.

18.4. Severability. If any part of this Agreement, for any reason, is declared invalid by an arbitrator or court, the declaration will not affect the validity of any remaining portion. The remaining portion will remain in force and effect as if this Agreement were executed with the invalid portion eliminated or curtailed. All partially valid and enforceable provisions shall be enforced to the extent that they are valid and enforceable.

18.5. Conflict with Local Law. If any provision of this Agreement is inconsistent with a valid applicable law, the provision will be deemed amended to conform to the minimum standards required. The parties may execute an Addendum setting forth certain of these amendments applicable in certain jurisdictions, which will apply only so long as and to the extent that then applicable laws referred to in the addendum remain validly in effect.

18.6. Sections. Titles of articles and sections are used for convenience of reference only and are not part of the text, nor are they to be construed as limiting or affecting the construction of the provisions.

18.7. Legal Costs. If either party institutes a legal proceeding, including court proceeding and arbitration, and prevails entirely or in part in any action at law or in equity against the other party based entirely or in part on the terms of this Agreement, the prevailing party shall be entitled to recover from the losing party, in addition to any judgment, reasonable attorneys' fees, court costs and all of the prevailing party's expenses in connection with any action at law; provided, however, if Franchisor is required or determines that it must seek injunctive relief to prevent Franchisee from selling any unauthorized product or service, Franchisee agrees that it shall be liable to reimburse Franchisor for all costs and expenses, including court costs and legal fees, incurred by Franchisor in seeking such relief even if Franchisor does not prevail in securing such injunctive relief.

18.8. Obligations. Franchisor has no liability for Franchisee's obligations to any third party whatsoever.

18.9. Continuation of Agreement. The provisions of this Agreement, which by their terms or by reasonable implication require performance by Franchisee after assignment, expiration or termination, remain enforceable notwithstanding the assignment, expiration or termination of this Agreement, including those pertaining to non-competition, intellectual property protection, confidentiality and indemnity. This Agreement inures to the benefit of and is binding on the respective heirs, legal representatives, successors, and permitted assigns of the parties.

18.10. Notice. Whenever this Agreement requires notice, it shall be in writing and shall be sent by registered or certified mail, return receipt requested, to the other party at the addresses set forth below, unless written notice is given of a change of address.

All notices to Franchisee shall be conclusively deemed to have been received by Franchisee upon the delivery or attempted delivery of such notice to Franchisee's address listed herein, or such changed address.

Notices to Franchisor:	Dakota One Franchising, LLC 901 E. 50th Street North, Sioux Falls, South Dakota 57104 Attn: President
With a Copy to: (which shall not constitute notice)	Kevin P. Hein, Esq. Alexcoe Legal Solutions, LLP 1509 York Street, Suite 300 Denver, Colorado 80206
Notices to Franchisee:	_____ _____ _____ _____

18.11. Joint and Several Liability. If two or more persons or entities or any combination sign this Agreement, each will have joint and several liability. All owners and controllers of an entity or association that comprise Franchisee are jointly and severally liable for the obligations of Franchisee under this Agreement.

18.12. Cumulative Remedies. Rights and remedies under this Agreement are cumulative. No enforcement of a right or remedy precludes the enforcement of any other right or remedy.

18.13. Set-Off. Franchisee may not set off any amounts owed to Franchisor under this Agreement nor may Franchisee withhold any amounts owed to Franchisor due to any alleged non-performance by Franchisor under this Agreement. Franchisee waives any right to set off.

18.14. Completion of Agreement. The parties agree to acknowledge, execute and deliver all further documents, instruments or assurances and to perform all further acts or deeds as may be reasonably required to carry out this Agreement.

19. ACKNOWLEDGEMENT

BY SIGNING THIS AGREEMENT, FRANCHISEE ACKNOWLEDGES THAT:

1. FRANCHISEE HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THE MAX MUSCLE SYSTEM AND RECOGNIZES THAT THE BUSINESS CONTEMPLATED BY THIS AGREEMENT INVOLVES BUSINESS RISK AND WILL LARGELY DEPEND UPON THE ABILITY OF FRANCHISEE AS AN INDEPENDENT BUSINESS PERSON; AND

2. FRANCHISOR HAS NOT GIVEN AND FRANCHISEE HAS NOT RECEIVED ANY EXPRESS OR IMPLIED WARRANTY OR GUARANTY REGARDING POTENTIAL VOLUME, PROFITS, OR SUCCESS OF THE BUSINESS CONTEMPLATED BY THIS AGREEMENT; AND

3. FRANCHISEE IS NOT A PARTY TO OR SUBJECT TO AGREEMENTS THAT MIGHT CONFLICT WITH THE TERMS OF THIS AGREEMENT AND AGREES NOT TO ENTER INTO ANY CONFLICTING AGREEMENTS DURING THE INITIAL TERM OR ANY INTERIM PERIOD; AND

4. FRANCHISEE HAS RECEIVED THE FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE FEDERAL TRADE COMMISSION WITH APPLICABLE EXHIBITS AT LEAST TEN (10) BUSINESS DAYS BEFORE THE DATE ON WHICH THIS AGREEMENT WAS EXECUTED, AND HAS RECEIVED A COPY OF THE COMPLETE MAX MUSCLE FRANCHISE AGREEMENT AT LEAST FIVE (5) BUSINESS DAYS BEFORE THAT DATE ON WHICH THIS AGREEMENT WAS EXECUTED.

[***Signature Page Follows***]

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Agreement in two (2) or more counterparts on the day and year first above written.

FRANCHISOR:

DAKOTA ONE FRANCHISING, LLC

By :_____

_____
Printed Name

Title:_____

FRANCHISEE:

If Entity:

_____
Printed Entity Name

By :_____

_____
Printed Name

Title:_____

If an Individual:

_____
Signature

_____
Print Name

FRANCHISEE'S SPOUSE:

_____
Signature

_____
Print Name

NOTE: THIS AGREEMENT MUST BE SIGNED INDIVIDUALLY BY THE PRIMARY REPRESENTATIVE OF FRANCHISEE AND ALL OWNERS OF FRANCHISEE. ALL OWNERS OF FIVE PERCENT (5%) OR MORE OF THE OWNERSHIP INTEREST OF AN ENTITY FRANCHISEE AGREE TO SIGN **ATTACHMENT V**, THE INDIVIDUAL GUARANTY.

ATTACHMENT I
TO FRANCHISE AGREEMENT

ADDENDUM

THIS ADDENDUM to the Dakota One Franchising, LLC, Franchise Agreement ("**Agreement**") dated _____, 20___ between Dakota One Franchising, LLC, a South Dakota limited liability company ("**Franchisor**") and _____ ("**Franchisee**"), is made effective as of the date of the Franchise Agreement.

1. **Principal Business Address**. Franchisee's Principal Business Address is:

_____

_____

2. **Initial Franchise Fee**. The Franchisee shall pay $_____ as an Initial Franchise Fee pursuant to Section 5.2 of the Agreement.

3. **Franchised Location**. Franchisee's Max Muscle Store will be located at:

_____

4. **Multi-Store Royalty Savings Program Opening Date or the Conversion Opening Date.** The Multi-Store Royalty Savings Program Opening Date or the Conversion Opening Date is:

_____.

5. **Authorized Territory**. Franchisor will not own, operate, or franchise a fixed location for the operation of another Max Muscle Store within the area described by the following zip codes:

_____

_____

Fully executed this _____ day of _____, 20___.

DAKOTA ONE FRANCHISING, LLC

By:_____

_____
(Printed Name)

Title:_____

FRANCHISEE:

_____
Individually

_____
(Printed Name)

FRANCHISEE'S SPOUSE:

_____
Signature

_____
(Printed Name)

OR IF ENTITY

_____
Company Name

By:_____

_____
(Printed Name)

Title:_____

ATTACHMENT II
TO FRANCHISE AGREEMENT

AUTHORIZATION AGREEMENT
FOR PREAUTHORIZED PAYMENT SERVICE

I (or We, if there are joint owners of the account referenced later in this agreement) authorize and request Dakota One Franchising, LLC, a South Dakota limited liability company ("**Company**") to obtain payment for all Royalty Fees and other fees I (we) owe to the Company pursuant to the Franchise Agreement between the Company and me (us), as these amounts become due by initiating a payment entry to my (our) account. The account number, name of financial institution, payment amount, and date on or immediately after which payment should be deducted from the account are identified below. In addition, I (we) authorize and request the financial institution, now referred to as the Bank, to accept the payment entries presented to the Bank and to deduct them from my (our) account without responsibility for the correctness of these payments.

Franchisee Information:

Franchisee Name: _____

Franchisee Printing Max Muscle Store No.: _____

Payment Date: _____ Payment Frequency: _____

Your Bank Account Information:

Please attach a voided check and we will complete this information for you.
Transit Routing Number: _____ Checking Account Number: _____

Bank Name: _____ Bank Address: _____

Your Name(s): _____
(Please Print)

Signature(s): _____

Date Signed: _____

STATE OF _____

COUNTY OF _____

Subscribed and sworn to before me this _____ day of _____, 20___. Witness my official hand and seal.

_____
Notary Public

ATTACHMENT III
TO FRANCHISE AGREEMENT

COLLATERAL ASSIGNMENT OF
TELEPHONE NUMBERS, ADDRESSES, AND LISTINGS

THIS COLLATERAL ASSIGNMENT OF TELEPHONE NUMBERS, ADDRESSES, AND LISTING ("**Assignment**") is entered into this _____ day of _____, 20___, in accordance with the terms of that certain Dakota One Franchising, LLC Franchise Agreement ("**Franchise Agreement**") between _____ ("**Franchisee**"), and Dakota One Franchising, LLC, a South Dakota limited liability company ("**Franchisor**"), executed concurrently with this Assignment, under which Franchisor granted Franchisee the right to own and operate a Max Muscle Store located at _____ ("**Franchise Business**").

FOR VALUE RECEIVED, Franchisee hereby assigns to Franchisor those certain telephone numbers, addresses, domain names, locators, directories and listings (collectively, the "**Numbers, Addresses, and Listings**") associated with Franchisor's trade and service marks and used from time to time in connection with the operation of the Franchise Business at the address provided above. This Assignment is for collateral purposes only and, except as specified herein, Franchisor shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment, unless Franchisor shall notify the telephone, Internet, email, electronic network, directory, and listing entities with which Franchisee has dealt (all such entities are collectively referred to herein as "**Provider Companies**") to effectuate the assignment pursuant to the terms hereof.

Upon termination or expiration of the Franchise Agreement (without the extension of Franchisee's rights to operate the Franchise Business), Franchisor shall have the right and is hereby empowered to effectuate the Assignment of the Numbers, Addresses, and Listings and, in such event, Franchisee shall have no further right, title or interest in the Numbers, Addresses, and Listings, and shall remain liable to the Provider Companies for all past due fees owing to the Provider Companies on or before the effective date of the assignment hereunder.

Franchisee agrees and acknowledges that as between Franchisor and Franchisee, upon termination or expiration of the Franchise Agreement, Franchisor shall have the sole right to and interest in the Numbers, Addresses, and Listings, and Franchisee appoints Franchisor as Franchisee's true and lawful attorney-in-fact to direct the Provider Companies to assign the same to Franchisor, and execute such documents and take such actions as may be necessary to effectuate the assignment. Upon such event, Franchisee shall immediately notify the Provider Companies to assign the Numbers, Addresses, and Listings to Franchisor. If Franchisee fails to promptly direct the Provider Companies to assign the Numbers, Addresses and Listings to Franchisor, Franchisor shall direct the Provider Companies to effectuate the assignment contemplated hereunder to Franchisor. The parties agree that the Provider Companies may accept Franchisor's written direction, the Franchise Agreement or this Assignment as Conclusive Proof of Franchisor's exclusive rights in and to the Numbers, Addresses, and Listings upon such termination or expiration and that such assignment shall be made automatically and effective immediately upon Provider Companies' receipt of such notice from Franchisor or Franchisee. The parties further agree that if the Provider Companies require that the parties execute the Provider Companies' assignment forms or other documentation at the time of termination or expiration of the Franchise Agreement, Franchisor's execution of such forms or documentation on behalf of Franchisee shall effectuate Franchisee's consent and agreement to the assignment. The parties agree that at any time after the date hereof they will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the assignment described herein upon termination or expiration of the Franchise Agreement.

ASSIGNEE

Dakota One Franchising, LLC

By:_____

_____
(Printed Name)

Its:_____

ASSIGNOR

Franchisee

_____

By:_____

_____
(Printed Name)

Its:_____

FRANCHISEE'S SPOUSE:

_____
Signature

_____
(Printed Name)

ATTACHMENT IV
TO FRANCHISE AGREEMENT

STATEMENT OF OWNERSHIP

Franchisee: _____

Trade Name (if different from above): _____

Form of Ownership
(Check One)

_____ Individual _____ Partnership _____ Corporation _____ Limited Liability Company

If a Partnership, provide name and address of each partner showing percentage owned, whether active in management, and indicate the state in which the partnership was formed and attach a copy of the Partnership Agreement certified by the Secretary of State for the State in which the Partnership was formed.

If a Corporation, give the state and date of incorporation, the names and addresses of each officer and director, and list the names and addresses of every shareholder showing what percentage of stock is owned by each and attach a copy of the Articles of Incorporation certified by the Secretary of State for the State in which the corporation was formed.

If a Limited Liability Company, provide name and address of each member and each manager showing percentage owned and indicate the state in which the Limited Liability Company was formed and attach a copy of the Operating Agreement certified by the Secretary of State for the State in which the LLC was formed.

_____

_____

_____

Franchisee acknowledges that this Statement of Ownership applies to the Business authorized under the Franchise Agreement.

Use additional sheets if necessary. Any and all changes to the above information must be reported to Franchisor in writing.

_____ _____
Date Name

_____
(Print Name)

_____ _____
Date Name

_____
(Print Name)

ATTACHMENT V
TO FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION
OF OBLIGATIONS

This Guaranty and Assumption of Obligation is given this _____ day of _____, 20___, by _____.

In consideration of, and as inducement to, the execution of that certain Franchise Agreement of the date herewith ("**Agreement**"), by Dakota One Franchising, LLC, a South Dakota limited liability company ("**Franchisor**"), each of the undersigned hereby personally and unconditionally (a) guarantees to Franchisor, and its successors and assigns, for the Initial Term of the Agreement, any Interim Period and thereafter as provided in the Agreement, that _____ ("**Franchisee**"), shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities. Notwithstanding clauses (a) and (b) above, a spouse who is also a guarantor hereunder and who becomes widowed and who does not have (and will not obtain) an ownership interest in Franchisee, the Agreement, or any Franchise Agreement granted thereunder as an owner, co-owner, investor, member, partner, shareholder or like capacity shall not thereafter be held responsible for any monetary obligations thereafter arising out of the terms and conditions of this Guaranty and Assumption of Obligations unless any such ownership interest is acquired in any manner by the widowed spouse, or the widowed spouse's or deceased spouse's children. Notwithstanding any change in ownership resulting from the death of a spouse, all monetary obligations or liabilities shall be paid in full by the estate or by the guarantor spouse. Notwithstanding the limitations set forth above, any and all other non-monetary obligations of the Agreement shall remain an obligation of the surviving spouse.

Each of the undersigned waives: (i) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (ii) notice of demand for payment of any indebtedness or non-performance of any obligations hereby guarantee; (iii) protest and non-performance of any obligations hereby guaranteed; (iv) any right it may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (v) any and all other notices and legal or equitable defenses to which is may be entitled.

Each of the undersigned consents and agrees that: (i) his/her direct and immediate liability under this guaranty shall be joint and several; (ii) he or she shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (iii) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and (iv) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit, or other indulgence which Franchisor may from time-to-time grant to Franchisee or to any other person, including without limitation the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the Initial Term of the Agreement and any Interim Period.

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

Guarantor(s):	**Percentage of Ownership of Franchisee**	
_____ (Signature)	_____%	_____ (Typed or Printed Name)
_____ (Signature)	_____%	_____ (Typed or Printed Name)
_____ (Signature)	_____%	_____ (Typed or Printed Name)
_____ (Signature)	_____%	_____ (Typed or Printed Name)
_____ (Signature)	_____%	_____ (Typed or Printed Name)
_____ (Signature)	_____%	_____ (Typed or Printed Name)
_____ (Signature)	_____%	_____ (Typed or Printed Name)
_____ (Signature)	_____%	_____ (Typed or Printed Name)
_____ (Signature)	_____%	_____ (Typed or Printed Name)

ATTACHMENT VI
TO FRANCHISE AGREEMENT

CONTROLLED SUBSTANCES CERTIFICATION

A "**Controlled Substance**" is a substance designated by the United States Drug Enforcement Administration as a "**controlled substance**," including any substantially similar analogue thereof. "**Controlled Substances**" include, but are not limited to, the steroid products and other substances listed on the schedules published in the Code of Federal Regulations, 21 C.F.R. § 1308 et seq.

By my signature below, I certify and warrant that:

- I have never been convicted of any offenses involving the possession, use, or distribution of a controlled substances.
- I have not used any controlled substances in the past three years, other than those prescribed to me by my doctor.
- I will not use any controlled substances during the term of this Franchise Agreement other than those prescribed to me by my doctor.
- I will not knowingly sell, broker, or otherwise facilitate the sale of a Controlled Substance, whether on or off store premises.

I acknowledge that my Certification is material to Franchisor's decision to enter into the Franchise Agreement, and that Franchisor may terminate the Franchise Agreement without notice to me, and may pursue an action for damages against me, if my Certification is false or if I breach this Certification in the future.

(Signature)_____(Typed or Printed Name)

Date: _____

ATTACHMENT VII
TO FRANCHISE AGREEMENT

SAMPLE
ACKNOWLEDGEMENT OF TERMINATION AND RELEASE AGREEMENT

This Acknowledgement of Termination and Release Agreement ("**Agreement**") is entered into this ____ day of _____, 20___, between Dakota One Franchising, LLC, a South Dakota limited liability company ("**Franchisor**") and _____ ("**Franchisee**"). The Franchisee and Franchisor will collectively be referred to herein as the "**Parties**."

RECITALS

WHEREAS, Franchisor and Franchisee entered into that certain franchise agreement ("**Franchise Agreement**") dated _____, 20__, in which Franchisor granted Franchisee the right to operate a Max Muscle Store in the authorized territory ("**Authorized Territory**") described in Attachment I of the Franchise Agreement; and

WHEREAS, on _____, 20___, Franchisee's rights under the terms of the Franchise Agreement were terminated ("Termination") as a result of _____
_____
_____

WHEREAS, the Parties desire to enter into this Agreement for the purpose of acknowledging the Termination; acknowledging Franchisor's retention of all rights and remedies under the Franchise Agreement including, but not limited to, Franchisor's right to retain all Franchise Fees, Royalties, National Marketing Fees, Training Fees, Site Selection Assistance Fees, Additional Assistance Fees, and Third-Party Product Review Fees and right to audit Franchisee's books and records; and fully and finally resolving all legal and equitable claims, known or unknown, of Franchisee existing against Franchisor that were or could have been asserted by Franchisee in any action.

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements herein contained, the parties hereto hereby covenant, promise and agree as follows:

AGREEMENT

1. Acknowledgment of Termination. Franchisee acknowledges and agrees that all of its rights under the Franchise Agreement, Max Muscle Point of Sale and CRM System License and Procurement Agreement and Product Purchase Agreement ("**Franchise Documents**"), were fully and finally terminated on _____, 20___. Franchisee agrees to abide by all provisions which expressly survive the Termination of the Franchise Documents, as more fully set forth in the Franchise Documents.

2. No Future Sale of Max Muscle Products. From and after _____, 20___, until _____, 20__, Franchisee agrees that it will not, directly or indirectly, purchase, sell, re-sell, stock, or trade in any Max Muscle Products or otherwise participate in or receive payment or compensation in connection with the wholesale or retail purchase, marketing or sale of such products. Franchisee understands and agrees that the provisions of this paragraph 2 are a material inducement for Franchisor's agreement to an early termination of the Franchise Agreement. If, for any reason, the provisions of this paragraph 2 are determined to be unlawful or unenforceable, the parties agree that the provisions of this paragraph 2 may be severed from this Agreement, that in their place the parties agree Franchisee shall be obligated to pay to Franchisor all sums and profit that would otherwise have come due to or been earned

by Franchisee had the Franchise Agreement never been terminated, and that all other provisions of this Agreement shall remain valid and enforceable.

3. No Other Nutrition Business. Franchisee represents and warrants that Franchisee does not, directly or indirectly, own, direct, control or participate in the profits or revenue of any retailer, distributor, manufacturer or other business relating to nutritional supplements, excepting only the one retail business location identified above.

4. Repurchase of Product. Within five (5) days of the date of this Agreement, Franchisee will tender and deliver to Franchisor all Max Muscle Products and Distributed Products (as defined in the Franchise Agreement) in Franchisee's possession or under Franchisee's control. For all such products that are new, in original packaging, unopened and unexpired, Franchisor will, within fifteen (15) days of such delivery, pay Franchisee an amount equal to the price originally paid by Franchisee, not to exceed a total of $_____.00.

5. Release by Franchisee. As of the date of this Agreement, Franchisee does hereby compromise, settle, and absolutely, unconditionally, and fully release, discharge, and hold harmless for itself and each of its respective heirs, executors, administrators, representatives, successors, assigns, officers, members, managers, directors, shareholders, employees, partners, and Affiliates (as hereinafter defined) (collectively, the "**Franchisee Releasing Parties**"), Franchisor and its past, present and future officers, directors, agents, attorneys, employees, shareholders, successors, assigns, members, managers, and Affiliates (collectively, the "**Franchisor Released Parties**"), for all purposes, of and from any and all claims, debts, demands, damages, costs, expenses, actions, causes of action, or suits of any kind whatsoever, at common law, statutory or otherwise, whether now known or not, whether contingent or matured, including, without limitation, any claim, demand, or cause of action arising out of or in connection with Franchisee's Max Muscle Store or the Franchise Documents or any other contractual relation between Franchisee and Franchisor and/or any Affiliate of Franchisor, which the Franchisee Releasing Parties may have had or may now have directly or indirectly against any or all of Franchisor Released Parties based upon or arising out of any event, act, or omission that has occurred prior to the date hereof. The Franchisee Releasing Parties further covenant and agree to never institute, prosecute or assist others to institute or prosecute, or in any way aid any claim, suit, action at law or in equity, or otherwise assert any claim against any or all of Franchisor Released Parties for any damages (actual, consequential, punitive or otherwise), injunctive relief, or other loss or injury either to person or property, costs, expense, attorneys' fees, amounts paid on account of recovery or settlement, or any other damage or harm whatsoever, based upon or arising out of any event, act, or omission that has occurred prior to the date hereof. The Franchisor Released Parties are not releasing any claim which they may have against the Franchisee Releasing Parties or any rights or remedies Franchisor Released Parties may have under the Franchise Documents or the Non-Disclosure and Non-Competition Agreement, (including but not limited to the right to retain all Franchise Fees, Royalties, National Marketing Fees, Training Fees, Site Selection Assistance Fees, Additional Assistance Fees, and Third-Party Produce Review Fees and any other sums paid to Franchisor or its Affiliates by Franchisee or its Affiliates and any audit rights), under law or equity, or under any other contractual relationship between Franchisee and Franchisor and/or any Affiliate of Franchisor.

6. Affiliates. When used in this Agreement, the term "**Affiliates**" has the meaning as given in Rule 144 under the Securities Act of 1933.

7. Full Release. Except as is set forth in this Agreement, the Parties intend that this Agreement shall be effective as a full and final accord and satisfaction and release as to the Franchisor Released Parties and shall extend to all matters, claims, demands, actions or causes of action of any kind or nature whatsoever which the Franchisee Releasing Parties may have against the Franchisor Released Parties. The Parties acknowledge that they may hereafter discover facts in addition to, or different from, those which they now

know or believe to be true with respect to the subject matter of this Agreement but that, notwithstanding the foregoing, it is their intention hereby to fully, finally, completely and forever settle and release the Franchisor Released Parties and that the release given herein shall be and remain irrevocably in effect as a full and complete general release notwithstanding the existence of any such additional or different facts.

To the extent applicable, Franchisee hereby waives the provisions of California Civil Code section 1542 (or any other law of similar effect) which provides as follows:

> "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO 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."

8. No Coercion. The Parties acknowledge that they are freely and voluntarily entering into this Agreement, uncoerced by any person, and that they have been advised and afforded the opportunity to seek the advice of legal counsel of their choice with regard to this Agreement.

9. Notices. Any notices given under this 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. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

11. Amendments. This Agreement may not be changed or modified except in a writing signed by all of the parties hereto.

12. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of South Dakota.

13. Jurisdiction. The Parties agree that any disputes relating to the enforcement of this Agreement will be governed by the dispute resolution provisions set out in the Franchise Agreement.

14. Fees and Costs. In any action to enforce, interpret or seek damages for violation of this Agreement, the prevailing Party shall recover all attorney's fees and litigation expenses.

15. Severability. If any provision of this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby.

16. Authorization. Each Party warrants that each individual executing this Agreement on behalf of the respective Parties is fully authorized to do so by each of the respective Parties and each individual executing this Agreement warrants that he or she is acting within the scope of his or her employment and authority in executing this Agreement.

17 Counterparts and Telecopies. This Agreement may be executed in counterparts or by copies transmitted by telecopies, all of which shall be given the same force and effect as the original. This Agreement shall be effective when the signatures of all Parties have been affixed to counterparts or copies.

18. Entirety. This Agreement contains the entire agreement between the Parties related to the subject matter hereof, and in entering into this Agreement, each Party represents that he, she, or it is doing so voluntarily and of his, her or its own free will, and have executed this Agreement below acknowledging that each Party has completely read and fully understands the terms of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal, with the intent that this be a sealed instrument, as of the day and year first above written.

FRANCHISOR:	**FRANCHISEE:**
Dakota One Franchising, LLC	_____
By: _____	By: _____
Its: _____	Its: _____

ATTACHMENT VIII
TO FRANCHISE AGREEMENT

SBA ADDENDUM TO FRANCHISE AGREEMENT

THIS ADDENDUM ("**Addendum**") is made and entered into as of _____, 20___, by and among _____, having an office at _____ _____ ("**Lender**"), and _____, having an office at _____("**Franchisee**"), and Dakota One Franchising, LLC, a South Dakota limited liability company having an office at 901 E. 50th Street North, Sioux Falls, South Dakota 57104 (the "**Franchisor**").

Recitals. Franchisee and Franchisor entered into a Franchise Agreement dated _____, 20__, and certain related Agreements (collectively the "**Franchise Agreement**"). The Franchisee agreed among other things to operate and maintain a Max Muscle Store located at _____. Franchisee has obtained from Lender a loan (the "**Loan**") in which funding is provided with the assistance of the United States Small Business Administration ("**SBA**"). The address and contact party for Lender and SBA are listed on **Exhibit A**.

NOW, THEREFORE, in consideration of the mutual promises below, and for good and valuable considerations in hand paid by each of the parties to the others, the receipt and sufficiency of which all of the parties acknowledge, the parties agree as follows:

1. The Franchise Agreement is in full force and effect, and Franchisor has sent no official notice of default to Franchisee under the Franchise Agreement that remains uncured on the date hereof.

2. Franchisor will not unreasonably withhold, delay or condition its consent to any proposed Transfer requiring Franchisor's consent under Section 14 of the Franchise Agreement.

3. This Agreement automatically terminates on the earliest to occur of the following: (i) a Termination occurs under the Franchise Agreement; (ii) the Loan is paid or refinanced with a different lender or financing source; or (iii) SBA no longer has any interest in the Loan.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties hereto have duly signed and executed this Agreement as of the day and year first above written.

FRANCHISOR:

By:_____

_____
(Printed Name)

Its:_____

LENDOR:

By:_____

_____
(Printed Name)

Its:_____

If an individual

FRANCHISEE:

By:_____

_____
(Printed Name)

Its:_____

FRANCHISEE'S SPOUSE:

By:_____

_____
(Printed Name)

EXHIBIT A
To Attachment VIII

1. Address and contact for SBA:

2. Address and contact for Franchisee:

ATTACHMENT IX
TO FRANCHISE AGREEMENT

LEASE ADDENDUM

This Addendum to Lease ("**Addendum**"), dated _____, 20__, is entered into by and between _____ ("**Lessor**"), and _____ ("**Lessee**"). In the event of any contradiction or inconsistency between the terms and provisions of this Addendum and the terms and provisions of the Lease to which it is attached, the terms and provisions of this Addendum shall control and be interpreted in such a manner as to override any provision of the Lease which would prevent the spirit and letter of the terms and provisions of this Addendum from being given full force and effect. All defined terms not specifically defined in this Addendum shall be given the same meaning as the defined terms in the Lease.

A. The parties hereto have entered into a certain Lease Agreement ("**Lease**"), dated _____, 20___, and pertaining to the premises ("**Premises**") located at _____ _____ ("**Shopping Center**")

B. Lessor acknowledges that Lessee intends to operate a Max Muscle Store from the leased Premises pursuant to a Franchise Agreement ("**Franchise Agreement**") with Dakota One Franchising, LLC ("**Franchisor**") under the name "MAX MUSCLE" or other name designated by Franchisor (herein referred to as "**Franchised Business**").

C. The parties now desire to amend the Lease in accordance with the terms and conditions contained herein.

NOW, THEREFORE, it is hereby mutually covenanted and agreed between Lessor and Lessee as follows:

1. Remodeling and Decor. Lessor agrees that Lessee shall have the right to remodel, equip, paint and decorate the interior of the Premises and to display the proprietary marks and signs on the interior and exterior of the Premises as Lessee is reasonably required to do pursuant to the Franchise Agreement and any successor Franchise Agreement under which Lessee may operate a Franchised Business on the Premises.

2. Assignment or Subletting. Lessee shall agree to attorn to any assignee of Lessor provided such assignee will agree not to disturb Lessee's possession of Premises. Lessee shall have the right to assign or sublet all of its right, title and interest in the Lease, at any time during the term of the Lease, including any extensions or renewals thereof, without charge and without first obtaining Lessor's consent in accordance with the Collateral Assignment of Lease attached hereto as **Attachment IX-1**: (a) to Franchisor or Franchisor's parent, subsidiary, or affiliate, (b) to a duly authorized franchisee of Franchisor, (c) in connection with a merger, acquisition, reorganization or consolidation, or (d) in connection with the sale of Lessee's corporate stock or assets. However, no assignment or sublease shall be effective until such time as Franchisor or its designated affiliate gives Lessor written notice of its acceptance of the assignment, and nothing contained herein or in any other document shall constitute Franchisor or its designated subsidiary or affiliate a party to the Lease, or guarantor thereof, and shall not create any liability or obligation of Franchisor or Franchisor's parent, subsidiary or affiliate unless and until the Lease is assigned or sublet to, and accepted in writing by, Franchisor or Franchisor's parent, subsidiary or affiliate. In the event of any assignment or sublease, Lessee shall at all times remain liable under the terms of the Lease. Franchisor shall have the right to reassign or sublease the Lease to another franchisee without the Lessor's consent in accordance with Section 4(a). Lessor understands and agrees that, in connection with Lessee's

assignment or subletting of the Lease to a duly authorized franchisee of Franchisor, Franchisor shall be permitted to charge "additional rent" or "percentage rent" or other charges to its franchisee as part of its regular plan of franchising, and Lessor shall not be entitled to any consideration or additional rent as a result of any fees paid to Franchisor by franchisee pursuant to the Lease or otherwise.

3. Default and Notice.

(a) In the event there is a default or violation by Lessee under the terms of the Lease, Lessor shall give Lessee and Franchisor written notice of the default or violation within a reasonable time after Lessor receives knowledge of its occurrence. If Lessor gives Lessee a default notice, Lessor shall contemporaneously give Franchisor a copy of the notice. Franchisor shall have the right, but not the obligation, to cure the default. Franchisor will notify Lessor whether it intends to cure the default and take an automatic assignment of Lessee's interest as provided in Paragraph 4(a). Franchisor will have an additional fifteen (15) days from the expiration of Lessee's cure period in which it may exercise the option, but it is not obligated to cure the default or violation.

(b) All notices to Franchisor shall be sent by registered or certified mail, postage prepaid, or by a recognized overnight courier or delivery services to the following address:

Dakota One Franchising, LLC
901 E. 50th Street North,
Sioux Falls, South Dakota 57104
Attention: Chief Executive Officer
Phone: (714) 456-0700
Fax: (714) 456-0725

and a copy (which shall not constitute Notice) to:

Kevin P. Hein, Esq.
Alexius Solutions, LLC
3400 E. Bayaud Avenue, Suite 310
Denver, CO 80209
Phone: (720) 465-5001
Fax: (720) 465-5208

Franchisor may change its address for receiving notices by giving Lessor written notice of the new address. Lessor agrees that it will notify both Lessee and Franchisor of any change in Lessor's mailing address to which notices should be sent.

(c) Following Franchisor's approval of the Lease, Lessee agrees not to terminate, or in any way alter or amend the same during the Term of the Franchise Agreement or any extension thereof without Franchisor's prior written consent, which shall be granted or denied in Franchisor's sole discretion, and any attempted termination, alteration or 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.

4. Termination or Expiration.

(a) Upon Lessee's default and failure to cure the default **within the applicable cure period, if any,** under either the Lease or the Franchise Agreement, Franchisor will, at its option, have the right, but not the obligation, to take an automatic assignment of Lessee's interest and at any time thereafter to re-assign or sublet the Lease to a new franchisee without Lessor's consent and to be fully released from

any and all liability to Lessor upon the reassignment, provided Franchisee agrees to assume Lessee's obligations and the Lease.

(b) Upon the expiration or termination of either the Lease or the Franchise Agreement, Lessor will cooperate with and assist Franchisor in securing possession of the Premises and if Franchisor does not elect to take an assignment of the Lessee's interest, Lessor will allow Franchisor to enter the Premises, without being guilty of trespass and without incurring any liability to Lessor, to remove all signs 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 "MAX MUSCLE" marks and system, and to distinguish the Premises from a Franchised Business. In the event Franchisor exercises its option to purchase assets of Lessee, Lessor shall permit Franchisor to remove all the assets being purchased by Franchisor.

5. Consideration; No Liability.

(a) Lessor hereby acknowledges that the provisions of this Addendum to Lease are required pursuant to the Franchise Agreement under which Lessee plans to operate its Franchised Business and Lessee would not lease the Premises without this Addendum. Lessor also hereby consents to the Collateral Assignment of Lease from Lessee to Franchisor as evidenced by **Attachment IX-1**.

(b) Lessor further acknowledges that Lessee is not an agent or employee of Franchisor and Lessee 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 affiliate of Franchisor, and that Lessor has entered into this Addendum to Lease with full understanding that it creates no duties, obligations or liabilities of or against Franchisor or any affiliate of Franchisor.

6. Sales Reports and Inspection. If requested by Franchisor, Lessor will provide Franchisor with whatever information Lessor has regarding Lessee's sales from its Franchised Business. Lessor acknowledges that the Franchise Agreement grants Franchisor the right of inspection of Lessee's Premises, and Lessor agrees to cooperate with Franchisor's efforts to enforce Franchisor's inspection rights.

7. No Competition by Other Lessees of Lessor. Lessor agrees that it will not do business with nor lease to another business whose primary business is the operation of retail outlets that offer proprietary nutritional supplements, proprietary nutraceuticals, accessories, and assorted other products that are common in the body-building, fitness, and nutrition industry.

8. No Radius Clause. The radius restriction set forth in the Lease is hereby deleted.

9. No Relocation Clause. Any relocation clause found in the Lease is hereby deleted.

10. Casualty And Condemnation. In the event the Premises are completely or partially damaged by fire or other casualty or are condemned by a governmental agency in whole or in part, such that the Premises cannot, in Lessee's reasonable business judgment, be used by Lessee for their intended purposes, or can only be partially used by Lessee (it being understood that Lessee, in its reasonable business judgment, shall decide whether to remain open prior to the completion of repairs to the Premises) and this Lease is not terminated as otherwise provided in this Lease, there shall be an equitable abatement of rent, any percentage rent and other charges payable by Lessee hereunder for any days the Lessee cannot use the entire Premises. In the event the Premises are not repaired or restored by Lessor within 180 days after the date of the casualty or condemnation, Lessee may elect to terminate this Lease upon 30 days prior written notice to Lessor.

11. Common Areas-No Changes. Lessor shall not change or alter the common areas in any manner which would alter the dimensions or location of the Premises or adversely affect the use, operation or conduct of Lessee's business being conducted in the Premises, adversely affect the accessibility or visibility of the Premises or reduce the existing parking facilities of the Shopping Center by more than 10 %.

12. Hazardous Materials. Lessor represents and warrants that the Premises are free of all asbestos, asbestos containing materials and other hazardous or toxic materials (collectively, "**Hazardous Materials**"). Notwithstanding any provision of this Lease to the contrary, Lessee shall have no obligation to make any repairs, alterations or improvements to the Premises or incur any costs or expenses whatsoever as a result of Hazardous Materials in or about the Shopping Center, the Building or the Premises, other than those Hazardous Materials brought onto such areas by Lessee. Lessor shall be solely responsible for any changes to the Premises relating to Hazardous Materials, unless those Hazardous Materials were brought onto the Premises by Lessee. Lessor shall indemnify and hold Lessee harmless from and against all liabilities, costs, damages and expenses which Lessee may incur (including reasonable attorneys' fees) as the result of a breach of Lessor's representation and warranty set forth in this paragraph or the presence of Hazardous Materials in or about the Shopping Center, the Building or the Premises, unless those Hazardous Materials were brought onto such areas by Lessee.

13. Insurance and Waiver of Subrogation. Lessee may maintain the required liability insurance in the form of a blanket policy covering other locations of Lessee in addition to the Premises. Lessee may self insure plate glass, so long as Lessee agrees not to hold Lessor liable for any losses resulting to plate glass. Whenever (i) any loss, cost, damage or expense resulting from fire, explosion or any other casualty is incurred to the Premises or contents thereof by either party to this Lease, and (ii) such party is covered in whole or in part by insurance with respect to such loss, cost, damage or expense, then the party so insured hereby releases the other party from any liability it may have on account of such loss, cost, damage or expense to the extent of any amount recovered by such insurance.

14. Lessor Warranties. Lessor represents, covenants and warrants (i) that Lessor has lawful title to the Shopping Center and has full right, power and authority to enter into this Lease; (ii) that the Shopping Center is in compliance with the Americans with Disabilities Act ("**ADA**"); (iii) that the permitted "use" of the Premises does not currently violate the terms of any of Lessor's insurance policies; (iv) that Lessor currently maintains all risk of physical loss coverage for the full replacement cost of the Shopping Center and shall maintain throughout the term of this Lease general liability insurance coverage for the Shopping Center consistent with that being maintained from time to time by reasonably prudent owners of properties similar to the Shopping Center in the same area; and (v) that so long as Lessee pays all monetary obligations due under this Lease and performs all other covenants contained herein, Lessee shall peacefully and quietly have, hold, occupy and enjoy the Premises during the term of this Lease and its use and occupancy thereof shall not be disturbed. Lessor covenants and agrees that Lessor shall take no action that will interfere with Lessee's intended usage of the Premises. Lessor shall indemnify and hold harmless Lessee and its officers, partners, agents and employees from and against any loss, cost, liability, damage or expense arising out of (x) Lessor's operation of the Shopping Center, (y) Lessor's breach in the performance of any of its obligations under this Lease, or (z) any violation of law by Lessor or any other act or omission of Lessor or its contractors, agents or employees. The foregoing indemnification shall survive expiration or termination of this Lease.

15. Lessor Work And Repair. Lessor shall perform all work described in the Lease and Exhibit __ attached hereto and incorporated herein. Lessor shall be responsible for the payment of all tap fees and system development fees incurred in connection with Lessor's provision of utilities to the Premises. Utilities shall be "stubbed" to the Premises at no cost to Lessee. All Lessor work shall be performed in a workmanlike manner with quality materials in compliance with all laws, codes and all regulations. If

Lessor's work is not performed as herein required, or if such work or the Shopping Center is not in compliance with all laws, codes or other regulations, Lessor shall perform the necessary remedial work at its sole cost and expense. Lessor covenants and agrees, at its sole cost and expense and without reimbursement or contribution by Lessee, to keep, maintain and replace, if necessary, the foundations, the exterior paint, the plumbing system, the electrical system, the utility and sewer lines and connections to the Premises, the sprinkler mains, if any, structural systems including, without limitation, the roof, roof membrane roof covering (including interior ceiling if damaged by leakage), load-bearing walls, floor slabs and masonry walls in good condition and repair.

16. Mitigation. Lessor shall use reasonable efforts to mitigate its damages in the event of a Lessee default.

17. Lessee Financing. Lessee shall have the right from time to time during the term of the Lease, and without Lessor's prior approval, to grant and assign a mortgage or other security interest in Lessee's interest under this Lease and all of Lessee's personal property located within the Premises to its lenders in connection with Lessee's financing arrangements and any lien of Lessor against Lessee's personal property (whether by statute or under the terms of this Lease) shall be subject and subordinate to such security interest. Lessor shall execute such documents as Lessee's lenders may reasonably request in connection with any such financing.

18. Continued Business Operation. Lessee may close its business once every five (5) years for a reasonable time to refurbish and redecorate the Premises.

19. Alterations. Lessor's consent shall not be required for non-structural or non-mechanical alterations, additions or changes to the Premises.

20. Amendments. No amendment or variation of the terms of the Lease or this Addendum to the Lease shall be valid unless made in writing and signed by the parties hereto.

21. 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 Agreement as though copies herein in full.

22. Beneficiary. Lessor and Lessee expressly agree that Franchisor is a third party beneficiary of this Addendum.

IN TESTIMONY WHEREOF, witness the signatures of the parties hereto as of the day, month and year first written above.

LESSOR:	**LESSEE:**
By: _____	By: _____
Title: _____	Title: _____

ATTACHMENT IX-1
TO FRANCHISE AGREEMENT

COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, as of the ___ day of _____, 20___ ("**Effective Date**"), the undersigned, _____ ("**Assignor**"), hereby assigns, transfers and sets over unto Dakota One Franchising, LLC ("**Assignee**") all of Assignor's right, title and interest as Lessee, 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 _____ ("**Premises**"). 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 shall take possession of the Premises demised by the Lease pursuant to the terms hereof and shall 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 ("**Franchise Agreement**") for a Max Muscle Franchised Business between Assignee and Assignor, 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 to take possession of the Premises demised by the Lease, expel Assignor therefrom, and, in that event, Assignor shall have no further right, title or interest in the Lease.

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 extensions thereto, Assignor agrees that it shall elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days before the last day that said option must be exercised, unless Assignee otherwise agrees or instructs 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.

[Remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF, Assignor and Assignee have signed this Collateral Assignment of Lease as of the Effective Date first above written.

ASSIGNOR:

By:_____

_____
(Printed Name)

Its:_____

ASSIGNEE:

DAKOTA ONE FRANCHISING, LLC

By:_____

_____
(Printed Name)

Its:_____

ATTACHMENT X
TO FRANCHISE AGREEMENT

TRAINING PREREQUISITES

The following five prerequisites ("**Training Prerequisites**") must be completed in full before a place can be reserved for Franchisee or Franchisee's Manager in Franchisor's initial training program:

TASKS	ESTIMATED COMPLETION TIME	DATE COMPLETED	INITIALS
Have POS system purchased and set up with LivePOS	0-1 hour		
Purchase and install QuickBooks on a laptop	0-1 hour		
Complete Max Muscle Nutritional Training and pass all online tests	40-80 hours		
Complete Max Muscle Supplement Training and pass all online tests	40-80 hours		

Once all of these tasks have been completed, please sign this certification form and submit it to the Director of Education and Training at Franchisor's headquarters. Upon receipt of this completed form, Franchisee or Franchisee's manager can be scheduled for training.

FRANCHISEE CERTIFICATION:

I certify that on or before _____, 20__, I completed each of the above-referenced Training Prerequisites and I am ready to schedule training.

FRANCHISEE:

_____

By: _____
(Printed Name)

Its: _____

Date:_____

MANAGER (if required):

_____

By :_____
(Printed Name)

Date:_____

ATTACHMENT XI
TO FRANCHISE AGREEMENT

DAKOTA ONE FRANCHISING, LLC
SUCCESSOR ADDENDUM

This Successor Addendum to the Franchise Agreement ("**Successor Addendum**") is made and entered into this _____ day of _____, 20___, by and between Dakota One Franchising, LLC ("**Franchisor**") and _____ ("**Franchisee**").

BACKGROUND

A. Franchisor and Franchisee entered into that certain Franchise Agreement dated _____, 20___ ("**Original Franchise Agreement**") pursuant to which Franchisor granted Franchisee the right to operate a business offering the retail sale of proprietary nutritional supplements, proprietary nutraceuticals, and assorted other products that are common in the body-building, health and fitness, and nutrition industry in _____ ("**Franchised Business**").

B. Pursuant to the rights granted in the Original Franchise Agreement, Franchisee is willing to enter into a new franchise agreement with Franchisor on the terms and conditions of Franchisor's current form of franchise agreement, as modified by this Successor Addendum ("**Successor Franchise Agreement**"), to continue Franchisee's rights to operate the Franchised Business.

C. Franchisee has had a full and adequate opportunity to be advised thoroughly of the terms and conditions of the Successor Franchise Agreement, including this Successor Addendum, by legal counsel or other advisors, and has had sufficient opportunity to evaluate and investigate the System, the financial investment requirements and the business risks associated with operating a Franchised Business.

D. Franchisor and Franchisee desire to amend the terms of the Successor Franchise Agreement by incorporating the terms of this Successor Addendum into the Successor Franchise Agreement.

AGREEMENT

1. Definitions. Capitalized terms used and not defined in this Successor Addendum shall have the meanings assigned to them in the Successor Franchise Agreement.

2. Term and Renewal. Section 3.1 of the Successor Franchise Agreement is hereby deleted in its entirety and replaced with the following:

> "3.1 Successor Term. The term ("**Successor Term**") of this Agreement shall commence on the Effective Date and, unless sooner terminated as provided herein, shall continue until 11:59 p.m. (eastern time zone) on the tenth (10^{th}) anniversary of the Effective Date."

3. Successor Term. All references to the "Initial Term" or "initial term" of the Franchise Agreement in Section 3.2 are hereby deleted and replaced with "Successor Term."

4. Payment of Fees and Royalties. Section 5.2 of the Successor Franchise Agreement is hereby deleted in its entirety and replaced with the following:

"5.2 Successor Franchise Fee. Franchisee shall pay to Franchisor upon the execution of this Agreement a non-recurring, non-refundable Successor Franchise Fee equal to Fifteen Hundred Dollars ($1,500). The Successor Franchise Fee shall be deemed to be fully earned by the Franchisor upon execution of this Agreement in consideration of the grant by it to Franchisee of the opportunity to continue operating the Franchised Business as herein provided. Franchisee shall not be entitled to a refund of any part of the Successor Franchise Fee regardless of the date of or reason for the termination of this Agreement."

5. Royalties. The first sentence of Section 5.3 of the Successor Franchise Agreement is hereby deleted and replaced with the following language:

"Franchisee must pay to Franchisor, throughout the Successor Term of this Agreement, a royalty of ____ percent (__%) of Gross Revenues."

6. Site Selection. Section 8.2 of the Successor Franchise Agreement is hereby deleted in its entirety.

7. Initial Training. Section 8.4 of the Successor Franchise Agreement is hereby deleted in its entirety.

8. Opening and Continuing Assistance. The first sentence of Section 8.6 of the Successor Franchise Agreement is hereby deleted in its entirety.

9. Build-Out, Fixturing, Fabrication and Installation of the Max Muscle Store. Section 8.12 of the Successor Franchise Agreement is hereby deleted in its entirety.

10. Max Muscle Store Construction. Section 10.1 of the Successor Franchise Agreement is hereby deleted in its entirety.

11. Property. Section 10.2 of the Successor Franchise Agreement is hereby deleted in its entirety.

12. Lease Addendum. Section 10.3 of the Successor Franchise Agreement is hereby deleted in its entirety.

13. Termination by Franchisor. Section 13.2(x) of the Successor Franchise Agreement is hereby deleted in its entirety.

14. Attachment I. Paragraph 2 of Attachment I of the Successor Franchise Agreement is hereby deleted in its entirety.

15. Successor Addendum Binding. This Successor Addendum will be binding upon and inure to the benefit of each party and to each party's respective successors and assigns.

16. No Further Changes. Except as specifically provided in this Successor Addendum, all of the terms, conditions and provisions of the Successor Franchise Agreement will remain in full force and effect as originally written and signed.

[***Signature Page Follows***]

IN WITNESS WHEREOF, Franchisor and Franchisee have duly executed this Addendum as of the date first above written.

FRANCHISOR:	**FRANCHISEE:**
DAKOTA ONE FRANCHISING, LLC	_____
By: _____	By: _____
Its: _____	Its: _____

ATTACHMENT XII
TO FRANCHISE AGREEMENT

MULTI-STORE ROYALTY SAVINGS PROGRAM ADDENDUM

This Multi-Store Royalty Savings Program Addendum to the Franchise Agreement ("**OEP Addendum**") is made and entered into this _____ day of _____, 20__, by and between Dakota One Franchising, LLC, a South Dakota limited liability company ("**Franchisor**"), and _____ ("**Franchisee**").

BACKGROUND

A. Franchisor and Franchisee have entered into that certain Franchise Agreement, dated _____, 20___ ("**Multi-Store Royalty Savings Program Franchise Agreement**").

B. Franchisor has offered to existing franchisees in good standing the opportunity to participate in the Multi-Store Royalty Savings Program (as defined in the Franchise Disclosure Document) and Franchisee has elected to participate in the Multi-Store Royalty Savings Program. As evidence of Franchisee's participation in the Multi-Store Royalty Savings Program, Franchisor and Franchisee have entered into that certain Multi-Store Royalty Savings Program Franchise Agreement, pursuant to which Franchisee will develop and operate one new Max Muscle Store.

C. Franchisor and Franchisee desire to amend the terms of the Multi-Store Royalty Savings Program Franchise Agreement by incorporating the terms of this Multi-Store Royalty Savings Program Franchisee Addendum into the Multi-Store Royalty Savings Program Franchise Agreement.

AGREEMENT

1. **FEES AND ROYALTIES**. The language in **Section 5.2** is deleted in its entirety and replaced as follows:

> "Franchisor and Franchisee agree, that no Initial Franchise Fee shall be charged for this Max Muscle Store. Franchisor and Franchisee further agree that, should Franchisee be in the process of developing the new Max Muscle Store but fail to open the Max Muscle Store on or before the Multi-Store Royalty Savings Program Opening Date, Franchisor shall have the right to require Franchisee to pay the then-current Initial Franchise Agreement beginning charged by Franchisor to new Franchisees at the time Franchisee is ready to open the Max Muscle Store."

2. **FEES AND ROYALTIES.** The last sentence in Section 5.3 is amended to state:

> "; provided, however, Franchisor agrees to rebate **("Multi-Store Royalty Savings Program Rebate")** One hundred percent (100%) of all Royalty Fees collected by Franchisor during the first twelve (12) months that Franchisee operates its first Max Muscle Store if Franchisee opened the first Max Muscle Store on or before the Multi-Store Royalty Savings Program Opening Date and that Franchisee otherwise continues to satisfy the requirements of the Multi-Store Royalty Savings Program. Such Multi-Store Royalty Savings Program Rebate will be paid to Franchisee, in a form chosen by Franchisor (including a product credit), no later than thirty (30) days after receipt of such Royalty Fees from Franchisee.
>
> Any Multi-Store Royalty Savings Program Rebate earned based on product purchases in months one (1) to twelve (12) will be paid to Franchisee, in a form chosen by Franchisor (including a product credit), no later than thirty (30) days after receipt of such Royalty Fees from Franchisee.

Franchisee further acknowledges and agrees that Franchisee's right to receive the Multi-Store Royalty Savings Program Rebate will terminate on the first day of Franchisee's thirteenth (13^{th}) month of operation."

3. **CONSTRUCTION AND MAINTENANCE OF MAX MUSCLE STORE**. The thirteenth sentence in **Section 10.2** is deleted in its entirety and replaced as follows:

"Unless extended in writing by Franchisor, in Franchisor's sole discretion, Franchisee must open Franchisee's Max Muscle Store for business no later than two hundred seventy (270) days after Franchisee signs this Agreement ("**Multi-Store Royalty Savings Program Opening Date**"). The Multi-Store Royalty Savings Program Opening Date is identified on **Attachment I** to this Agreement."

4. **DEFAULTS AND REMEDIES**. **Section 13.2(a)(x)** is deleted in its entirety and replaced as follows:

"Franchisee fails to open the Max Muscle Store on or before the Multi-Store Royalty Savings Program Opening Date."

5. **ADDENDUM BINDING.** This Addendum will be binding upon and inure to the benefit of each party and to each party's respective successors and assigns.

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

IN WITNESS WHEREOF, Franchisor and Franchisee have duly executed this Addendum as of the date first above written.

FRANCHISEE:	**FRANCHISOR:**
_____	**DAKOTA ONE FRANCHISING, LLC**
_____	_____
By: _____	By: _____
Its: _____	Its: _____

ATTACHMENT XIII
TO FRANCHISE AGREEMENT

CONVERSION PROGRAM ADDENDUM

This Conversion Program Addendum to the Franchise Agreement ("**Conversion Program Addendum**") is made and entered into this ___ day of _____, 20__, by and between Dakota One Franchising, LLC, a South Dakota limited liability company ("**Franchisor**"), and _____ ("**Franchisee**").

BACKGROUND

A. Franchisor and Franchisee have entered into that certain Franchise Agreement, dated _____, 20___ ("**Conversion Program Franchise Agreement**").

B. Franchisor has offered to certain operators of existing sports nutrition stores the opportunity to participate in the Conversion Program (as defined in the Franchise Disclosure Document) and Franchisee has elected to participate in the Conversion Program. As evidence of Franchisee's participation in the Conversion Program, Franchisor and Franchisee have entered into that certain Conversion Franchise Agreement, pursuant to which Franchisee will develop and operate one new Max Muscle Store.

C. Franchisor and Franchisee desire to amend the terms of the Conversion Franchise Agreement by incorporating the terms of this Conversion Franchisee Addendum into the Conversion Franchise Agreement.

AGREEMENT

1. **FEES AND ROYALTIES**. The language in **Section 5.2** is deleted in its entirety and replaced as follows:

> "Franchisor and Franchisee agree, that no Initial Franchise Fee shall be charged for this Max Muscle Store. Franchisor and Franchisee Further Agree that, should Franchisee be in the process of converting its existing store to a Max Muscle Store but fail to open the Max Muscle Store on or before the Conversion Opening Date, Franchisor shall have the right to require Franchisee to pay the then-current Initial Franchise Agreement beginning charged by Franchisor to new Franchisees at the time Franchisee is ready to open the Max Muscle Store."

2. **FEES AND ROYALTIES.** The last sentence in Section 5.3 is amended to state:

> "; provided, however, Franchisor agrees to rebate **("Conversion Extension Rebate")** One hundred percent (100%) of all Royalty Fees collected by Franchisor during the first twelve (12) months that Franchisee operates its first Max Muscle Store if Franchisee opened the first Max Muscle Store on or before the Conversion Extension Opening Date and that Franchisee otherwise continues to satisfy the requirements of the Conversion Extension Rebate. Such Conversion Extension Rebate will be paid to Franchisee, in a form chosen by Franchisor (including a product credit), no later than thirty (30) days after receipt of such Royalty Fees from Franchisee.
>
> Franchisee further acknowledges and agrees that Franchisee's right to receive the Conversion Extension Rebate will terminate on the first day of Franchisee's thirteenth (13^{th}) month of operation."

3. **CONSTRUCTION AND MAINTENANCE OF MAX MUSCLE STORE**. The thirteenth sentence in Section **10.2** is deleted in its entirety and replaced as follows:

> "Unless extended in writing by Franchisor, in Franchisor's sole discretion, Franchisee must open Franchisee's Max Muscle Store for business no later than two hundred seventy (270) days after Franchisee signs this Agreement ("**Conversion Extension Opening Date**"). The Conversion Extension Opening Date is identified on **Attachment I** to this Agreement."

4. **DEFAULTS AND REMEDIES**. **Section 13.2(a)(x)** is deleted in its entirety and replaced as follows:

> "Franchisee fails to open the Max Muscle Store on or before the Conversion Extension Opening Date."

5. **ADDENDUM BINDING.** This Addendum will be binding upon and inure to the benefit of each party and to each party's respective successors and assigns.

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

IN WITNESS WHEREOF, Franchisor and Franchisee have duly executed this Addendum as of the date first above written.

FRANCHISEE:	**FRANCHISOR:**
_____	**DAKOTA ONE FRANCHISING, LLC**
_____	_____
By: _____	By: _____
Its: _____	Its: _____

EXHIBIT C

DAKOTA ONE FRANCHISING, LLC

NON-DISCLOSURE AND
NON-COMPETITION AGREEMENT

EXHIBIT C
DAKOTA ONE FRANCHISING, LLC

NONDISCLOSURE AND NONCOMPETITION AGREEMENT

This Nondisclosure and Noncompetition Agreement ("**Agreement**") is made and entered into this _____ day of _____, 20___, by and between **Dakota One Franchising, LLC**, a South Dakota limited liability company ("**Company**"), located at 901 East 50th Street North, Sioux Falls, South Dakota 57104, and _____ ("**Associate**"), who resides at _____. All initially capitalized terms not otherwise defined shall have the meanings specified in the Franchise agreement.

RECITALS

A. The Company is engaged in the business of selling franchises for the operation of retail businesses selling nutritional supplements, accessories, and assorted other products ("**Franchise Business**"). The Franchise Businesses are operated under the Company's trademark "**MAX MUSCLE®**" and other service marks, trademarks, logo types, architectural designs, trade dress and other commercial symbols (collectively, the "**Marks**");

B. The Company has developed methods for establishing, operating and promoting Franchise Businesses in accordance with the Company's distinctive business format, plans, methods, data, processes, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, Marks and information and know-how of the Company ("**Confidential Information**" and "**Trade Secrets**") and such Confidential Information and Trade Secrets as may be further developed from time to time by the Company ("**System**");

C. The Company and its Affiliate have established substantial goodwill and an excellent reputation with respect to the quality of nutritional supplements and other products and services available, which goodwill and reputation have been and will continue to be of major benefit to the Company;

D. Associate desires to become involved with the Company or a franchisee of the Company in the capacity of an officer, partner, director, agent, Manager, employee or as a beneficial owner of the Franchise Business, or is an immediate family member or domestic partner of a principal owning a Franchise Business, and will become privileged as to certain Confidential Information and Trade Secrets. Associate may or may not have signed the Franchise Agreement or Guaranty and Assumption of Franchisee's Obligations form; and

E. Associate and the Company have reached an understanding with regard to nondisclosure by Associate of Confidential Information and Trade Secrets and with respect to noncompetition by Associate with the Company and other franchisees of the Company. Associate agrees to the terms of this Agreement as partial consideration for the Company's willingness to allow Associate to engage in a business relationship with Company or a Franchisee of the Company using the Company's Confidential Information and Trade Secrets.

NOW THEREFORE, in consideration of the foregoing, the mutual promises contained within and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Associate and the Company, intending legally to be bound, agree as follows:

1. Definitions.

(a) "**Associate**" shall mean the individual or entity described on page 1 of this Agreement and the Associate's managers, officers, beneficial owners, directors, employees, shareholders, partners, members, principals immediate family members and domestic partners.

(b) "**Authorized Territory**" shall have the meaning defined in the Franchise Agreement.

(c) "**Competitive Business**" as used in this Agreement means any business offering, or granting franchises or licenses to others to offer a business that receives 10% or more of its gross revenue by selling nutritional supplements or any other products or services offered by Franchise Businesses; provided, however, Associate will not be prohibited from owning securities in a Competitive Business if such securities are listed on a stock exchange or traded on the over-the-counter market and represent in the aggregate 5% or less of that class of securities issued and outstanding.

(d) "**Confidential Information**" shall mean without limitation, all knowledge, know-how, standards, formulas, methods and procedures related to the establishment and operation of the Franchise Business and includes all records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, the Franchise Business including, without limitation, all databases (whether in print, electronic or other form), all names, addresses, phone numbers, e-mail addresses, customer purchase records, mail lists, manuals, promotional and marketing materials, marketing strategies and any other data and information that the Company or its Affiliate designates as confidential including all information contained in the Company's Operations Manual, which may be provided as one or more separate manuals, written instructional guides, CD Rom, or other communications from the Company or its affiliates, which may be changed or supplemented from time to time.

(e) "**Franchise Agreement**" shall mean the franchise agreement between Company and _____ ("**Franchisee**") dated _____ as amended or renewed from time to time.

(f) "**Authorized Territory**" shall have the meaning defined in the Franchise Agreement.

(g) "**Term**" shall have the meaning defined in the Franchise Agreement.

(h) "**Trade Secret(s)**" shall mean information, including a formula, customer lists, pattern, compilation, program, device, method, technique or process related to the Franchise Business that both derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

2. Confidential Information and Trade Secrets. Associate and the Company acknowledge that the Confidential Information and Trade Secrets that are developed and utilized in connection with the operation of the Franchise Business is unique and the exclusive property of the Company or its affiliates. Associate acknowledges that any unauthorized disclosure or use of the Confidential Information and Trade Secrets would be wrongful and would cause irreparable injury and harm to the Company or its affiliates. Associate further acknowledges that the Company or its Affiliate has expended a great amount of effort and money

in obtaining and developing the Confidential Information and Trade Secrets, that the Company or its Affiliate has taken numerous precautions to guard the secrecy of the Confidential Information and Trade Secrets, and that it would be very costly for competitors to acquire or duplicate the Confidential Information and Trade Secrets.

3. Nondisclosure of Confidential Information. During the Term and any renewal Term of the Franchise Agreement and for all periods after the Term and any renewal Term of the Franchise Agreement, Associate shall not at any time, publish, disclose, divulge or in any manner communicate to any person, firm, corporation, association, partnership or any other entity whatsoever or use, directly or indirectly, for its own benefit or for the benefit of any person, firm, corporation or other entity other than for the use of the Company or the Franchise Business, any of the Confidential Information of the Company or its affiliates.

4. Exceptions to Disclosing Confidential Information. Notwithstanding the foregoing, the restrictions on the disclosure and use of the Confidential Information will not apply to the following: (a) information that was in the public domain prior to being communicated to Associate through no fault of Associate; (b) information that entered the public domain after it was communicated to Associate through no fault of Associate; (c) information that was in Associate's possession free of any obligation of confidence at the time it was communicated to Associate; or (d) the disclosure of the Confidential Information in judicial or administrative proceedings to the extent that Associate is legally compelled to disclose the information, if Associate has notified the Company before disclosure and used Associate's best efforts, and afforded the Company the opportunity, to obtain an appropriate protective order or other assurance satisfactory to the Company of confidential treatment for the information required to be so disclosed.

5. Nondisclosure of Trade Secrets. During the Term and any renewal Term of the Franchise Agreement and for as long as such information constitutes a Trade Secret, Associate shall not at any time, publish, disclose, divulge or in any manner communicate to any person, firm, corporation, association, partnership or any other entity whatsoever or use, directly or indirectly, for its own benefit or for the benefit of any person, firm, corporation or other entity other than for the use of the Company or the Franchise Business, any of the Trade Secrets of the Company or its affiliates.

6. Noncompetition Covenant. Associate acknowledges that, in addition to the license of the Marks hereunder, the Company has also licensed commercially valuable information that comprises and is a part of the Franchise Business, including without limitation, the Confidential Information and Trade Secrets and that the value of this information derives not only from the time, effort and money that went into its compilation, but from the usage of the same by all franchisees of the Company using the Marks and System. Associate therefore agrees that other than the Franchise Business licensed under a Franchise Agreement, the Associate, will not during the Term and renewal Term of the Franchise Agreement:

(a) have any direct or indirect controlling interest as a disclosed or beneficial owner in a Competitive Business;

(b) perform services as a director, partner, officer, manager, employee, consultant, representative, agent or otherwise for a Competitive Business; or

(c) divert or attempt to divert any business related to, or any customer or account of the Franchised Business, the Company's business, the business of any affiliate of the Company or any other franchisee's business, by direct inducement or otherwise, or divert or attempt to divert the employment of any employee of Company or another franchisee licensed by Company, to any Competitive Business by any direct inducement or otherwise.

(d) without the Company's express written permission, which may be granted or denied in the Company's sole discretion, become an exclusive distributor for any third-party vendor or obtain exclusive distribution rights for any non-Max Muscle Products.

7. Post-Termination Covenant Not to Compete. Upon termination or expiration of the Franchise Agreement for any reason, Associate agrees that, for a period of 2 years commencing on the effective date of termination or expiration of the Franchise Agreement, or the date on which Associate or the Franchisee, ceases to conduct business, whichever is later, the Associate will not have any direct or indirect interest (through any immediate family member of Associate or its owners or otherwise) as a disclosed or beneficial owner, investor, partner, director, officer, employee, manager, consultant, representative or agent or in any other capacity in any Competitive Business, located or operating within a 50-mile radius of Associate's or franchisee's franchised business or within a 50-mile radius of any other franchised or company-owned Franchise Business. The restrictions of this Section will not be applicable to the ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market that represent 5% or less of the number of shares of that class of securities issued and outstanding. Associate expressly acknowledge that Associate possesses skills and abilities of a general nature and has other opportunities for exploiting such skills. Consequently, enforcement of the covenants made in this Section will not deprive Associate of Associate's personal goodwill or ability to earn a living.

8. Injunction. Associate hereby acknowledges and agrees that in the event of any breach or threatened breach of this Agreement, the Company shall be authorized and entitled to seek, from any court of competent jurisdiction, preliminary and permanent injunctive relief in addition to any other rights or remedies to which the Company may be entitled. Associate agrees that the Company may obtain such injunctive relief, without posting a bond or bonds totaling $500 or more, but upon due notice, and Associate's sole remedy in the event of the entry of such injunctive relief shall be dissolution of such injunctive relief, if warranted, upon a hearing duly had; provided, however, that all claims for damages by reason of the wrongful issuance of any such injunction are hereby expressly waived by Associate.

9. Reasonableness of Restrictions. Associate acknowledges and agrees that the restrictions in this Agreement are reasonable and necessary for the protection of the Confidential Information and Trade Secrets and that any violation of this Agreement would cause substantial and irreparable injury to Company, and that Company would not have entered into a business relationship with Associate or the Franchisee or enter into this Agreement or the Franchise Agreement without receiving Associate's unrestricted promise to preserve the confidentiality of the Confidential Information and Trade Secrets. In any litigation concerning the entry of any requested injunction against Associate, Associate, for value, voluntarily waives such defenses as Associate might otherwise have under the law of the jurisdiction in which the matter is being litigated relating to any claimed "**prior breach**" on the part of the Company; it being specifically understood and agreed between the parties that no action or lack of action on the part of the Company will entitle or permit Associate to disclose any such Confidential Information or Trade Secrets in any circumstances.

10. Effect of Waiver. The waiver by Associate or the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach thereof.

11. Binding Effect. This Agreement shall be binding upon and inure to the benefit of Associate and the Company and their respective heirs, executors, representatives, successors and assigns.

12. Entire Agreement. This instrument contains the entire agreement of Associate and the Company relating to the matters included in the agreement. It may not be changed verbally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

13. Governing Law. This instrument shall be governed by and construed under the laws of the State of South Dakota.

14. Jurisdiction and Venue. In the event of a breach or threatened breach by Associate of this Agreement, Associate hereby irrevocably submits to the jurisdiction of the state and federal courts of South Dakota, and irrevocably agrees that venue for any action or proceeding shall be in the state and federal courts of South Dakota. Both parties waive any objection to the jurisdiction of these courts or to venue in the state and federal courts of South Dakota. Notwithstanding the foregoing, in the event that the laws of the state where Associate resides prohibit the aforesaid designation of jurisdiction and venue, then such other state's laws shall control.

15. Severability. If any provision of this Agreement shall be held, declared or pronounced void, voidable, invalid, unenforceable or inoperative for any reason, by any court of competent jurisdiction, government authority or otherwise, such holding, declaration or pronouncement shall not affect adversely any other provisions of this Agreement that shall otherwise remain in full force and effect.

16. Attorneys' Fees. In any action at law or in equity to enforce any of the provisions or rights under this Agreement, the unsuccessful party in such litigation, as determined by the court in a final judgment or decree, shall pay the successful party or parties all costs, expenses and reasonable attorneys' fees incurred by such party or parties (including without limitation such costs, expenses and fees on any appeals), and if such successful party shall recover judgment in any such action or proceeding, such costs, expenses and attorneys' fees shall be included as part of such judgment.

IN WITNESS WHEREOF, the parties have signed this Agreement on the date first above written.

COMPANY:	**ASSOCIATE:**
Dakota One Franchising, LLC	_____
By:_____	By:_____
_____	_____
Printed Name	Printed Name
Its:_____	Its:_____

EXHIBIT D

DAKOTA ONE FRANCHISING, LLC

OPERATIONS MANUAL TABLE OF CONTENTS

EXHIBIT D
DAKOTA ONE FRANCHISING, LLC
MAX MUSCLE OPERATIONS MANUAL - TABLE OF CONTENTS

MAX MUSCLE SPORTS NUTRITION

MAX MUSCLE

TABLE OF CONTENTS

From the Founder

Introduction

The History of Max Muscle ..... **int—1**
Max Muscle Mission Statement ..... **int—2**
Company Objectives ..... **int—2**
Ethical Standards ..... **int—2**
Policies and Procedures ..... **int—3**
Legal and Regulatory ..... **int—3**
Systems Compliance ..... **int—3**
Max Muscle Identification ..... **int—3**
Brand Identity ..... **int—4**
Store Owner Feedback Form ..... **int—4**

Opening a Max Muscle Store

Site Selection ..... **opn—1**
Site Requirements and Recommendations ..... **opn—2**
Location ..... *opn—2*
Demographics ..... *opn—3*
Lease Terms ..... *opn—4*
Utilities ..... *opn—4*
Store Fixtures, Equipment, and Supplies ..... **opn—5**
Signage ..... *opn—5*
Interior Design ..... *opn—5*
Store Fixtures ..... *opn—5*
Store Equipment ..... *opn—6*
Supplies ..... *opn—6*
Required Inventory ..... *opn—6*
Management Checklists ..... *opn—7*
Required Computer Equipment & Software ..... **opn—8**
The Max Muscle Retail Store Management System ..... *opn—8*
Credit Card Processing ..... *opn—8*
Accepting Checks ..... *opn—8*

Max Muscle Sports Nutrition Operations Manual ©2013

Table of Contents

Lease Checklist ..... opn—9
Nature and Duration of the Lease ..... opn—9
Rent ..... opn—9
Escalation Clause ..... opn—9
Competition ..... opn—9
Renewal ..... opn—9
Sublet Clauses ..... opn—10
Space ..... opn—10
Taxes and Expenses ..... opn—10
Construction ..... opn—10
Work Letter ..... opn—11
Zoning ..... opn—11
Liability and Insurance ..... opn—11
Tenant "Going Dark" Rights ..... opn—11
Landlord's Solvency ..... opn—11
Destruction or Condemnation ..... opn—12
Termination ..... opn—12
Waste ..... opn—12
Purchase Option ..... opn—12
Grace Period ..... opn—12
Enforcement ..... opn—12
Lease Commencement Date ..... opn—13
Representations and Warranties ..... opn—13
Use Restrictions ..... opn—13
Improvements ..... opn—13
Right of Entry ..... opn—13
Expense Allocation ..... opn—14
Government Reports ..... opn—14
Legal Compliance ..... opn—14
Modifications ..... opn—14
ADA Compliance ..... opn—15
Business Licenses and Use Permits ..... opn—15

Insurance Requirements ..... opn—16

Pre-opening Checklists ..... opn—17

FO Operators Training Program ..... opn—20
Training Investment and Expenses ..... opn—20
New Store Training Schedule ..... opn—21
Subsequent Training and Seminars ..... opn—21
Training Employees ..... opn—22
Scheduling ..... opn—22

Substance Abuse Policy ..... opn—23

Max Muscle Store Relocation Policy ..... opn—24

Customer Service

Customer Service ..... cs—1
Customer Service Compliance ..... cs—1
Customer Service Is ..... cs—1

Quick Tips to Impress Max Muscle Customers ..... cs—3
Create a Comfortable Environment ..... cs—3
Be Friendly, Helpful, and Sincere ..... cs—3
Know the Products and Be Prepared To Answer Questions ..... cs—3
Take Care of Customer Needs ..... cs—3
Say "Thank You, Please Come Back" ..... cs—3

Max Muscle Customers ..... cs—4
Understanding Customers is Critical ..... cs—4
Types of Customers ..... cs—4
Gather Customer Information ..... cs—5
Capture Customer Sales History ..... cs—5
Analyze and Use Customer Information ..... cs—6
Listen to the Customer ..... cs—6
Know What Items are "On Sale" ..... cs—6
Loyalty Card and V.I.P. Card Program ..... cs—7
Store Environment Sets the Mood ..... cs—8

Great Customer Relations Build Loyalty ..... cs—9
Greet Each Customer Individually ..... cs—9
The M.U.S.C.L.E. Method ..... cs—9

Customer Service at the Checkout Counter ..... cs—11

Payment Types ..... cs—12
Cash Purchases ..... cs—12
Check Purchases ..... cs—12
Credit Card Purchases ..... cs—12
Sales Receipt Customer Relations Policy ..... cs—13
Phone Etiquette ..... cs—13

How to Handle Customer Complaints ..... cs—15
The L.A.S.T. Strategy ..... cs—15
Investigate and Track the Complaint ..... cs—16

Staff Training — Extraordinary Service ..... cs—17
Creating the "Max Muscle In-Store Experience" ..... cs—17

Conclusion ..... cs—19

Table of Contents

Store Operations

Hours of Operation ..... **sops—1**
Store Hours ..... *sops—1*
Systems and Routines ..... *sops—2*
Be Stocked and Ready to Open ..... *sops—2*

Operations Checklists ..... **sops—3**
Using the Daily List of Duties Checklists ..... *sops—3*

Opening Procedures ..... **sops—5**
Deactivate the Alarm ..... *sops—5*
Backup the Computer Database ..... *sops—5*
Prepare the Register ..... *sops—5*
Vacuum Carpet ..... *sops—6*
Display the Proper Posters, Banners and Window Box Signs ..... *sops—6*
Sweep Store Exterior and Set up Outside Display ..... *sops—6*
Turn on Lights and Music ..... *sops—6*
Open the Doors for Business ..... *sops—6*

On-Going Daily Procedures ..... **sops—7**
Restock and Organize Merchandise ..... *sops—7*
Stock the Magazine Rack ..... *sops—7*
Stock the MaxFormation Entry Forms ..... *sops—7*
Straighten Apparel Racks ..... *sops—7*
Manage the Fitting Rooms ..... *sops—8*
Clean the Storefront Windows and Doors ..... *sops—8*
Dust ..... *sops—8*
Clean Counter Area ..... *sops—8*
Clean Restrooms ..... *sops—8*
Voicemail Messages ..... *sops—8*
Initial Daily Duty List ..... *sops—8*

Closing Procedures ..... **sops—9**
Bring in Exterior Display and Banners ..... *sops—9*
Empty Trash ..... *sops—9*
Lock the Front Door ..... *sops—9*
Sort Sales Receipts and Verify a Balanced Register ..... *sops—9*
Run End-Of-Day Reports ..... *sops—9*
Count Down the Drawer ..... *sops—9*
Complete and Deposit Daily Cash/Check Deposits ..... *sops—10*
Complete End-of-Day Paperwork ..... *sops—10*
Credit Card Receipts, Batch Totals ..... *sops—10*
Straighten the Store and Merchandise Displays ..... *sops—10*
Clean the Office ..... *sops—10*
Check Voicemail and Document Messages ..... *sops—10*
Sign and Place Daily Duties List Where Managers Can See It ..... *sops—11*
"No Cash" Exhibit — Prevent Break-Ins ..... *sops—11*
Turn-off Music and Lights ..... *sops—11*
Set Alarm ..... *sops—11*

Computer Operations ..... **sops—12**
Reporting to Corporate ..... *sops—12*

Weekly Management Duties ..... **sops—13**
Inventory Management ..... *sops—13*
Par Value ..... *sops—13*
Steps to Calculate Par Value ..... *sops—14*
Progressive Markdown Procedure ..... *sops—14*

Ordering Product Online from Max Muscle.....sops—16
Receiving Product Shipments.....sops—16

Creating a Weekly Schedule.....sops—17
Scheduling Guidelines.....sops—18
Part-Time Employees.....sops—18
Employee Availability.....sops—18
Cross-Training and Teamwork.....sops—19
Hiring Minors.....sops—19
Hiring Non-U.S. Citizens.....sops—19
Avoid Overtime.....sops—19
How to Complete a Weekly Schedule.....sops—19
How to Calculate a Daily Labor Budget.....sops—20
Completing a Weekly Schedule.....sops—21

System Standards Review (SSR).....sops—22

Balanced ScoreCard Overview.....sops—23
What Is It?.....sops—23
Why Do It?.....sops—24
Is It Right for Small Business.....sops—24
Strategy Focused Company.....sops—25
Strategy Execution.....sops—25
Perspectives.....sops—26
Strategy Map/Connections.....sops—26
Strategic Initiatives/Differentiators.....sops—27
Financial Perspective.....sops—27
Customer Perspective.....sops—28
Process Perspective.....sops—29
Internal Learning and Growth Perspective.....sops—32
Targets/Goals.....sops—33
Initiative!.....sops—34
Getting Started.....sops—35
Maintaining the BSC.....sops—35
Advantages To You.....sops—36
Closing Comment — Execution.....sops—37

How To Complete Your Balanced ScoreCard.....sops—38
Financial Measures.....sops—38
CUSTOMER MEASURES.....sops—39
Business Referral Measures.....sops—42
Community Outreach Measures.....sops—42
Advertising Measures.....sops—43
Nutrition Plan Measures.....sops—44
Muscle Method Measures.....sops—44
Customer Follow Up Measures.....sops—44
LEARNING AND GROWTH MEASURES.....sops—46

S.M.A.R.T. Development Action Plan.....sops—47
Purpose.....sops—47
Goal.....sops—47
FSC Zone Identified Stores.....sops—47
Action Plan.....sops—47

Corporate Contact Information.....sops—49

Safety & Security

Safety & Security ..... s&s—1
Maintain a Safe Workplace ..... s&s—1
Employee Safety Training ..... s&s—1
Proper Lifting Techniques ..... s&s—2
Prevent Accidents and Injuries ..... s&s—2
OSHA Safety Training Requirements ..... s&s—3

Security Measures ..... s&s—4
Follow these security guidelines in order to reduce risks: ..... s&s—4
General Theft Prevention Measures ..... s&s—4
Internal Theft ..... s&s—5
External Theft ..... s&s—6
Shoplifting ..... s&s—6
Confronting Suspected Shoplifters ..... s&s—6
Short-Change Artists ..... s&s—7
Counterfeit Money ..... s&s—8
Vandalism ..... s&s—8

Crisis Situations ..... s&s—10
Crisis Definitions ..... s&s—10
Handling a Crisis ..... s&s—10
Working with the Police and Other Government Agencies ..... s&s—11
Communicating with Employees ..... s&s—11
What to Tell Customers ..... s&s—12
What to Tell the Victim's Family ..... s&s—12
What to Tell News Media, Friends of the Victim and Inquirers ..... s&s—12

Types of Crisis Management ..... s&s—13
Power Outage/Blackouts ..... s&s—13
Fire ..... s&s—13
Robbery ..... s&s—14
Burglary ..... s&s—14
Cash Shortages ..... s&s—15
Medical Emergencies or Death ..... s&s—15
Natural Disasters ..... s&s—15
Other Emergency Precautions ..... s&s—16
Random Acts of Violence ..... s&s—16
Civil Disturbances ..... s&s—16
Gathering Crisis Information ..... s&s—16

Store Image & Marketing

Store Image & Appearance ..... si&m—1
Quarterly Merchandising Promotions ..... si&m—1
Displays ..... si&m—3
End Caps ..... si&m—4
Supplement Display ..... si&m—5
Shelf-Talkers ..... si&m—6
Max Muscle Gear Display ..... si&m—6
Shelf and Accessories Placement ..... si&m—7
Magazines ..... si&m—7
Register Area ..... si&m—7
Sale Merchandise ..... si&m—8

Other Marketing Tools ..... si&m—9
Business Cards ..... si&m—9
Stationary ..... si&m—9
Gift Cards ..... si&m—9
Networking ..... si&m—9
Marketing and Brand Identity ..... si&m—10
Max Muscle FO Marketing Plan ..... si&m—10
Max Muscle Corporate Identity Standards ..... si&m—11

Franchise Marketing Plan

Max Muscle's Top 10 Marketing Programs ..... fmp—1

Store Marketing Account (SMA) ..... fmp—2
Advertising/Marketing That Qualifies for SMA Credit ..... fmp—2
Athlete Sponsorships ..... fmp—3

Grand Opening ..... fmp—4

Recommended Reading ..... fmp—5

Four Key Components Vital to Store Success ..... fmp—6

The Top 10 Marketing Programs IN-DEPTH ..... fmp—7
I. Max Sports and Fitness Magazine Distribution Program ..... fmp—7
II. Rewards Program: Loyalty/V.I.P. Cards ..... fmp—9
III. Local Advertising ..... fmp—11
IV. Guerilla Marketing 101 – Flyering ..... fmp—13
V. Event Marketing ..... fmp—14
VI. Cross-Promotions and Local Business Referral Program ..... fmp—18
VII. Community Outreach Programs ..... fmp—21
VIII. In-Store Events ..... fmp—21
IX. MaxFormation Life Challenge ..... fmp—24
X. Customer Follow-Up ..... fmp—25

Max Muscle Sports Nutrition Advertising Policy ..... fmp—28

Conclusion ..... fmp—30

Table of Contents

Accounting & Profitability

Max Muscle Retail Store Management System ..... a&p—1

Daily Accounting Procedures ..... a&p—2

Opening Procedures ..... a&p—2
Shift Changes ..... a&p—2
Procedures to Complete a Shift Change ..... a&p—2
Closing Procedures ..... a&p—3
Cash Deposits ..... a&p—3
Credit Card Deposits ..... a&p—3
Daily Record Keeping ..... a&p—4
Running Total Sheet ..... a&p—6
Monthly Accounting Procedures ..... a&p—8
Tax Guidelines ..... a&p—8

Basic Accounting Definitions ..... a&p—9

Accounting Records ..... a&p—9
Amortization ..... a&p—9
Assets ..... a&p—9
Depreciation ..... a&p—9
Equity ..... a&p—9
Expenses ..... a&p—9
Financial Statements ..... a&p—10
General Ledger ..... a&p—10
Liabilities ..... a&p—10
Revenue ..... a&p—11

Chart of Accounts ..... a&p—12

Analyzing Financial Statements ..... a&p—16

Analysis of Balance Sheets ..... a&p—16
Cash Analysis ..... a&p—16
Liquidity Analysis ..... a&p—16
Inventory ..... a&p—16
Accounts Payable ..... a&p—16
Taxes Payable ..... a&p—17
Notes/Loans Payable ..... a&p—17
Owner's Equity ..... a&p—17

P&L Statement ..... **a&p—18**
Income ..... *a&p—18*
Cost of Goods ..... *a&p—18*
Management Wages ..... *a&p—18*
Employee Wages ..... *a&p—18*
Indirect Labor Costs ..... *a&p—18*
Royalties and Advertising Fund ..... *a&p—18*
Promotional Coupons ..... *a&p—18*
Credit Card Expense ..... *a&p—19*
Complimentary ..... *a&p—19*
General Insurance ..... *a&p—19*
Operating Services ..... *a&p—19*
Bad Debt Expense ..... *a&p—19*
Cash Over or Short ..... *a&p—19*
Bank Charges ..... *a&p—19*
Taxes and Licenses ..... *a&p—19*
Telephone Expenses ..... *a&p—19*
Sanitation ..... *a&p—19*
Maintenance and Repair ..... *a&p—19*
Operating Supplies ..... *a&p—20*
Utilities ..... *a&p—20*
Professional Services ..... *a&p—20*
Loss and Damage ..... *a&p—20*
Personal Property Taxes ..... *a&p—20*
Real Property Taxes ..... *a&p—20*
Rent and Common Area Maintenance Charges ..... *a&p—20*
Depreciation ..... *a&p—20*
Amortization ..... *a&p—20*
Interest Expense ..... *a&p—20*

Monthly Income Statement Goal Percentages ..... **a&p—21**

Operation Formulas

Labor Formulas ..... of—1
How to Calculate Turnover ..... of—1
How to Calculate Lost Wages ..... of—1
How to Calculate Cost of Employee Replacement ..... of—1
How to Calculate Turnover Percentage ..... of—1
How to Calculate Labor Costs and Hourly Availability ..... of—2
How to Calculate Actual Labor Cost Percentage ..... of—2
How to Calculate a Manager's Daily Dollars ..... of—2
How to Calculate Total Labor Costs ..... of—2

Sales Formulas ..... of—3
How to Calculate Discount Costs ..... of—3
How to Calculate Discount Percentage ..... of—3

Merchandise and Product Formulas ..... of—4
How to Calculate the Cost of Goods Sold (COGS) ..... of—4
How to Calculate Goods On Hand ..... of—4
How to Calculate Par Value ..... of—4
How to Calculate Paper Cost Percentage ..... of—4
How to Calculate Inventory Extended Costs ..... of—4

Nutrition Formulas ..... of—5
How Do I Calculate DRVs Based On Total Caloric Intake? ..... of—5

Ordering Site User's Guide

Ordering Products Online ..... osug—1
Who is Set Up In the System? ..... osug—1
Franchise Owner (FO) Customers ..... osug—2
Shipping Fees ..... osug—2

Entering Orders Using the Ordering Site ..... osug—3
Enter the Username and Password ..... osug—5
Read and Accept the Terms and Conditions ..... osug—6
Select a Category ..... osug—7
Select Product ..... osug—8
Select Quantity ..... osug—9
Add More Products ..... osug—10
Review the Order ..... osug—11
Replicate an Existing Order ..... osug—12
Discounts ..... osug—13
Credits Available ..... osug—14
Checkout ..... osug—15
Shipping Fees ..... osug—15
Payment Information ..... osug—16
Entering New Credit Card Information ..... osug—23
Summary Screen ..... osug—24
Once the Order is Completed and Submitted ..... osug—26
Return to the Home Page ..... osug—26
Now What Happens To the Order? ..... osug—26
Additional Help ..... osug—26

Getting Started Guide

Max Muscle Retail Store Management System ..... *gsg—1*
On-Line Help ..... *gsg—1*
System Requirements ..... *gsg—1*
Creating a New Company ..... *gsg—2*
Opening an Existing Company ..... *gsg—2*
Important Notes for Network Users ..... *gsg—3*

System Setup Procedures ..... **gsg—4**
Step 1: Setup Checklist ..... *gsg—4*
Step 2: Company Preferences ..... *gsg—5*
ID Naming Conventions ..... *gsg—6*
Step 3: User Preferences ..... *gsg—7*
Step 4: Enter Master Files ..... *gsg—7*
Step 5: Enter Opening Balances ..... *gsg—7*

Sales and Receivables ..... **gsg—9**
Invoices ..... *gsg—9*
Quotes ..... *gsg—10*
Orders ..... *gsg—10*
Picking Tickets and Packing Slips ..... *gsg—11*
Back Orders ..... *gsg—11*

Accounts Receivable ..... **gsg—12**
Accounts Receiveable Workflow Diagram ..... *gsg—12*
Enter Cash Receipts ..... *gsg—13*
Edit Cash Receipts ..... *gsg—13*
Review Cash Receipts ..... *gsg—13*

Accounts Payable ..... **gsg—14**
Purchases and Payables ..... *gsg—14*
Accounts Payable Workflow Diagram ..... *gsg—14*
Vouchers ..... *gsg—14*
Purchase Orders ..... *gsg—15*
Payables ..... *gsg—15*
Create Payments ..... *gsg—15*
Edit Payables ..... *gsg—15*
Review Payables ..... *gsg—16*
Main Menu ..... *gsg—16*

Management System Terminology ..... **gsg—17**
Action Buttons ..... *gsg—17*
Bank Transaction ..... *gsg—17*
Combo Box Field ..... *gsg—17*
Forms ..... *gsg—17*
Form Button ..... *gsg—18*
Little Buttons ..... *gsg—18*
Purchase Transactions ..... *gsg—18*
Reports ..... *gsg—18*
Required Field ..... *gsg—18*
Sales Transactions ..... *gsg—19*
Recurring Transactions ..... *gsg—19*
Transactions ..... *gsg—19*

Posting and Un-posting Transactions ..... gsg—20
Password-Protect the Unpost Feature ..... gsg—20
Recap Button ..... gsg—20
Un-Posted Transactions ..... gsg—21
Posted Transactions ..... gsg—21
Adding Records ..... gsg—21
Deleting Records ..... gsg—21
Deleting Line Items ..... gsg—22
Searching Records ..... gsg—22
Combo Box Filter ..... gsg—22
Show All ..... gsg—22
Closing Forms ..... gsg—23
Exiting the Max Muscle Retail Store Management System ..... gsg—23
Record Navigation ..... gsg—23
Toggle Field Displays ..... gsg—23
Calendar ..... gsg—24
Time ..... gsg—24
Undo ..... gsg—24
About Box ..... gsg—24
Sub-Form ..... gsg—25
Sub-Form Display ..... gsg—25
Right Mouse Button ..... gsg—26
Sorting ..... gsg—26
Undo ..... gsg—26
Edit ..... gsg—26
Save Record ..... gsg—26
Print Preview Form ..... gsg—27
Find and Replace ..... gsg—27
Auto Correct ..... gsg—27
Spelling ..... gsg—27
AutoDial ..... gsg—27
Open URL ..... gsg—27
Zoom Field ..... gsg—27

Employee Relations

General Federal Laws ..... er—2

Labor Laws ..... er—3

Employer Responsibilities ..... er—3

Legal Issues Regarding Employees ..... er—9

Employee Handbooks ..... er—9
Staff Meetings ..... er—10
Employee Files ..... er—10
Employee Safety and Security ..... er—11
Sample Violence Prevention Policy ..... er—11
Harassment Prevention Policies ..... er—12
Sample Harassment Prevention Policy ..... er—15

Job Descriptions ..... er—19

Single Unit Operator (SUO) Organization Structure ..... er—20
SUO Suggested Descriptions/Accountability Measurements ..... er—21
Multi-Unit Operator (MUO) Organization Structure ..... er—22
MUO Suggested Descriptions/Accountability Measurements ..... er—23
Franchise Operator (FO) ..... er—23
Office Employee(s) ..... er—23
Store Supervisor ..... er—23
Store Manager ..... er—24
Part Time Employees ..... er—24

Max Muscle Hiring Guidelines ..... er—25

Finding Prospective Employees ..... er—25
Sample Classified Ads ..... er—26
Application Process ..... er—26
Interviews: General Guidelines and Sample Questions ..... er—27
Sample Interview Questions ..... er—28
Ineffective Management Interview Questions ..... er—29
Illegal Interview Topics ..... er—30
After the Interview ..... er—30

Hiring Documents ..... er—31

Immigration and Naturalization I-9 Form ..... er—31
W-4 Tax Form ..... er—31
Child Support and New Hire Reporting ..... er—32
Comply with All Federal, State and Local Laws ..... er—32

Training New Employees ..... er—33

Training Schedule ..... er—33
Basic Training Guidelines ..... er—33
More Training Tips ..... er—34
MUO Training Model ..... er—35
Employee Uniform and Dress Code Requirements ..... er—36

Employee Retention ..... er—38

Formulas to Calculate Turnover Costs ..... er—38
Why Employees Stay with a Job ..... er—39
Be an Employer of Choice ..... er—39

Disciplining and Terminating Employees ..... er—43

Discipline Dos & Don'ts ..... er—43
Exit Interviews ..... er—44

Chapter Conclusion ..... er—44

Policies & Programs

Terms of Sale....p&p—1
- *Acceptance....p&p—1*
- *Prices/Taxes....p&p—1*
- *Terms of Payment....p&p—2*
- *Title and Delivery....p&p—2*
- *Warranty/Disclaimers....p&p—3*
- *Indemnification....p&p—3*
- *Limitation of Liability....p&p—4*
- *Limitations of Use....p&p—4*
- *Confidential Information....p&p—4*
- *Rescheduling/Cancellation....p&p—5*
- *Product Discontinuance....p&p—5*
- *Product Acceptance and Returns....p&p—5*
- *Shipping....p&p—6*
- *Security Agreement....p&p—6*
- *Force Majeure....p&p—7*
- *Assignment....p&p—7*
- *Notice....p&p—7*
- *Governing Law....p&p—7*
- *Modifications....p&p—7*
- *Severability....p&p—7*
- *Waiver....p&p—8*
- *Attorneys Fees and Arbitration....p&p—8*
- *Entire Agreement....p&p—8*
- *Questions/Comments....p&p—8*

Returning Product to Warehouse....p&p—9

Reimbursement Policy for Franchise Stores....p&p—10

Progressive Markdown Procedure....p&p—11
- *Progressive Markdown Schedule....p&p—11*

In-Store Return Policy....p&p—12

New Product Introduction Program....p&p—13

Quarterly Product Purchase....p&p—14

Store Marketing Account (SMA)....p&p—15
- *Advertising/Marketing That Qualifies for SMA Credit....p&p—15*
- *Athlete Sponsorships....p&p—16*

President's Club....p&p—17
- *TIERS....p&p—17*

Max Muscle Sports Nutrition Advertising Policy....p&p—18

Franchisee Internet Presence Policy....p&p—19
- *Authority....p&p—19*
- *Purpose....p&p—19*
- *Definition....p&p—19*
- *Guidelines....p&p—20*
- *Process....p&p—20*
- *Compliance....p&p—21*

Max Muscle Website Coupon Redemption....p&p—22

Max Muscle Trademark Policy....p&p—23

Serious Adverse Event Reporting (sAER) Regulation: Franchisee Responsibilities....p&p—24

Media Inquiry Procedure....p&p—26

Max Sports & Fitness Magazine
Distribution Program (2010) ..... p&p—27
Guidelines for Photos Sent to the Editor ..... p&p—28
Purpose of this Program ..... *p&p—28*
Referral Fees ..... *p&p—29*
Important Information ..... *p&p—29*
New Franchise Referral Program ..... p&p—30
New Franchisee Referral Program Form ..... p&p—30
Franchise Agreement Royalty Fee Renewal Policy ..... p&p—31
Ephedrine Based Products ..... p&p—32
Max Muscle Store Relocation Policy ..... p&p—33

Management Forms

Operations Manual Feedback Form ..... mf—2
Store Pre-Opening Checklist ..... mf—3
Employee Handbook Agreement ..... mf—4
Customer Complaint Log ..... mf—5
Customer Mailing List for the Day of _____/_____/_____ ..... mf—6
Employee Performance Measurement Guidelines ..... mf—7
For Supervisors/Managers ..... *mf—7*
Supervisor/Manager Performance Results Matrix ..... *mf—9*
Employee Counseling Form ..... mf—13
Employee Exit Interview Form ..... mf—14
Daily Operations Checklist ..... mf—15
Daily Closing Checklist for the Week of _____/_____/_____ ..... mf—16
Daily Sales Report ..... mf—17
Running Total Sheet ..... mf—18
Employee Emergency Contact Form ..... mf—19
Emergency Incident Form ..... mf—20
Frequent Buyer Referral Card Tracking Sheet ..... mf—21
Promotional Items Tracking Sheet ..... mf—22
Marketing Effort Planning Calendar ..... mf—23
New Franchise Referral Program ..... mf—24
Purpose of this Program ..... *mf—24*
Referral Fees ..... *mf—24*
Important Information ..... *mf—24*
New Franchisee Referral Program Form ..... mf—25
Max Muscle Franchisee Athlete Appearance Agreement ..... mf—26

Max Muscle Products

EXHIBIT E

DAKOTA ONE FRANCHISING, LLC

LIST OF FRANCHISEES AND RD FRANCHISEES
AS OF DECEMBER 31, 2018

EXHIBIT E
LIST OF FRANCHISEES AND RD FRANCHISEES AS OF DECEMBER 31, 2018

ALASKA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #506	Lori & Froilan Brandt	4240 Oldseward Highway #A1 Anchorage, AK 99503	(907) 258-6291	maxmuscleak@gmail.com

ALABAMA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1541	Rick Fleming	3230 Ross Clark Circle Suite 2	(334) 803-5400	Rickfleming5@gmail.com

ARIZONA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1431	Patrick Smith	2633 W. Carefree Hwy. #114 Phoenix, AZ 85085	(623) 581-1232	smith.patrick.e.m.@att.net

CALIFORNIA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #523	Mark Sarale	4343 Pacific Avenue Suite #C-1 Stockton, CA 92507	(209) 951-6299	maxstockton@aol.com
Max Muscle #542	Ken Nikbaknsh-Tali	2071 No. Broadway Walnut Creek, CA 94596	(925) 947-3539	kenny_tali@yahoo.com
Max Muscle #544	Geoff Malone	1420 41st Ave. #C Capitola, CA 95010	(831) 462-6629	mrintensemalone@aol.com
Max Muscle #549	Gloria & Ed Calvillo	13391 Beach Blvd. La Mirada, CA 90638	(562) 902-5393	bgmassoudi@yahoo.com
Max Muscle #550	Lance Tomlinson	1525 Meridian Ave., # 106 San Jose, CA 95125	(408) 269-6299	lancectomlinson@yahoo.com
Max Muscle #552	Hasuni Kawaji	322 Pine Avenue Long Beach, CA 90802	(562) 628-9119	hasunikahwaji@yahoo.com
Max Muscle #558	Ed Maldonado and Rob Casale	23166 Los Alisos, Ste. 112 Mission Viejo, CA 92692	(949) 588-2629	mvmaxmuscle@sbcglobal.net
Max Muscle #560	Tom Rogers	13185 Jamboree Road Tustin, CA 92780	(714) 832-1886	maxmuscletustin@aol.com

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #575	Mark Sarale	3250 Dale Road M-1 Modesto, CA 95356	(209) 523-6299	maxstockton@aol.com
Max Muscle #585	Tom Rogers	3601 Jamboree Road, Suite 23 Newport Beach, CA 92660	(949) 253-9629	maxmuscletustin@aol.com
Max Muscle #1259	Jon & Desirae Meyer	4615 Missouri Flat Rd #4 Placerville, CA 95667	(530) 626-0239	maxmuscle@cal.net
Max Muscle #1285	Jason Mayol & Tri Huynh	115 East 4th Ave San Mateo, CA 94404	(650) 344-6299	jasemayol@yahoo.com
Max Muscle #1318	Muscle Wiz, Inc. Robert Farag	18643 Devonshire, Northridge, CA 91324	(818) 832-5446	robert@musclewiz.com
Max Muscle #1324	Roy Sabater	5030 Katella Ave. Los Alamitos, CA 90720	(562) 598-1700	maxmusclelosalamitos@gmail.com
Max Muscle #1327	Sean Arcure	4391 Gateway Park Blvd. #640 Sacramento, CA 95834	(916) 515-4150	natomasmaxmuscle@gmail.com
Max Muscle #1371	Jatin Patel	9675 Chapman Avenue Garden Grove, CA 92841	(714) 534-4886	j_patel83@yahoo.com
Max Muscle #1392	Pierre Goudie	5887-R Lone Tree Way Antioch, CA 94531	(925) 757-6299	maxmusclebrentwood@yahoo.com
Max Muscle #1393	Brandon Brockway	8126 Madison Avenue Fair Oaks, CA 91628	(916)316-3979	bmbrockway@aol.com
Max Muscle #1402	Joe Hensley	79680 Highway 111 Building C La Quinta, CA 92253	(760) 775-8818	Lokepa_5065@yahoo.com
Max Muscle #1434	Steve Campbell	881 Ferngrove Drive Cupertino, CA 95014	(408) 421-4747	rstevec@gmail.com
Max Muscle #1497	Dianne Carlos	36 Main Street Woodland, CA 95695	(530) 668-6299	natomasmaxmuscle@gmail.com
Max Muscle #1522	Muscle Max C. Inc. Lance Tomlinson Chris Law	1050 Blossom Hill Road #100 San Jose, CA 95123	(408) 694-0631	lancetomlinson@yahoo.com
Max Muscle #1594	Tony Flores	2660 Oswell Street, Suite 103 Bakersfield, CA	(661) 331-0461	Tflores001@att.net
Max Muscle #1610	Ace Dynamics, LLC Kari Costamagna Andrew Costamagna	1012 W. Lodi Unit #3 Lodi, CA 95240	(209) 333-6299	kari209@sbcglobal.net

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1615	Geoffery Malone	950 Renz Lane #40 Gilroy, CA 95020	(408) 607-4835	mrintnsemalone@aol.com
Max Muscle #1640	David Boyd	19069 Van Vuren Boulevard Riverside, CA 92508	(951) 780-4629	boyd@boydhealthinc.com
Max Muscle #1646	Patricia Johnson	2179 Bancroft Way Berkeley, CA 94704	(510) 356-4513	Patricia_johnson@me.com
Max Muscle #1650	Hin & Anderson Inc.	647 Calaveras Boulevard, Milpitas, CA 95035	(408) 791-6766	Anida_hin@hotmail.com
Max Muscle #1654	Henry Markowicz	1752 E. Lugonia Avenue #114 Redlands, CA 92374	(909) 794-7000	henrymarkowicz@yahoo.com
Max Muscle #1655	Ben Halali	4901 Rue Calais San Jose, CA 95136	(510) 940-9901	ben@mmnutritionbayarea.com
Max Muscle #1665	Talon Sullens	2016 South Mooney Blvd L9 Visalia, CA 93277	(559) 972-5337	Talon.sullens@outlook.com
Max Muscle #1674	George Trevino	1361 Fulton Avenue Unit 102 Sacramento, CA 95825	(916) 927-8183	leroytrevino1@gmail.com
Max Muscle #1675	Hin & Anderson Inc.	20620 Valley Green Dr. Cupertino, CA. 95014.	(408) 777-8200	anida_hin@hotmail.com
Max Muscle #1676	Ken Tali	1375 Sycamore #150F Hercules, CA 94547	(510) 275-9698	kenny_tali@yahoo.com
Max Muscle #1700	Hin & Anderson Inc.	3187 S. Bascom Campbell, CA 95008	(408) 356-0500	Anida_hin@hotmail.com
Max Muscle #1701	Steve Campbell	803 Widget Drive San Jose, CA 95117	(650) 690-8077	mmsnsancarlos@yahoo.com
Max Muscle #1715	Jeremiah Sanders	8765 Center Parkway, Laguna Plaza Sacramento, CA 95823	(916) 688-8795	codfitness@gmail.com
Max Muscle #1716	Daniel Aranas	3600 16th Street @ Market and Noe San Francisco, CA 94114	(415) 626-2244	dsupps1@gmail.com
Max Muscle #1720	Maiya Johnson	540 Hidden Valley Pkwy, Ste106, Corona, CA 92789	(951) 734-4400	maiyaajohnson@gmail.com

COLORADO

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1432	Bryan Cash and Peter Cash	9226 Park Meadows Drive Loan Tree, CO 80124	(303) 629-6676	maxmusclehranch@gmail.com
Max Muscle #1565	Capstone Health and Wellness, Inc. Bryan Cash	7530 S. University Blvd #120 Centennial, CO 80122	(303) 771-0821	maxmusclehranch@gmail.com
Max Muscle #1589	Scott Hinsch	2831 West 120th Avenue Westminster, CO 80234	(720) 242-8860	sshinsch@gmail.com
Max Muscle #1617	Chris McKinney	10259 South Parker Road #103 Parker, CO 80134	(303) 783-4723	maxmuscleshauna@gmail.com
Max Muscle #1708	Rocco Kristopher Claps	1550 S. Colorado Boulevard Denver, CO 80222	(303) 629-5326	r.claps@yahoo.com
Max Muscle #1709	Randy Prince	3390 West 38th Avenue, Denver, CO 80211	(720) 639-4805	Randy01@msn.com
Max Muscle #1711	Cynthia French	982 E. Eisenhower Loveland, CO 80537	(970) 667-6299	Cynfrench1@gmail.com
Max Muscle #1712	Cynthia French	2580 East Harmony Road Fort Collins, CO 80528	(970) 672-8461	Cynfrench1@gmail.com
Max Muscle #1554	Tony Polidoro & Lauren Polidoro	4629 Centerplace Drive #119 Greeley, CO	(970) 339-3168	tonypolidoro@maxmusclegreeley.com

FLORIDA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1335	Fernando Salas	27245 Westley Chapel Blvd #B17 Wesley Chapel, FL 33543	(813) 713-4040	usefernatb@aol.com
Max Muscle #1341	Davie Cuffe	12575 South Cleveland Ave. Fort Meyers, FL 33907	(239) 541-9181	davecuffe@comcast.net
Max Muscle #1344	Ram Umrao	1700 West Sand Lake Road Orlando, FL 32809	(407) 855-3000	rumrao@msn.com
#1659	Brian Missirlian	36150 Emerald Coast Parkway #107 Destin, FL 32541	(850) 424-6438	brianmissirlian@aol.com
Max Muscle #1714	Ram Umrao	242 Weelhouse Lane, Suite #1200 Lake Mary, Fl 37246	(407) 855-3000	rumrao@msn.com

GEORGIA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1509	Pringle Enterprises, LLC	1250 Scenic Highway Suite 1204 Lawrenceville, GA 30045	(678)344-1501	pringle2734@yahoo.com
Max Muscle #1670	Phillip Gold	6035 PeachTree Road C-219 Doraville, GA 30087	(678) 344-1501	phillip@maxdoraville.com

ILLINOIS

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle # 1474	Anabolic Ventures, Inc. Scott Herkes and Karen Herkes	4335 16th Street Moline, IL 61265	(309) 762-6666	scott.maxmuscle@mhsi.com

IOWA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1390	Anabolic Ventures, Inc. Soctt Herkes and Karen Herkes	852 Middle Road #103 Bettendorf, IA 52722	(540) 382-0555	Scott.maxmuscle@mchsi.com
Max Muscle #1704	Joe Barfield	3120 Manawa Centre Drive, Council Bluffs, IA 51501	(800) 975-3859	barfield@gmail.com

KENTUCKY

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1482	JJ Sambi	105 Lawson Drive Suite 3 Georgetown, KY 40327	(502) 868-0101	jjsambi@aol.com

MASSACHUSETTS

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1283	Alfaphile, Inc Roger Blundell & Michael Fauci	124 Broadway Saugus, MA 01906	(781) 231-7629	rjbsgfy@aol.com

MINNESOTA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1669	Jason LaPlante	783 Radio Drive, #104 Woodbury, MN 55125	(651) 788-7286	MaxMuscleBlaine@gmail.com

MISSISSIPPI

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle # 1553	Jason Sims	507-18th Avenue North Columbus MS 39705	(662) 327-6296	maxmuscle@cableone.com

MONTANA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1591	Jeff Kovick	1944 Brooks Street, Missoula, MT 59801	(406) 543-4629	maxmusclemontana@gmail.com

NEBRASKA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1277	Chad Case and Heidi Case	7301 South 27th Street Lincoln, NE 68512	(402) 421-4629	maxmusclelincoln@yahoo.com
Max Muscle #1577	Max Muscle Metro, LLC	2551 S. 177th Plaza Omaha, NE 68130	(402) 991-8849	maxmusclemetro@gmail.com
Max Muscle #1580	Max Muscle Metro, LLC	814 Tera Plaza Papillion, NE 68046	(402) 934-8135	chris@maxmuscleomaha.com
Max Muscle #1559	Matt Showalter	2903 Samson Way Bellevue, NE 68147	(402) 421-4629	mshowalter@maxmusclenebraska.com
Max Muscle #1634	Chad Case	2800 North 83rd Street, Lincoln, NE 68507	(402) 466-2629	maxmusclenebraska@yahoo.com
Max Muscle #1639	Matt Showalter	2219 North 90th Street Omaha, NE 68134	(402) 884-9823	matt@maxmusclebellevue.com
Max Muscle #1710	Chad Case	2250 North Webb Road Suite #232 Grand Island, NE 68803	(402) 421-4629	maxmuslcenebraska@yahoo.com

NEVADA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1284	PJ & Angela Tracy	115 E. Moana Lane Suite #D Reno, NV 89502	(775) 826-3387	maxmusceleofreno@sbcglobal.net
Max Muscle #1410	Jennifer Lee	7010 North Durango Drive #130 Las Vegas, NV 89149	(702) 636-6299	jlee@maxmusclelasvegas.com

NEW YORK

STORE	REGIONAL DIRECTOR	ADDRESS	PHONE	EMAIL
Max Muscle #1435	Max Muscle at Huntington Village LLC	346 New York Avenue Huntington, NY 11743	(631) 862-6266	Vdicanio@dicaniobuilders.com

NORTH CAROLINA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1414	Bill Porter	512 N. McPherson Church Road Fayetteville, NC 28303	(910) 867-1486	Brporter2005@embarqmail.com
Max Muscle #1539	Andrea Alvey Kelley Spence	6106 Falls of Neuse Road Raleigh, NC 27609	(919) 877-8611	alvey@maxmuscle.com

OHIO

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1340	Valley Sports Nutrition, Inc. Steven & Mary Kariotis	1456 N. Portage Path Akron, OH 44313	(330) 940-2607	stevekariotis@hotmail.com
Max Muscle #1653	MaxWill Health and Fitness	201 Clint Drive #500 Pickerington, OH 43147	(614) 604-7783	williams.2651@yahoo.com

OREGON

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1347	DSL Fitness	2570 N.E. Twin Knolls Drive Bend, OR 97701	(541) 749-1000	Dominic @maxmusclebend.com
Max Muscle #1586	Jimmy Lam	8980 SE Sunnyside Road Clackamas, OR 97015	(503)653-5592	jimmy@maxmuscleclackamas.com
Max Muscle #1491	Lee Sports Nutrition, Inc.	7684 SW Nyberg Rd. Tualatin, OR 97062	(503) 612-0001	reginaldleesr@comcast.net
Max Muscle #1505	`Tom Wiens	2001 Franklin Blvd #1 Eugene, OR 97401	(541) 344-6676	Blown.1957@hotmail.com
Max Muscle #1552	Mancuso Nutrition, LLC Sanjana Pahalad-Mancusco	917 NW 13th Street Portland, OR 97209	(503) 274-8200	maxmusclepearl@gmail.com
Max Muscle #1548	Larry Wilcox	427 Beavercreak Road Oregon City, OR 97045	(503) 655-2311	larry@maxmuscleoregoncity.com

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1596	Michael Huard	1310 Center Drive #B Medford, OR 97501	(541) 622-8282	michael@maxmusclemedford.com
Max Muscle #1702	Jeff Dewitt	3992 Center Street Salem, OR 97301	(503) 480-8884	dewitief@yahoo.com

PENNSYLVANIA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1703	Brian Harris	132 Eagleview Boulevard Exton, PA	(484) 879-4173	Briharris8@hotmail.com

SOUTH DAKOTA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1476	Jon Petersen	6010 South Minnesota Avenue Sioux Falls, SD 57108	(602) 275-6299	maxmusclesiouxfalls@live.com

TEXAS

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1423	Texan Muscle Group. John Hagaman	559 East i-30 Rockwall, TX 75087	(972) 722-6294	rockwall@maxmusclentx.com
Max Muscle #1568	Samuel Alvarez Jr.	5025 Expressway #83 Suite 130 McAllen TX 78504	(956) 972-1629	Sa.irish@hotmail.com
Max Muscle #1658	Cole Shipley	4703-E Richmond Avenue Houston, TX 77027	832-742-5485	Coleshipley1982@yahoo.com
Max Muscle #1620	Gloria Alvarez	2709 W. Expressway 83 Suite #120 Harlingen, TX 78552	(956)230-4950	samhomeslice@aol.com
Max Muscle #1629	John Hagaman and Jessica Williams	1751 W. El Dorado Parkway Suite #134 McKinney, TX 75069		mckinney@maxmusclentx
Max Muscle #1638	John Ream	4300 N. Midland Drive Ste 105 Midland, TX 79707	(432) 704-5399	johnream@gmail.com
Max Muscle #1664	John Ream	2421 North County Road West Odessa, TX 79763	(432) 614-4713	johnream@gmail.com
Max Muscle #1667	Sam Etienne	2509 Trenton Road Edinburg, TX 78539	(956) 627-4973	sameti@aol.com

UTAH

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1501	GustaMax, LLC James Gustason	416 West 500 S. Unit F Bountiful, UT 84010	(801) 295-6299	jamesgustason.maxmuscle@gmail.com
Max Muscle #1582	James Gustason	1978 North 1200 W Suite #4 Layton, UT 84041	(801) 825-5366	Jamesgustason.maxmuscle@gmail.com
Max Muscle #1601	Mark Painter	3595 West South Jordan Parkway #500 South Jordan, UT 84095	(801) 878-7322	Marcuspainter1944@hotmail.com
Max Muscle #1618	Taylor Read	6556 S. Big Cottonwood Canyon Rd#300 Holladay, UT 84121	(801) 856-4131	Taylorread0506@yahoo.com
Max Muscle #1717	Taylor Read	3595 West South Jordan Parkway #500 South Jordan, UT 84095	(801) 878-7322	Taylorread0506@yahoo.com

VIRGINIA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1547	Correy Mathews	7000 C. Brookfield Plaza Springfield, VA 22150	(703) 772-7113	fitnessbycorry@gmail.com

WISCONSIN

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1607	Daniel Prigge	820 Willard Drive, Green Bay WI 54304		Daniel.prigge1@hotmail.com

WASHINGTON

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1590	Jason Phillips	3023 Duportail Street, Richland WA 99352	509-371-1610	fshnjunky@gmail.com

UNITS UNDER DEVELOPMENT

CALIFORNIA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1626	Michael Lee	255 Red Rock Way 207H San Francisco, CA 94131	(415)902-5935	Michael.j.lee@gmail.com
Max Muscle #1647	Lance Tomlinson	1525 Meridian Avenue Suite 106 San Jose, CA 95125		

COLORADO

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1619	Chris McKinney	992 Pleasant View Castle Rock, CO 80104	(303) 783-4723	maxmusclechris@gmail.com

TEXAS

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1561	Andy Molina	11814 Travis Path San Antonio, TX 78253	(956) 755-9495	Anmoli9@aol.com

VIRGINIA

STORE	FRANCHISEE	ADDRESS	PHONE	EMAIL
Max Muscle #1581	Melinda Kasal-Canty	15502 Whittier Loop Woodbridge, VA 22193	(571) 243-9232	Melinda@accentdancers.com

REGIONAL DIRECTORS:

MISSOURI

RD NUMBER	REGIONAL DIRECTOR	ADDRESS	PHONE	EMAIL
RD-104	Fairway Holdings Fitness, LLC Mike Hojnacki	2101 South Vandeventer Avenue St. Louis, MO 63110	(636) 262-4022	mhojnacki@maxmuscle.com

EXHIBIT F

DAKOTA ONE FRANCHISING, LLC

LIST OF FRANCHISEES
WHO HAVE LEFT THE SYSTEM

EXHIBIT F

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

The following is a list of our Franchisees, Legacy Franchisees and Regional Directors in the United States who have left the system during our last fiscal year, ended December 31, 2018

Store #	Franchisee Name	Franchisee Address (if not in Exhibit)	Franchisee Phone Number (if not in Exhibit)	Franchisee E-Mail
Max Muscle #532	Matt Keirn	8529 Santa Monica Boulevard West Hollywood, CA 90046	(310) 358-0150	mattdkeirn@hotmail.com
Max Muscle #558	Ed Maldonado and Rob Casale	23166 Los Alisos, Ste. 112 Mission Viejo, CA 92692	(949) 588-2629	mvmaxmuscle@sbcglobal.net
Max Muscle #559	Tom Rogers	17522 Beach Blvd. #A Huntington Beach, CA 92648	(714) 375-0267	maxmuscletustin@aol.com
Max Muscle #1536	Matt Keirn	2525 Main Street Santa Monica, CA 90405	(310) 581-9885	mattkeirn@hotmail.com
Max Muscle #1564	Brittany Gaylord	401 N. Coast Highway Oceanside, CA 92054	(760) 721-3465	b-gaylord@hotmail.com
Max Muscle #1632	James Burchell	1401 Fourth Street San Rafael, CA 94941	(415)460-6299	jlburchell@gmail.com
Max Muscle #1635	David and Amanda Boyd	540 Hidden Valley Pkwy Ste 106 Corona, CA 92879	(951) 734-4400	boyd@boydhealthinc.com
Max Muscle #1662	Geff Malone	616 Tenant Station Way Morgan Hill, CA 95037	(408) 779-7710	Sarah@maxmusclesantacruz.com
Max Muscle #1705	Dean Ziroli	134 S. Brand Blvd. Glendale, CA 91206	(818) 396-5055	dziroli@firstmortgage.com
Max Muscle #1706	Jolene Crouse	40365 Murrieta Hot Springs Rd Suite 11, Murrieta, CA 92563	(951) 813-3488	tracksidenutrition@gmail.com
Max Muscle #1707	Lori Mathis	3100 Lakeville Highway #D Petaluma, CA 94945	(707) 776-0820	Lmathix73@gmail.com
Max Muscle #1554	Ron Worley	4629 Centerplace Drive #119 Greeley, CO	(970) 339-3168	maxmuscleloveland@gmail.com
Max Muscle #1447	Greg Gworek	625 New Park Avenue Unit F	(860) 770-8869	ggworek13@gmail.com

		West Hartford, CT 06107		
Max Muscle #1668	Dina Hunter	28488 Main Street Glastonbury, CT 06033	(860) 430-9708	Khunter4@cox.net
Max Muscle #1566	Eric Lawton	6848 22nd Avenue North St. Petersburg, FL 33710	(727) 343-3640	Elawton_122@verizon.net
Max Muscle #1661	Paul Dappert	1442 E. Hintz Road, Arlington Heights, IL 60004	(847) 818-1629	Paul.dappert@gmail.com
Max Muscle #1429	Joel Boyens and Kri Boyens	1300 100th Street Suite 3000 Clive, IA 50325	(712) 269-2151	joey@maxmuscledesmoines.com
Max Muscle #1460	Vincent DiCanio	369 Little East Neck Road West Babylon NY 11704	(631) 321-6292	Vdicanio@dicaniobuilders.com
Max Muscle #1671	Cynthia DeVita	5424 Orleander Drive Unit 2 Wilmington, NC	(910) 792-5599	cytnhia@mamuscleilm.com
Max Muscle #1649	Mary Davis Richyard Hellyer	6103 SW Murray Blvd Beaverton, OR 97008	(503) 430-7922	Kristen@maxmusclebeaverton.com
Max Muscle #1382	George Hogan	3026 S. Mogan's Point Road Mountain Pleasant, SC 29466	(843) 881-0707	georgehogan@peoplepc.com
Max Muscle #1601	Mark Painter	3595 West South Jordan Parkway #500 South Jordan, UT 84095	(801) 878-7322	Marcuspainter1944@hotmail.com
Max Muscle #1364	Divine Fitness, LLC* Kristin Wood & Corry Matthews	12849 Galveston Ct. Woodbridge, VA 22192	(703) 208-4449	maxmuscleva@gmail.com
Max Muscle #1609	Chicdog Nutrition, LLC	10694 Fairfax Blvd Fairfax, VA 22030	(703) 277-2887	christina.maxmuscle@gmail.com

If you buy a Max Muscle store, your contact information may be disclosed to other buyers when you leave the franchise system.

EXHIBIT G

DAKOTA ONE FRANCHISING, LLC

PRODUCT PURCHASE AGREEMENT

EXHIBIT G
DAKOTA ONE FRANCHISING, LLC

PRODUCT PURCHASE AGREEMENT

This Product Purchase Agreement ("**Agreement**") is entered into by and between MAX ONE NUTRITION LLC, a South Dakota limited liability company, ("**Manufacturer**"), having a principal place of business at 4901 So. Isabel Place #200, Sioux Falls SD 57108, and _____ ("**Franchisee**") and having a principal place of business located at _____ _____, and made effective this _____ day of _____, 20____ ("**Effective Date**"). Unless otherwise defined in this Agreement, all capitalized terms shall have the same meaning as specified in the franchise agreement, (the "**Franchise Agreement**") between Franchisee and DAKOTA ONE FRANCHISING, LLC a South Dakota limited liability company ("**Franchisor**").

1. MAX MUSCLE PRODUCTS AND DISTRIBUTED PRODUCTS

1.1 The purchase of any Max Muscle Products, Distributed Products and Authorized Third-Party Products by Franchisee shall be governed exclusively by the terms of this Agreement and the General Terms and Conditions of Sale attached to this Agreement as **Attachment A**. In the event of any conflict between the terms of this Agreement and the terms of **Attachment A**, the terms of this Agreement shall control. For purposes of interpretation, the term "**Seller**" in Attachment A shall refer to Manufacturer, and the term "**Buyer**" shall refer to Franchisee. The General Terms and Conditions may be changed from time to time by Manufacturer in Manufacturer's sole discretion.

1.2 Subject to the express terms and limitations in the Franchise Agreement and the Operations Manual, Franchisee shall sell in Franchisee's Max Muscle Store all of the Max Muscle Products manufactured or distributed by Manufacturer as identified in the Operations Manual, as amended from time to time by Franchisor, and that shall include various nutritional products. Franchisee may also sell in Franchisee's Max Muscle Store any other Distributed Products and Authorized Third-Party Products offered for sale to Franchisee by Manufacturer.

1.3 Franchisee shall not make any changes to the Max Muscle Products, Distributed Products or Authorized Third-Party Products including changing the containers, packaging, labeling, promotional materials, advertising, cartons or the like without Manufacturer's or Franchisor's prior written approval, which may be withheld in the sole discretion of Manufacturer or Franchisor.

1.4 Under no circumstances shall Franchisee sell, transfer, deliver, or distribute any Max Muscle Products, Authorized Third-Party Products or Distributed Products to any third party, including other Max Muscle franchisees, licensees, authorized retailers, or other retail or wholesale vendors, without the advanced written permission of Manufacturer and Franchisor, which may be granted or denied in either party's sole discretion. Franchisee shall not manufacture or produce any product that is similar to, or competes with, any Max Muscle Product, Distributed Product, Authorized Third-Party Product, or any product offered or sold in vitamin, supplement, or nutritional stores, or in any channel of distribution selling similar products, without the advanced written permission of Manufacturer and Franchisor, which may be granted or denied in either party's sole discretion. Franchisee's violation of this Section 1.4 shall serve as grounds for immediate termination of this Agreement and all other agreements between Franchisee and Manufacturer or Franchisor.

2. MANUFACTURER'S OBLIGATIONS

2.1 Manufacturer shall make every reasonable effort to fulfill its delivery commitments to Franchisee. If Manufacturer is unable to fulfill its delivery commitments within four (4) weeks from the date the purchase order was received, then the Manufacturer will notify Franchisee of the shortages and establish a new commitment date of no more than four (4) additional weeks ("**Extended Commitment Date**"). In the event the Manufacturer is unable to fulfill delivery commitments by the Extended Commitment Date, then Franchisee's Minimum Monthly Purchase Quota will be adjusted by the dollar amount undeliverable ("**Adjusted Purchase Quota**"). The Adjusted Purchase Quota shall remain in effect for a period of six (6) months from the date of adjustment. The provisions of this clause shall not apply to discontinued Max Muscle Products.

2.2 Manufacturer reserves the right to discontinue manufacture or distribution of any Max Muscle Product, Distributed Product or Authorized Third-Party Products at any time.

2.3 Based on availability, Manufacturer shall provide a reasonable amount of sales literature and other applicable publications pertaining to the Max Muscle Products. Manufacturer or Franchisor shall, from time to time, provide for regional or national advertising for the Max Muscle Products but shall have no obligation to advertise for, or on behalf of, any individual Max Muscle Store location. All local advertising shall be the responsibility of Franchisee and shall be conducted at Franchisee's own cost.

Manufacturer or Franchisor shall provide Franchisee with a copy of logos, artwork, style guidelines, or other materials to assist Franchisee in preparing localized advertising.

3. PRICING, TERMS AND CONDITIONS

3.1 Franchisee will receive a discount equal to forty percent (40%) or more ("**Franchisee Prices**") off of the wholesale prices established by Manufacturer for sales to independent third-party resellers of Max Muscle Products. Manufacturer reserves the right, in Manufacturer's sole discretion, to increase the wholesale prices.

3.2 Increases in Franchisee Prices for Max Muscle Products produced by Manufacturer shall not exceed fifteen percent (15%) in any thirty (30) day period. Manufacturer shall not be required to cap any price increases imposed by manufacturers of Distributed Products or Authorized Third-Party Products sold and distributed by Manufacturer to Franchisee. Manufacturer agrees to give Franchisee thirty (30) days' advanced notice of any increases in Franchisee Prices.

3.3 Franchisor or Manufacturer will adjust the suggested retail pricing of the Max Muscle Products from time to time to provide Franchisee with a reasonable gross profit margin in excess of the Franchisee Prices charged to Franchisee, exclusive of any shipping and handling charges. Notwithstanding the preceding provision:

(a) Franchisor or Manufacturer reserves the right to establish lower suggested retail prices on certain Max Muscle Products based on competition prevalent within the supplement and nutrition industries.

(b) Franchisee shall not be required to participate in any sales promotion proposed by Manufacturer. However, if Franchisee participates in any particular sales promotion, then Franchisee agrees and acknowledges that Franchisee will likely receive a reduced gross profit margin on the Max Muscle Products sold by Franchisee during the sales promotion period. For any sales promotion sponsored by Manufacturer, Manufacturer shall provide master copies of the sales literature, promotional materials, advertising flyers, and campaign slogans.

3.4 Franchisee and Manufacturer agree that all orders for Max Muscle Product, Distributed Products and Authorized Third-Party Products placed by Franchisee with Manufacturer will be paid by credit card. Each order will be shipped by common carrier of Manufacturer's choice. All orders are F.O.B. at Buyer's location. If Manufacturer agrees to accept checks, Franchisee agrees that any returned checks shall result in a returned check fee of $15.00 for the first returned check, a $25.00 returned check fee for the second return of the same check, and shall result in subsequent orders being restricted to credit card terms only. Manufacturer reserves the right to require that Franchisee pay for all Max Muscle Products, Distributed Products and Authorized Third-Party Products by Automated Clearing House ("**ACH**") upon thirty (30) days' advanced written notice to Franchisee, and Franchisee agrees to sign any documents required by Manufacturer to facilitate such electronic transactions.

3.5 Franchisor shall publish Inventory Requirements (as defined in the Franchise Agreement) in the Operations Manual, and such Inventory Requirements may be amended from time to time by Franchisor in Franchisor's sole discretion. Franchisee shall at all times comply with Franchisor's Inventory Requirements and the terms of any automatic inventory shipping requirements ("**Auto-Ship Program**") instituted by Franchisor and more fully described in the Operation Manual.

4. STOCK RETURNS

Franchisee must inspect all Max Muscle Products, Distributed Products and Authorized Third-Party Products promptly upon receipt and may reject any Max Muscle Products, Distributed Products and Authorized Third-Party Products that fail in any material respect to conform to Manufacturer's description. Max Muscle Products, Distributed Products and Authorized Third-Party Products not rejected within forty-eight (48) hours of receipt shall be considered to have been accepted. Rejected Max Muscle Products, Distributed Products or Authorized Third-Party Products must be returned to Manufacturer within three (3) days of the date on which Manufacturer authorizes return. Manufacturer will replace properly rejected Max Muscle Products, Distributed Products or Authorized Third-Party Products, will prepay transportation charges back to Franchisee, and will reimburse Franchisee for the reasonable costs of transportation incurred by Franchisee in the return to Manufacturer of the rejected Max Muscle Products, Distributed Products or Authorized Third-Party Products. Returns will not be accepted by Manufacturer for any reason other than for: (i) Max Muscle Product, Distributed Product and Authorized Third-Party Products defects or damage occurring within the warranty period where Manufacturer is found to have created the cause, or (ii) mishandled shipments created by Manufacturer. Return requests involving merchandise shipments must be brought to Manufacturer's attention within fifteen (15) days of original ship date. Manufacturer reserves the right to reject any request regarding mishandled shipments submitted more than fifteen (15) days after the original ship date. In the event that Manufacturer authorizes a return, Manufacturer reserves the right to credit, replace, or repair material at its discretion.

5. TERM OF AGREEMENT - EFFECTIVE DATE

The term of this Agreement shall commence on the Effective Date and continue for the duration of the term of the Franchise Agreement unless terminated earlier in accordance with Section 6.

6. TERMINATION

The termination, breach or default of this Agreement shall not relieve or release Franchisee from making any payments that may be owed to Franchisor, Manufacturer, or any other affiliate of Franchisor or Manufacturer in accordance with the terms of this Agreement. Outstanding purchase orders on the date of termination of this Agreement shall not be canceled by reason of such termination.

6.1 Either party shall have the right, without incurring any liability to the other party, by notice in writing effective when given, to cancel this Agreement and outstanding purchase orders, in the event of any of the following:

(a) Subject to the opportunity to cure such default as specified in this Section 6.2(a), if either party shall fail to comply with or perform the obligations under this Agreement. In the event of a breach of any term of this Agreement, the non-breaching party shall give written notice of the breach to the other party. The breaching party shall have thirty (30) days from the date of the notice to remedy such breach, except that Franchisee shall have ten (10) days to cure any breach resulting from the nonpayment of any invoiced amount to Manufacturer.

(b) Any order of dissolution or liquidation of either party that is entered by any court of competent jurisdiction.

(c) Any decree or order for relief or stay entered by a court of competent jurisdiction over either party in any applicable bankruptcy, insolvency, liquidation, dissolution or under any other similar federal or state law now or hereafter in effect, or the appointment of a receiver, liquidator, or similar official over either party or that grants either party a suspension of payments.

(d) Any party voluntarily commences or is subject to any involuntary bankruptcy, insolvency, liquidation, dissolution, or protection under any other similar federal or state law now or after in effect, or in any way a party's property is subjected to a general assignment to creditors by a receiver, liquidator, trustee, custodian, or other similar official.

(e) One or more Franchisee's Franchise Agreements is terminated by Franchisor.

6.3 In the event of termination of this Agreement by either party, Franchisee acknowledges and agrees that all of Franchisee's Franchise Agreements shall also terminate immediately, and Franchisee agrees to comply with and abide by all of the termination provisions in Franchisee's Franchise Agreements.

6.4 Franchisee shall within three (3) days tender all of Franchisee's new and un-expired inventory of Max Muscle Products, Distributed Products and Authorized Third-Party Products to Manufacturer or Franchisor for repurchase in accordance with Section 7 of this Agreement. In the event that Manufacturer or Franchisor fail or refuse to exercise their repurchase rights, Franchisee shall destroy all remaining inventory of Max Muscle Products, Distributed Products and Authorized Third-Party Products within five (5) days of the date that Manufacturer and/or Franchisor advise Franchisee that each party has elected not to repurchase some or all of Franchisee's inventory of Max Muscle Products, Distributed Products and Authorized Third-Party Products. Under no circumstances shall Franchisee sell, transfer, or otherwise dispose of any remaining inventory of Max Muscle Products, Distributed Products or Authorized Third-Party Products to any party other than Franchisor or Manufacturer without Franchisor's and Manufacturer's advanced written permission.

7. REPURCHASE PROVISIONS

Upon termination of this Agreement by Franchisee in accordance with paragraph 6.2, Franchisor or Manufacturer shall have the right, but not the obligation, to purchase from Franchisee all or a portion of Franchisee's remaining new and un-expired inventory of Max Muscle Products, Distributed Products and Authorized Third-Party Products, provided such Max Muscle Products, Distributed Products and Authorized Third-Party Products are in original condition and in the original packaging, and provided that such Max Muscle Products, Distributed Products and Authorized Third-Party Products were purchased from Manufacturer within ninety (90) days prior to the delivery of the notice of termination by Franchisee. The purchase price for such inventory shall be equal to the price originally invoiced for such Max Muscle Products, Distributed Products and Authorized Third-Party Products, plus freight charges authorized by

Manufacturer to return the Max Muscle Products, Authorized Third-Party Products or Distributed Products to Manufacturer.

8. INSURANCE

Franchisee will secure and maintain at its sole cost and expense during the term of this Agreement insurance in such amounts and on such terms as required by the most current form of Franchise Agreement signed by Franchisee and the Operations Manual, as modified from time to time in Franchisor's sole discretion.

9. APPLICABLE LAW AND ATTORNEYS' FEES

9.1 This Agreement shall be governed by and construed in accordance with the laws of the State of South Dakota. Any action brought to enforce this Agreement, or any right granted in this agreement shall be brought in accordance with the dispute resolution provisions contained in Franchisee's most current form of Franchise Agreement.

9.2 Should either party institute or participate in a legal or equitable proceeding against the other seeking to enforce or interpret this Agreement, the non-prevailing party in the proceeding shall pay the prevailing party's costs (whether by final judgment or out of court settlement), expert and professional fees, and attorneys' fees, including reimbursement of in-house counsel expenses at a reasonable rate comparable to fees generally charged in the legal community for outside counsel, and all costs and fees on appeal. Said obligation of the non-prevailing party will be deemed to accrue on the date of commencement of such proceeding.

10. INDEMNIFICATION

Franchisee shall indemnify, defend, and hold Franchisor, Manufacturer, any regional director, their officers, directors, agents, employees, and their other franchisees, licensees, and Affiliate (collectively "**Manufacturer Indemnitees**"), harmless from and against any and all expenses, damages, claims, suits, losses, actions, judgments, liabilities, and costs, including Manufacturer Indemnitees' reasonable attorneys' fees and in-house counsel fees, arising out of or based on any claim, action, judicial proceeding, administrative proceeding, personal injury, or damage to real or personal property brought or threatened in connection with Franchisee's operation of Franchisee's Max Muscle Store, or otherwise related to or arising out of any breach of this Agreement by Franchisee. Manufacturer shall indemnify and hold Franchisee and Franchisee's employees or agents ("**Franchisee Indemnities**") harmless from and against any and all expenses, damages, claims, suits, losses, actions, judgments, liabilities, and costs, including Franchisee Indemnitees' reasonable attorneys' fees, arising out of or based on any claim, action, judicial proceeding, administrative proceeding, personal injury, or damage to real or personal property brought or threatened as a result of any negligence or willful misconduct by Manufacturer.

11. SEVERABILITY

If any court of competent jurisdiction finds any provision of this Agreement to be unenforceable or invalid, then the provision shall be ineffective to the extent of the Court's finding, without affecting the enforceability or validity of this Agreement's remaining provisions.

12. WAIVER

Upon a party's breach or default hereunder, the other party's failure, whether single or repeated, to exercise a right hereunder, shall not be deemed to be a waiver of that right as to any future breach or default.

13. SURVIVAL

Any terms of this Agreement that by their nature extend beyond its termination or expiration shall remain in effect until fulfilled and apply to respective successors and permitted assignees.

14. INTERPRETATION

The headings used are for convenience only. The parties acknowledge that this document has been drafted with the full participation of both parties and therefore ambiguities shall not be construed against either party. Any reference in this agreement to "**days**" shall mean "**calendar days**."

15. FORCE MAJEURE

Delays or failure of any party in the performance of said party's required obligations under this Agreement shall be excused only for Acts of God, strikes or work stoppages called by a regional, local or national union, or other acts clearly beyond the control of the parties, provided that prompt notice of such event and of the anticipated delay is given and the party seeking excuse is diligent in attempting to remove or cure such cause and to mitigate the delay. Performance shall be excused only for the duration to the force majeure event. Under no circumstances shall Franchisee be excused from the prompt payment of any financial obligation to Manufacturer.

16. ASSIGNMENT

Manufacturer may sell, transfer or assign this Agreement at any time and thereby be released from any further obligations to Franchisee. Franchisee may not sell, transfer or assign Franchisee's rights to this Agreement without the prior written consent of Manufacturer, which may be granted or denied in Manufacturer's sole discretion.

17. ENTIRE AGREEMENT - AMENDMENTS

This Agreement, including **Attachment A**, contains the parties' entire agreement with respect to the subject matter included and supersedes all prior understandings, both oral and written. This Agreement may not be amended or modified except with the written consent of an authorized representative of both parties.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed, sealed and delivered this Agreement in two (2) or more counterparts on the day and year first written above.

FRANCHISEE:

_____

By:_____ Date_____

Title:_____ Title:_____
(Print Name)

Date:_____

MANUFACTURER:

MAX ONE NUTRITION, LLC

By:_____ Date_____
Chief Financial Officer

ATTACHMENT A
GENERAL TERMS AND CONDITIONS OF SALE

1. Acceptance. The terms of sale contained in this agreement apply to all quotations made and purchase orders received by Seller and hereby become the exclusive binding agreement between the parties regarding the Products purchased. THE ACCEPTANCE OF ANY OR ALL OF BUYER'S PURCHASE ORDER IS CONDITIONAL UPON BUYER'S ASSENT TO THE TERMS AND CONDITIONS IN THIS DOCUMENT AND IN SELLER'S RETURNED MERCHANDISE AUTHORIZATION (RMA) POLICY, INCORPORATED BY REFERENCE IN THIS AGREEMENT IN LIEU OF THE TERMS CONTAINED IN BUYER'S PURCHASE ORDER. Seller hereby rejects all provisions contained in communications from Buyer that conflict with or are inconsistent with the terms contained in this agreement. Seller's failure to object to any of the provisions contained in Buyer's documentation shall not be deemed a waiver of these provisions.

2. Prices/Taxes. We may change any prices and minimum order quantities at any time, at our discretion, and any changes will apply to purchase orders we receive after the effective date of the change. Buyer will be billed at the prices stated at the time of order acceptance. If such price is different from the price quoted Buyer, Buyer may, upon ten (10) days' written notice from the date Seller gives such notice to Buyer, cancel this order without liability. Failure to give such notice to Seller shall be deemed an acceptance of the new price. If the prices are based on the purchase of a particular quantity of goods and Buyer fails to purchase that quantity, Seller shall have the right, in addition to any other remedies at law or equity, to the difference between the stated price and Seller's standard prices for such goods in the quantity purchased by Buyer. Unless otherwise specified or required by law, all prices will be quoted and billed exclusive of customs, duties or taxes, and Buyer shall be responsible for all such applicable duties and taxes. If exemption from such taxes is claimed, Buyer must provide a certificate of exemption at the time the Purchase Order is submitted to Seller, and shall indemnify Seller for any unpaid taxes in the event such exemption is not applicable. You will bear all applicable federal, state, municipal and other taxes (such as sales or use or any similar taxes) in connection with your sale of the Products.

3. Terms of Payment. Unless otherwise prescribed by the Franchise Agreement or the Franchise, you may purchase Products under this Agreement at our business-to-business website, fax or by telephone order. Upon our acceptance of your order, we will produce an online purchase order confirmation, which specifies shipping date, total order pricing and other general terms and conditions. You must notify us immediately of any errors. Any changes made to an order after we have begun to process the order may be subject to cancellation fees and/or restocking charges. The terms of payment are by credit card at the time of the order. Seller reserves the right to modify payment terms or extend credit terms. Failure to adhere to the terms will incur interest, bank and finance charges. When partial shipments are made, payments shall become due in accordance with the designated terms for each shipment. If Seller accepts partial payment in an amount less than the full amount of any invoice, such acceptance shall neither constitute a waiver of Seller's right to collect the balance nor an accord and satisfaction, notwithstanding Seller's endorsement of a check or other instrument. In the event of Buyer's bankruptcy or insolvency, Seller shall be entitled to cancel any order then outstanding without waiving any claims in law or equity. If buyer fails to comply with payment terms, Seller reserves the right to withdraw credit, suspend or cancel performance under any or all Purchase Orders or agreement and all Buyer's obligations to Seller shall become immediately due and payable.

4. Title and Delivery. Shipment shall be F.O.B. Buyer's location and the manner of shipment shall be at Seller's option. Seller shall be responsible for all shipping charges. However, Seller reserves the right to change shipping terms and responsibility for payment. Risk of loss will pass upon delivery to you. All claims for loss or damage during shipment must be filed by Buyer with the carrier. Claims against Seller for shortages occurring before delivery to carrier are subject to Buyer's compliance with Seller's RMA policy, incorporated by reference in this agreement. The sale of any of Seller's products to Buyer in no way

conveys to Buyer, either expressly or by implication, any intellectual property license whatsoever. Seller expressly reserves its rights under any such claim.

5. Warranty/Disclaimers. Seller warrants that the Products delivered hereunder will be in accordance with Seller's specifications under normal use and service for a period of one year from delivery. Deviations from specifications which do not materially affect performance of the Products covered hereby shall not be deemed to constitute defects of material or workmanship or failure to comply with Product specifications. The obligations of Seller and Buyer with respect to the warranty shall be governed by and according to Seller's RMA policy, incorporated by reference in this agreement. Seller warrants that, at the time of sale, the Products sold to Buyer do not infringe any patent, copyright, trade secret, trademark or any other proprietary right of any third party. Seller warrants that performance hereunder does not contravene the terms, provisions or conditions of any instrument or contract between Seller and any third parties. The warranties contained in this agreement shall extend only to Buyer and shall not apply to Buyer's Affiliate or customers. BUYER ACKNOWLEDGES AND AGREES THAT THE PROVISIONS CONTAINED IN THIS WARRANTY CONSTITUTE THE SOLE AND EXCLUSIVE REMEDY AVAILABLE TO IT WITH REGARD TO THE PRODUCTS. EXCEPT FOR THE EXPRESS WARRANTIES PROVIDED IN THIS SECTION AND FOR THE INDEMNIFICATIONS GRANTED IN SECTIONS 6 AND 15, ALL WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, ALL GUARANTEES AND ALL REPRESENTATIONS AS TO PERFORMANCE, INCLUDING ALL WARRANTIES WHICH, BUT FOR THIS PROVISION, MIGHT ARISE FROM COURSE OF DEALING, CUSTOM OR TRADE AND INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY. FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS WITH RESPECT TO THE PRODUCTS FURNISHED BY SELLER UNDER THIS AGREEMENT, ARE EXPRESSLY EXCLUDED AND DISCLAIMED BY SELLER.

6. Indemnification. Both Buyer and Seller agree to indemnify and otherwise hold each other harmless from any and all claims, losses, damages, settlements, judgments, expenses (including reasonable attorneys' and witness' fees) and inabilities arising from or based upon the infringement or alleged infringement of the other party's patent, copyright, trade secret, trademark or any other proprietary right of any third party with respect to its products. You will immediately notify us in writing of any administrative or legal action or threatened action against you or us involving any of the Products, or any other product that you offer or sell at the Approved Location.

7. Limitation of Liability. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, PUNITIVE, SPECIAL OR OTHER DAMAGES WHATSOEVER RESULTING FROM SELLER'S PERFORMANCE OR FAILURE TO PERFORM UNDER THIS AGREEMENT OR THE FURNISHING, PERFORMANCE OR USE OF ANY OF THE GOODS SOLD, WHETHER DUE TO BREACH OF CONTRACT, BREACH OF WARRANTY, STRICT LIABILITY, PRODUCT LIABILITY, THE NEGLIGENCE OF SELLER OR OTHERWISE. SELLER'S LIABILITY SHALL BE LIMITED SOLELY TO THE REPAIR OR REPLACEMENT OF PARTS OF THE PRODUCT UNDER THE WARRANTY CLAUSE IN THIS AGREEMENT IF THE APPLICABLE WARRANTY PERIOD DESCRIBED IN THAT SECTION HAS NOT EXPIRED. If such warranty period has expired, Seller shall not be liable for any damages or injuries. It is agreed, however, that in no event shall Seller's liability exceed the U.S. dollar amount equal to the amount paid by Buyer for the cost of the Products paid by Buyer. THE DAMAGE LIMITATIONS PROVIDED IN THIS AGREEMENT AND THE REMEDIES STATED SHALL BE EXCLUSIVE AND SHALL BE BUYER'S SOLE REMEDY. THIS LIMITATION ON LIABILITY SHALL SURVIVE FAILURE OF ANY ESSENTIAL PURPOSE.

8. Limitations of Use. The Products sold hereunder are not designed for any application where product failure could lead to injury to persons or loss of life or catastrophic property damage, or (ii) expose itself to the risk of loss, expense, cost, liability, litigation and/or potential adverse verdict or

judgment in relation to any such use of the Products. Accordingly, Seller disclaims any and all liability, and should Buyer use or sell such Products for use in such applications, it does so at its own risk. Furthermore, Buyer agrees to fully indemnify, defend and hold Seller harmless from and against (iii) any and all claims, demands, actions, litigation, and proceedings of any kind arising out of or related to such use or sale ("**Use Claims**") and (iv) any and all liens, liabilities, awards, judgments, damages, costs, expenses (including reasonable attorney's fees) arising out of or related to any Use Claim.

9. Confidential Information. Neither Seller nor Buyer shall publicly announce or disclose the existence of this contract or its terms and conditions or advertise or release any publicity regarding this contract without prior written consent of the other party.

10. Rescheduling/Cancellation. Seller may make changes to delivery date with Buyer's agreement without liability. No rescheduling or cancellation shall be permitted within thirty (30) days of the scheduled shipment date. In the event Buyer cancels or reschedules within this period, Buyer shall be liable to Seller for the entire Product price. The terms in this Section are superseded by the provisions contained in Section 11.

11. Product Discontinuance. Buyer acknowledges that any of the Products may be discontinued by Seller or Seller's supplier without prior notice to Buyer. In the event of such discontinuance, Seller shall notify Buyer to the extent that any products ordered by Buyer are affected thereby. In the event of such discontinuance, Seller reserves the right to terminate Buyer's Purchase Order for any Product which has not been delivered and which is affected by such discontinuance without any liability to Seller.

12. Acceptance and Returns. You must inspect all Products promptly upon receipt and may reject any Products that fail in any material respect to conform to our description. Products not rejected within forty-eight (48) hours of receipt are considered to have been accepted. Rejected Products must be returned to us within three (3) days of the date on which we authorize return. We will replace properly rejected Products, will prepay transportation charges back to you and will reimburse you for reasonable costs of transportation you incurred in the return to us of the rejected Products. Returns will not be accepted by Seller for any reason other than for: (i) Product defects or damage occurring within the warranty period where Seller is found to have created the cause, or (ii) mishandled shipments created by Seller. Return requests involving merchandise shipments must be brought to Seller's attention within fifteen (15) days of original ship date. Seller reserves the right to reject any request regarding mishandled shipments submitted more than fifteen (15) days after the original ship date. In the event that Seller authorizes a return, Seller reserves the right to credit, replace, or repair material at its discretion and Seller's liability is limited to the provisions defined in Section 7. Restocking charges may apply.

13. Shipping. In most cases, domestic orders received by 2 p.m. (PST) will ship from the Seller's warehouse by the next business day. Domestic orders are processed, picked and shipped in the order that they are received. Domestic orders are shipped via a commercial ground service with freight paid by the Seller. Any other shipping service is available at an additional expense to the Buyer. Changes to orders, once placed, are not accepted.

14. Tools, Etc. Unless otherwise expressly provided, Seller shall retain title to and possession of any drawings, artwork and/or equipment made for or obtained for the furnishing of Products hereunder. Drawings, artwork and equipment furnished by Buyer to Seller shall be at Buyer's risk and expense.

15. Advertising. You may not give customers any advertising or promotional materials about the Products that we do not produce or approve in advance in writing. You may not alter or remove any of our Products packaging that provides information intended for the ultimate user of the Products. When we revise any technical or promotional literature, you must discard outdated material previously distributed if we ask you to do so.

16. Right of First Refusal. Buyer acknowledges that Seller is an active franchisor of nutrition retailer stores. In the event that a franchise opportunity arises where the franchisee's territory will encompass the existing Authorized Retailers store location, Authorized Retailer will be given the right to purchase the franchise territory per the existing terms and conditions specified in the Uniform Franchise Disclosure Document (FDD). Authorized Retailer has ten (10) days from Notification of the franchise opportunity to accept or reject the right and, if accepted, has twenty-one (21) days to convert to a Max Muscle Franchisee a defined by the UFDD after acceptance.

17. Security Agreement. Buyer hereby grants to Seller, its successors and assigns, a security interest in the Products to secure payment of the purchase price of the Products. Default in payment of such price or any part of the price when due shall permit Seller, in its sole discretion, to declare all obligations of Buyer immediately due and payable, and in such event, Seller shall have all the rights and remedies of a secured party under applicable law. In connection with the security interest granted in this agreement, Seller is expressly authorized, at its discretion, to file one or more financing statements or other notices under applicable law naming Buyer as debtor and Seller as secured party. Buyer agrees to execute such documents requested by Seller to record and otherwise perfect this security interest.

18. Force Majeure. Seller shall not be liable for any loss, delay or failure to perform resulting from any force majeure event, including but not limited to Acts of God, fire, natural disaster, labor stoppage, government intervention, war or military hostilities, inability of carriers to make scheduled deliveries, or any act beyond the reasonable control of the Seller. Any delivery date may be extended, at Seller's option, to the extent of any delay resulting from any force majeure event.

19. Assignment. Neither Buyer nor Seller shall assign this order or any interest in the agreement or any rights under the agreement without the prior written consent of the other party.

20. Notice. Any notice or report required or permitted by these terms and conditions shall be in writing and shall be deemed given if delivered personally or if sent by either party to the other by confirmed overnight delivery or by certified or registered mail, return receipt requested, postage prepaid, addressed to the other party to its address listed on the Purchase Order or at such other address as such party shall designate by notice hereunder. Where Buyer is giving notice to Seller, all notices shall be sent to the attention of Buyer's account representative or customer service representative.

21. Governing Law. The terms and conditions of sale stated in the agreement shall be governed by and construed according to the laws of the State of South Dakota without regard to conflict of laws provisions. Each party consents to jurisdiction in South Dakota Circuit Court, State of South Dakota or in the United States District Court for the District of South Dakota.

22. Modifications. No modifications to these terms and conditions shall be enforceable except when in writing and signed by both parties, unless otherwise expressly stated in the agreement.

23. Severability. Any provision hereof which is prohibited or unenforceable shall, as to such jurisdictions, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity of such provision in any other jurisdiction.

24. Waiver. No waiver of any breach of any provision of these terms and conditions shall constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions hereof, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party.

25. Attorneys Fees and Arbitration. In any claim arising under these terms and conditions, the prevailing party shall be entitled to recover reasonable attorney's fees and costs. Any controversy or claim arising under this agreement that cannot be resolved by the parties themselves must be settled exclusively

by binding arbitration in Denver, Colorado, according to the Commercial Arbitration Rules of the American Arbitration Association and the laws of the State of South Dakota. Any award will be in writing and will be final and binding on the parties and judgment may be entered on it in any court of competent jurisdiction.

26. Entire Agreement. The terms and conditions contained in the agreement and in the attached Product Purchase Agreement constitute the entire agreement between Buyer and Seller with respect to the Products purchased.

EXHIBIT H

DAKOTA ONE FRANCHISING, LLC

FINANCIAL STATEMENTS

UNAUDITED FINANCIALS

THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT.

PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM

Dakota One Franchising LLC
Balance Sheet
End of Mar 2019

ASSETS	
Current Assets	
Cash	$ (6,573)
Accounts Receivable	90,251
Total Current Asset	**83,678**
Property and Equipment	
Fixture and equipment	18,895
Less accumulated depreciation	(4,409)
Net Property and Equipment	**14,486**
Other Assests	
Other Assets	35,000
Goodwill net of accumulated amortization	128,750
Total Other Assets	**163,750**
Total ASSETS	**261,914**
LIABILITIES & EQUITY	
Current Liabilities	
Accounts Payable	46,722
Due To Max One	806,866
Total Current Liabilities	**853,588**
Equity	
Equity	
Members Equity	(326,361)
Net Income	(265,312)
Total Equity	**(591,674)**
Total LIABILITIES & EQUITY	**$ 261,914**

Dakota One Franchising LLC
Income Statement
Jan 2019 - Mar 2019

Income	
Marketing Fund income	$ 82,449
Royalties	178,907
Other	7,500
Total Income	**268,856**
Expense	
Payroll	253,884
Marketing	178,239
Business Licenses and Permits	5,320
Computer and Internet	29,171
Professional Fees	26,610
Travel	4,563
Depreciation and Amortization	4,695
Contract Labor	30,195
Other Expenses	1,492
Total Expense	**534,169**
Net Loss	**$ (265,312)**

DAKOTA ONE FRANCHISING, LLC

INDEPENDENT AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2018

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITOR'S REPORT	**1-2**
FINANCIAL STATEMENTS	
Balance Sheet	**3**
Statement of Operations and Members' Equity (Deficit)	**4**
Statement of Cash Flows	**5**
Notes to Financial Statements	**6-7**
SUPPLEMENTAL INFORMATION	**8**
Detailed Statement of Operations	**9**

ELO CPAs & ADVISORS

elocpa.com

INDEPENDENT AUDITOR'S REPORT

To the Members of
Dakota One Franchising, LLC

We have audited the accompanying financial statements of Dakota One Franchising, LLC (a limited liability company), which comprise the balance sheet as of December 31, 2018 and the related statements of operations, members' equity (deficit), and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on theses financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud of error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Dakota One Franchising, LLC as of December 31, 2018 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Mitchell 605.996.7717
Sioux Falls 605.271.1302
Chamberlain 605.234.6055
Huron 605.352.8573
Miller 605.853.2130

Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Detailed Statement of Operations is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

CliftonLarsonAllen LLP

Sioux Falls, South Dakota
February 20, 2019

DAKOTA ONE FRANCHISING, LLC
BALANCE SHEET
DECEMBER 31, 2018

ASSETS

CURRENT ASSETS		
Cash	**$**	**6,539**
Accounts receivable		**71,188**
Total Current Assets		**77,727**
PROPERTY AND EQUIPMENT, at cost		
Fixtures and equipment		**18,895**
Less accumulated depreciation		**3,464**
Net Property and Equipment		**15,431**
OTHER ASSETS		
Other assets		**35,000**
Goodwill, net of accumulated amortization of $17,500		**132,500**
Total Other Assets		**167,500**
TOTAL ASSETS	**$**	**260,658**

LIABILITIES AND MEMBERS' EQUITY (DEFICIT)

CURRENT LIABILITIES		
Accounts payable	**$**	**121,080**
Due to Max One Nutrition, LLC		**465,940**
Total Current Liabilities		**587,020**
MEMBERS' EQUITY (DEFICIT)		
Members' Equity (Deficit)		**(326,362)**
Total Members' Equity (Deficit)		**(326,362)**
TOTAL LIABILITIES AND MEMBERS' EQUITY	**$**	**260,658**

The accompanying Notes to Financial Statements are an integral part of this statement.

DAKOTA ONE FRANCHISING, LLC
STATEMENT OF OPERATIONS AND MEMBERS' EQUITY
YEAR ENDED DECEMBER 31, 2018

SALES	**$**	**1,421,402**
GENERAL AND ADMINISTRATIVE EXPENSES		**1,922,770**
Loss From Operations		**(501,368)**
NET (LOSS)		**(501,368)**
MEMBERS' EQUITY, Beginning of year		**175,006**
MEMBERS' EQUITY (DEFICIT), End of year	**$**	**(326,362)**

The accompanying Notes to Financial Statements are an integral part of this statement.

DAKOTA ONE FRANCHISING, LLC
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	**$**	**1,431,823**
Cash paid to suppliers and employees		**(1,638,108)**
NET CASH (USED) BY OPERATING ACTIVITIES		**(206,285)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures		**(18,895)**
NET (DECREASE) IN CASH		**(225,180)**
CASH, Beginning of Year		**231,719**
CASH, End of Year	**$**	**6,539**
RECONCILIATION OF NET (LOSS) TO NET CASH (USED) BY OPERATING ACTIVITIES:		
Net loss	**$**	**(501,368)**
Adjustments to reconcile net (loss) to net cash (used) by operating activities:		
Depreciation		**3,464**
Amortization		**15,000**
(Increase) decrease in:		
Accounts receivable		**45,421**
Other assets		**(35,000)**
Increase (decrease) in:		
Accounts payable		**(22,982)**
Due to related parties		**289,180**
NET CASH (USED) BY OPERATING ACTIVITIES	**$**	**(206,285)**

The accompanying Notes to Financial Statements are an integral part of this statement.

DAKOTA ONE FRANCHISING, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

1. *SIGNIFICANT ACCOUNTING POLICIES:*

Dakota One Franchising, LLC (the Company) is a South Dakota limited liability company that was formed in July 2017 to offer franchises to operate retail stores using the "Max Muscle" name. The financial statements and notes are representations of the Company's management who is responsible for the integrity and objectivity of financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Organization and Nature of Operations: **Dakota One Franchising LLC is registered to sell franchises in South Dakota and most other registration states and is able to sell franchises in all non-registration states.**

The Company as franchisor is offering a franchise for the operation of retail stores using the "Max Muscle" name. The retail stores offer a variety of products in the fitness, health, and wellness industry including nutritional supplements. The products available in the stores include those sold under the Max Muscle name as well as certain authorized products manufactured by other companies.

The Company's franchise agreements generally include a license which provides for payments of initial fees as well as continuing royalties to the Company based upon a percentage of sales. In addition, a marketing materials fee is assessed monthly based on gross receipts during the term of the franchise agreement. Franchisees must meet minimum monthly sales quotas of Max Muscle products and must also spend a minimum on advertising based on a percentage of gross receipts. Additionally, the Company provides initial training and other services. After the first term of the agreement, franchisees will be subject to renewal fees and a transfer fee upon sale or transfer of franchise. The Company may terminate the agreement if the franchisee fails to comply with the provisions of the agreement.

Use of Estimates: **The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.**

Revenue and Cost Recognition: **In accordance with FASB ASC Subtopic 952-06, Franchisors, Revenue Recognition, nonrefundable initial franchise fees paid by franchise owners are recognized as revenue the earlier of when the franchisee commences operations or upon termination of the franchise agreement. Initial franchise fees collected prior to commencing operations are recorded as deferred initial franchise fees.**

Trade Accounts Receivable: **Trade accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable. Changes in the valuation allowance have not been material to the financial statements.**

Taxes on Income: **The Company has elected to be taxed as a limited liability company for federal income tax purposes. Income and expenses for the Company pass through directly to the members and is reported on their individual income tax returns.**

1. *SIGNIFICANT ACCOUNTING POLICIES: (continued)*

Property and Equipment: **Property and equipment are carried at cost. Depreciation is provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives. Accelerated methods of depreciation are used for tax purposes and the straight-line method is followed for all assets for financial reporting purposes based on the following estimated useful life:**

	Years
Machinery and equipment	**5-15**

Intangible Assets: **Intangible assets consist of purchased goodwill and are being amortized on a straight-line basis over 10 years.**

Unearned revenue and prepaid commissions: **Funds received, and the related commissions paid for the regional director program are capitalized and amortized over a ten-year period. Commissions paid on a single unit and multiple store locations are capitalized and expensed at the time the store opens.**

Advertising: **The Company expenses advertising costs as they are incurred. Advertising expense for the period ended December 31, 2018 was $651,674.**

Subsequent Events: **Subsequent events have been evaluated by management through February 20, 2019, the date these financial statements were available to be issued.**

2. *CONCENTRATION OF CREDIT RISK:*

The Company maintains its cash balances in one financial institution located in Huron, South Dakota. At times, account balances may exceed federally insured limits. The Company has not experienced any losses on these accounts, and management believes the Company is not exposed to any significant risk.

3. *RELATED PARTY TRANSACTIONS:*

The Company shares management services with Max One Nutrition LLC, a company related through common ownership.

At December 31, 2018, the Company had related party accounts payable of $465,940, consisting largely of shared payroll and advertising costs.

4. *COMMITMENTS AND CONTINGENCIES:*

The Company sometimes becomes involved in lawsuits in the normal course of business. Management intends to vigorously defend any claims which may be asserted.

SUPPLEMENTAL INFORMATION

DAKOTA ONE FRANCHISING, LLC

INDEPENDENT AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2017

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITOR'S REPORT	**1-2**
***FINANCIAL STATEMENTS*:**	
Balance Sheet	**3**
Statement of Operations and Members' Equity	**4**
Statement of Cash Flows	**5**
Notes to Financial Statements	**6-7**
SUPPLEMENTAL INFORMATION	**8**
Schedule of General and Administrative Expenses	**9**

website: www.elocpa.com
e-mail: elo@elocpa.com

Your success is our business!

INDEPENDENT AUDITOR'S REPORT

To the Members of
Dakota One Franchising, LLC

We have audited the accompanying financial statements of Dakota One Franchising, LLC, which comprise the balance sheet as of December 31, 2017 and the related statements of operations and members' equity for the period November 6, 2017 through December 31, 2017, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Accountant's Responsibility

Our responsibility is to express an opinion on theses financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud of error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Dakota One Franchising, LLC as of December 31, 2017 and the results of its operations and its cash flows for the period November 6, 2017 through December 31, 2017 in accordance with accounting principles generally accepted in the United States of America.

Mitchell, SD 57301
1820 N Sanborn Blvd,
(605) 996-7717, fax 996-4091

Chamberlain, SD 57325
316 Sorensen Dr.
(605) 234-6055, fax 234-5417

Huron, SD 57350
239 Wisconsin Ave. SW, Ste 201
(605) 352-8573, fax 352-8594

Sioux Falls, SD 57108
4804 S Minnesota Ave. Ste 101
(605) 271-1302

Miller, SD 57362
114 E 3rd St.
(605) 853-2130

Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of General and Administrative Expenses is presented for the purposes of additional analysis and is not a required part of the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Sioux Falls, South Dakota
April 21, 2018

DAKOTA ONE FRANCHISING, LLC
BALANCE SHEET

		DECEMBER 31, 2017
ASSETS		
CURRENT ASSETS		
Cash	$	231,669
Cash - National Marketing Fund		50
Accounts receivable		116,609
Total Current Assets		348,328
OTHER ASSETS		
Goodwill, net of accumulated amortization of $2,500		147,500
Total Other Assets		147,500
TOTAL ASSETS	$	495,828
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$	144,062
Due to Max One Nutrition, LLC		46,161
Due to Peak Franchising, Inc.		130,599
Total Current Liabilities		320,822
MEMBERS' EQUITY		
Members' Equity		175,006
Total Members' Equity		175,006
TOTAL LIABILITIES AND MEMBERS' EQUITY	$	495,828

The accompanying Notes to Financial Statements are an integral part of this statement.

DAKOTA ONE FRANCHISING, LLC
STATEMENT OF OPERATIONS AND MEMBERS' EQUITY

		PERIOD FROM NOVEMBER 6, 2017 THROUGH DECEMBER 31, 2017
SALES	**$**	**231,382**
GENERAL AND ADMINISTRATIVE EXPENSES		**281,376**
Loss From Operations		**(49,994)**
NET LOSS		**(49,994)**
MEMBERS' EQUITY, Beginning of year		**225,000**
MEMBERS' EQUITY, End of year	**$**	**175,006**

The accompanying Notes to Financial Statements are an integral part of this statement.

DAKOTA ONE FRANCHISING, LLC
STATEMENT OF CASH FLOWS

		PERIOD FROM NOVEMBER 6, 2017 THROUGH DECEMBER 31, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$	114,773
Cash paid to suppliers and employees		(108,054)
NET CASH PROVIDED BY OPERATING ACTIVITIES		6,719
NET INCREASE IN CASH		6,719
CASH, Beginning of Year		225,000
CASH, End of Year	$	231,719
RECONCILIATION OF NET LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Net loss	$	(49,994)
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization		2,500
Increase in:		
Accounts receivable		(116,609)
Increase in:		
Accounts payable		124,661
Due to other entities		46,161
NET CASH PROVIDED BY OPERATING ACTIVITIES	$	6,719

The accompanying Notes to Financial Statements are an integral part of this statement.

1. *SIGNIFICANT ACCOUNTING POLICIES:*

This summary of significant accounting policies of Dakota One Franchising, LLC (the Company) is a South Dakota limited liability company that was formed in July 2017 to offer franchises to operate retail stores using the "Max Muscle" name. The financial statements and notes are representations of the Company's management who is responsible for the integrity and objectivity of financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Organization and Nature of Operations: **Dakota One Franchising LLC is registered to sell franchises in South Dakota and most other registration states and is able to sell franchises in all non-registration states.**

The Company as franchisor is offering a franchise for the operation of retail stores using the "Max Muscle" name. The retail stores offer a variety of products in the fitness, health, and wellness industry including nutritional supplements. The products available in the stores include those sold under the Max Muscle name as well as certain authorized products manufactured by other companies.

The Company's franchise agreements generally include a license which provides for payments of initial fees as well as continuing royalties to the Company based upon a percentage of sales. In addition, a marketing materials fee is assessed monthly based on gross receipts during the term of the franchise agreement. Franchisees must meet minimum monthly sales quotas of Max Muscle products and must also spend a minimum on advertising based on a percentage of gross receipts. Additionally, the Company provides initial training and other services. After the first term of the agreement, franchisees will be subject to renewal fees and a transfer fee upon sale or transfer of franchise. The Company may terminate the agreement if the franchisee fails to comply with the provisions of the agreement.

Use of Estimates: **The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.**

Revenue and Cost Recognition: **In accordance with FASB ASC Subtopic 952-06, Franchisors, Revenue Recognition, nonrefundable initial franchise fees paid by franchise owners are recognized as revenue the earlier of when the franchisee commences operations or upon termination of the franchise agreement. Initial franchise fees collected prior to commencing operations are recorded as deferred initial franchise fees.**

Trade Accounts Receivable**: Trade accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probably uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable. Changes in the valuation allowance have not been material to the financial statements.**

Taxes on Income: **The Company has elected to be taxed as a limited liability company for federal income tax purposes. Income and expenses for the Company pass through directly to the member and is reported on his individual income tax return.**

1. ***SIGNIFICANT ACCOUNTING POLICIES: (continued)***

Intangible Assets: **Intangible assets consist of purchased goodwill and are being amortized on a straight-line basis over 10 years.**

Unearned revenue and prepaid commissions: **Funds received and the related commissions paid for the regional director program are capitalized and amortized over a ten-year period. Commissions paid on a single unit and multiple store locations are capitalized and expensed at the time the store opens.**

Advertising: **The Company expenses advertising costs as they are incurred. Advertising expense for the period ended December 31, 2017 was $16,716.**

Subsequent Events**: Subsequent events have been evaluated by management through April 21, 2018, the date these financial statements were available to be issued.**

2. ***CONCENTRATION OF CREDIT RISK:***

The Company maintains its cash balances in one financial institution located in Huron, South Dakota. At times, account balances may exceed federally insured limits. The Company has not experienced any losses on these accounts, and management believes the Company is not exposed to any significant risk.

3. ***RELATED PARTY TRANSACTIONS:***

The Company shares management services with Max One Nutrition LLC, a company related through common ownership.

At December 31, 2017, the Company had related party accounts payable of $46,161.

4. ***COMMITMENTS AND CONTINGENCIES:***

The Company sometimes becomes involved in lawsuits in the normal course of business. Management intends to vigorously defend any claims which may be asserted.

SUPPLEMENTAL INFORMATION

DAKOTA ONE FRANCHISING, LLC
SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENSES

	PERIOD FROM NOVEMBER 6, 2017 THROUGH DECEMBER 31, 2017
SALES	**$ 231,382**
GENERAL AND ADMINISTRATIVE EXPENSES	
Comissions	**160,056**
Salaries and wages	**38,664**
Supplies and materials	**32,666**
Legal fees	**21,611**
Advertising	**16,716**
Internet and computer	**8,990**
Amortization	**2,500**
Office supplies	**173**
TOTAL GENERAL AND ADMINISTRATIVE	**281,376**
LOSS FROM OPERATIONS	**$ (49,994)**

DAKOTA ONE FRANCHISING, LLC
SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENSES
YEAR ENDED DECEMBER 31, 2018

SALES	**$**	**1,421,402**
GENERAL AND ADMINISTRATIVE EXPENSES		
Advertising		**651,674**
Salaries and wages		**587,093**
Commissions		**330,638**
Internet and computer		**169,467**
Professional fees		**85,770**
Travel		**35,781**
Rent		**20,268**
Amortization		**15,000**
Supplies and materials		**12,500**
Depreciation		**3,464**
Miscellaneous		**3,332**
Utilities		**2,295**
Meals and entertainment		**2,224**
Office supplies		**2,212**
Automobile expense		**1,052**
TOTAL GENERAL AND ADMINISTRATIVE		**1,922,770**
LOSS FROM OPERATIONS	**$**	**(501,368)**

EXHIBIT I

DAKOTA ONE FRANCHISING, LLC

STATEMENT OF FRANCHISEE

EXHIBIT I
DAKOTA ONE FRANCHISING, LLC

STATEMENT OF FRANCHISEE
[Note: Dates and Answers Must be Completed in the Prospective Franchisee's Own Handwriting]

In order to make sure that no misunderstanding exists between you, the Franchisee, and us, Dakota One Franchising, LLC (also called "**Dakota One**," "**Max Muscle**," the "**FRANCHISOR**" or "**we**") and to make sure that no violations of law might have occurred, and understanding that we are relying on the statements you make in this document, you assure us as follows:

A. The following dates are true and correct:

	Date	Initials	
1.	_____, 20____	_____	The date on which I received a Franchise Disclosure Document regarding the Max Muscle Store.
2.	_____, 20____	_____	The date of my first face-to-face meeting with Marketing Representative to discuss a possible purchase of a Max Muscle Store.
3.	_____, 20____	_____	The date on which I received a completed copy (other than signatures) of the Franchise Agreement which I later signed.
4.	_____, 20____	_____	The date on which I signed the Franchise Agreement.
5.	_____, 20____	_____	The earliest date on which I delivered cash, check or other consideration to the Marketing Representative or an officer of Dakota One Franchising, LLC

B. Representations.

1. No oral, written, visual or other promises, agreements, commitments, representations, understandings, "**side agreements**," options, right-of-first-refusal or otherwise have been made to or with me with respect to any matter (including but not limited to advertising, marketing, site location, operational, marketing or administrative assistance, exclusive rights or exclusive or protected territory or otherwise), nor have I relied in any way on same, except as expressly listed in the Franchise Agreement or an attached written Addendum signed by me and Dakota One, except as follows:_____

_____

_____

(If none, you should write NONE in your own handwriting and initial.)

2. No oral, written, visual or other promises, agreements, commitments, representation, understandings, "**side agreements**" or otherwise which expanded upon or were inconsistent with the Franchise Disclosure Document or the Franchise Agreement or any attached written addendum signed by me and an officer of Dakota One, were made to me by any person or entity, nor have I relied in any way on same, except as follows: _____

_____

(If none, you should write NONE in your own handwriting and initial.)

3. Except as listed in ITEM 19 of the Max Muscle Franchise Disclosure Document, no oral, written, visual or other claim or representation (including but not limited to charts, tables, spreadsheets or mathematical calculations to demonstrate actual or possible results based on a combination of variables,

such as multiples of price and quantity to reflect gross sales, or otherwise,) which stated or suggested a specific level or range of actual or potential sales, costs, income, expenses, profits, cash flow, tax effects or otherwise (or from which such items might be ascertained) from Max Muscle Stores, was made to me by any person or entity, nor have I relied in any way on any such, except as follows:

_____

_____

(If none, you should write NONE in your own handwriting and initial.)

4. No contingency, prerequisite, reservation or otherwise exists with respect to any matter (including but not limited to my obtaining financing, or my fully performing any of my obligations), nor have I relied in any way on same, except as described in the Franchise Agreement or any attached written Addendum signed by me and Dakota One: _____

_____

(If none, you should write NONE in your own handwriting and initial.)

5. The individuals signing for me constitute all of the executive officers, partners, shareholders, investors and/or principals. Each of such individuals has reviewed the Franchise Disclosure Document and all exhibits and carefully read, discussed, understands and agrees to the Franchise Agreement, each attached written Addendum and any personal guaranties.

6. I have had an opportunity to consult with an independent professional advisor, such as an attorney or accountant, prior to signing any binding documents or paying any sums, and Dakota One has strongly recommended that I obtain such independent advice. I have also been strongly advised by Dakota One to discuss my proposed purchase of a Max Muscle Store with any existing Max Muscle franchisees prior to signing any binding documents or paying any sums and Dakota One has supplied me with a list of all existing franchisees if any exist.

7. I understand that a) entry into any business venture necessarily involves some unavoidable risk or loss or failure; b) while the purchase of a franchise may improve the chances for success, the purchase of a Max Muscle Store or any other franchise is a speculative investment; c) investment beyond that outlined in the Franchise Disclosure Document may be required to succeed; d) there exists no guaranty against possible loss or failure in this or any other business; and e) the most important factors in the success of any Max Muscle Store, including the one to be operated by me, are my personal business skills, which include marketing, sales, and management, and require sound judgment and extremely hard work.

If there are any matters inconsistent with the statements in this document or if anyone has suggested that you sign this document without all of its statements being true, correct and complete, immediately inform Dakota One (Phone: (605) 271-2670) and our president.

You understand and agree that we do not furnish, or authorize our salespersons, brokers or others to furnish any oral or written information concerning actual or potential sales, costs, income, expenses, profits, cash flow, tax effects or otherwise (or information from which such items might be ascertained), from franchise or non-franchised units, that no such results can be assured or estimated, and that actual results will vary from unit to unit.

You understand and agree to all of the foregoing and represent and warrant that all of the above statements are true, correct and complete.

This Statement of Franchisee is not intended to limit any rights you may have under local law.

PROSPECTIVE FRANCHISEE:

_____ _____
Date

_____
(Printed Name)

MARKETING REPRESENTATIVE:

_____ _____
Date

_____
(Printed Name)

REVIEWED BY FRANCHISOR:

By:_____ _____
Date

_____
(Printed Name)

Its:_____

EXHIBIT J

DAKOTA ONE FRANCHISING, LLC

STATE-SPECIFIC ADDENDUM

EXHIBIT J

TO FRANCHISE DISCLOSURE DOCUMENT OF DAKOTA ONE FRANCHISING, LLC

STATE LAW ADDENDA TO
FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, AND STATEMENT OF FRANCHISEE

The following modifications are to the DAKOTA ONE FRANCHISING, LLC, Franchise Disclosure Document and may supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement dated _____, 20__, and Statement of Franchisee.

CALIFORNIA

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

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

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

The Franchise Agreement requires you to sign a general release of claims if you transfer your franchise. California corporations code § 31512 voids a waiver of your rights under the franchise investment law (California corporations code §§ 31000 through 31516). Business and professions code § 20010 voids a waiver of your rights under the franchise relations act (business and professions code §§ 20000 through 20043).

Our website has not been reviewed or approved by the California Department of Business Oversight. Any complaints concerning the contents of the website may be directed to the California Department of Business Oversight at www.dbo.ca.gov.

Section 31125 of the California Franchise Investment Law requires us to give to you a disclosure document approved by the Commissioner of Corporations before we ask you to consider a material modification of the Franchise Agreement, or the Area Representative Agreement.

HAWAII

The following is added to the Cover Page:

> **"THESE FRANCHISES WILL BE/HAVE 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 WITHIN THE**

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 AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY YOU 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."

The following list reflects the status of the franchise registrations of the Franchisor in the states which require registration:

D. This proposed registration is effective in the following states:

California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin

E. This proposed registration is or will shortly be on file in the following states:

None

F. States which have refused, by order or otherwise, to register these franchises are:

None

G. States which have revoked or suspended the right to offer the franchises are:

None

H. States in which the proposed registration of these franchises has been withdrawn are:

None

ILLINOIS

Illinois law governs the agreement(s) between the parties to this franchise.

Any provision in the Franchise Agreement and the Product Purchase Agreement, that designates' jurisdiction, limitation on actions, or venue, with the exception of arbitration proceedings, in a forum outside the State of Illinois are amended to state that Illinois law governs claims arising under the Illinois Franchise Disclosure Act or the Franchise Agreement.

The governing law or choice of law clause described in the Franchise Disclosure Document and contained in the Franchise Agreement, and the Product Purchase Agreement may not be enforceable under Illinois law. This governing law clause shall not be construed to negate the application of the Illinois Franchise Disclosure Act in all situations to which it is applicable.

Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void." The Franchise Agreement, Max Muscle Point of Sale and CRM System License and Procurement Agreement, and Product Purchase Agreement are amended accordingly.

Section 18.1 of the Franchise Agreement is deleted in its entirety and the following is substituted in its place:

> "The parties intend this Agreement and all attached exhibits to be the full and complete agreement between Franchisor and Franchisee and the entire integration of all their understandings of every nature concerning the matters contained in this Agreement or in any way related, whether occurring before or contemporaneously with the execution of this Agreement. No agreements, representations, negotiations, promises, commitments, inducements, assurances, terms, conditions, or covenants of any nature exist between the parties except as specifically described in this Agreement and the Uniform Franchise Disclosure Document, whether pertaining to this Agreement or to any future, further or additional rights of the parties. No amendment, change or variance from this Agreement shall be binding on either party unless executed in writing. Notwithstanding the foregoing, nothing in this Agreement or any franchise agreement is intended to disclaim the express representations Franchisor made in its Franchise Disclosure Document."

See the last page of this Exhibit J (page J-17) for your Signature.

INDIANA

The "Summary" column in ITEM 17.r. of the Franchise Disclosure Document is deleted and the following is inserted in its place:

> "No competing business for two (2) years within the Protected Territory."

The "Summary" column in ITEM 17.t. of the Franchise Disclosure Document 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.u. of the Franchise Disclosure Document is deleted and the following is inserted in its place:

> "Except for certain claims, all disputes must be arbitrated in Indiana. 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, are 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.v. of the Franchise Disclosure Document is deleted and the following is inserted in its place:

> "Litigation regarding Franchise Agreement in Indiana; other litigation in South Dakota. 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, are 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 Franchise Disclosure Document is deleted and the following is inserted in its place:

> "Indiana law applies to disputes covered by Indiana franchise laws; otherwise South Dakota law applies."

The following is hereby added at the end of Section 14.4(b) of the Franchise Agreement:

"excluding only such claims as the Franchisee may have that have arisen under the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Act."

Section 15.1 of the Franchise Agreement is hereby deleted in its entirety and the following is substituted in its place:

"15.1 Covenants Not to Compete. During the term of this Agreement and for two (2) years after termination, transfer, or expiration of this Agreement for any reason, neither Franchisee, nor persons associated with Franchisee, including owners, Managers, employees or agents, may participate directly or indirectly or serve in any capacity in any business engaged in the sale of services or products the same as, similar to, or competitive with the System. This covenant not to compete applies: (i) during the term of the Agreement, within any state in which Franchisor, Franchisor's affiliates, or franchisees do business; and after termination within the Franchisee's Protected Territory; (ii) on the Internet; and (iii) in any other Multi-Area Marketing channels used by Franchisor.

This covenant not to compete is given in part in consideration for training and access to Franchisor's Trade Secrets, and which, if used in a competitive business without paying royalties and other payments, would give Franchisee an unfair advantage over Franchisor and Franchisor's franchisees and affiliates. The unenforceability of all or part of this covenant not to compete in any jurisdiction will not affect the enforceability of this covenant not to compete in other jurisdictions, or the enforceability of the remainder of this Agreement."

Section 16.3 of the Franchise Agreement is hereby deleted in its entirety and the following is substituted in its place:

"16.3 Arbitration. Except as specifically provided under this Agreement, any dispute or claim relating to or arising out of this Agreement must be resolved exclusively by mandatory arbitration by and in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("**AAA**") or another arbitration service agreed to by the parties. Arbitration will be conducted solely on an individual, not a class-wide, basis, unless all parties so agree. No award in arbitration involving Franchisor will have any effect of preclusion or collateral estoppel in any other adjudication or arbitration. The proceedings will be conducted at a location in the state of Indiana mutually agreed upon by the parties in accordance with the then current Commercial Arbitration Rules of the American Arbitration Association and shall be heard by one arbitrator in accordance with such rules. Each party shall bear all of its own costs and attorneys' fees and one-half of the arbitrator's expenses. The decision of the arbitrator shall be final and binding. This language has been included in this Franchise Agreement 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, are 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."

Section 16.6 of the Franchise Agreement is hereby deleted in its entirety and the following is substituted in its place:

"16.6. Governing Law/Consent to Venue and Jurisdiction. Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 *et seq.*) or other federal law, disputes related to a breach of this Agreement governed by the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Act shall be governed thereby and all other matters regarding this Agreement shall be interpreted under the laws of the State of South Dakota and any dispute between the parties shall be governed by and determined in accordance with the substantive laws of the State of South Dakota, which laws shall prevail in the event of any conflict of law; provided, however, the parties expressly agree that this Agreement is not intended to confer on any franchisee that is not a resident of the State of South Dakota the benefit of the South Dakota Franchise Investment Law, or any other South Dakota law providing specific protection to franchisees residing in the State of South Dakota. This language has been included in this Franchise Agreement 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, are 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. With respect to disputes not related to a breach of this Agreement, Franchisee and Franchisor have negotiated regarding a forum in which to resolve any disputes which may arise between them and have agreed to select a forum in order to promote stability in their relationship. Therefore, if a claim is asserted in any legal proceeding involving Franchisee, its officers, directors, managers or partners (collectively, "**Franchisee Affiliates**") and Franchisor, its Affiliate and their respective officers, directors and sales employees (collectively, "**Franchisor Affiliates**") the parties agree that the exclusive venue for disputes between them shall be in the state and federal courts of South Dakota or the Denver, Colorado office of the AAA and each party waives any objection they may have to the personal jurisdiction of or venue in the state and federal courts of South Dakota or the Denver, Colorado office of the AAA, Franchisor, Franchisor Affiliates, Franchisee and Franchisee Affiliate each waive their rights to a trial by jury."

The following is hereby added at the end of Article 18 of the Franchise Agreement:

"Notwithstanding anything to the contrary in this provision, Franchisee does not waive any right under the Indiana statutes with regard to prior representations made by the Franchisor."

Section 5 of the Nondisclosure And Noncompetition Agreement hereby deleted in its entirety and the following is substituted in its place:

"5. Post-Termination Covenant Not to Compete. Upon termination or expiration of this Agreement for any reason, Associate and any of its managers, officers, directors, shareholders, and partners agree that, for a period of 2 years commencing on the effective date of termination or expiration, or the date on which Associate ceases to conduct business, whichever is later, neither Associate, Associate's manager, nor any of Associate's officers, directors, shareholders, managers, members or partners will have any direct or indirect interest (through any immediate family member of Associate or its owners or otherwise) as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative or agent or in any other capacity in any Competitive Business, located or operating within the Protected Territory. The restrictions of this Section will not be applicable to the ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market that represent 5% or less of the number of shares of that class of securities issued and outstanding. Associate and its officers; directors, shareholders, managers, members and partners expressly acknowledge that they 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 them of their personal goodwill or ability to earn a living.

Section 11 of the Nondisclosure And Noncompetition Agreement hereby deleted in its entirety and the following is substituted in its place:

"11. Governing Law. Except to the extent governed by the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Act, this instrument shall be governed by and construed under the laws of the state of South Dakota."

Section 12 of the Nondisclosure and Noncompetition Agreement, "Jurisdiction and Venue," is hereby deleted in its entirety.

MARYLAND

ITEM 5 of the Franchise Disclosure Document and section of the Franchise Agreement regarding Initial Franchise Fees are hereby amended to state:

Based upon Franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be held in an escrow account, in a financial institution located in the State of Maryland.

ITEM 17 of the Franchise Disclosure Document requiring that you sign a general release, estoppel or waiver as a condition of renewal and or assignment, shall not apply to liability under the Maryland Franchise Registration and Disclosure Law.

ITEM 17 of the Franchise Disclosure Document is amended to state that the release in the acknowledgement of termination shall not apply to liability under the Maryland Franchise Registration and Disclosure Law.

The Franchise Agreement and Statement of Franchisee is amended to state that "All representations requiring prospective franchisees to assent to a release, estoppel or waiver of any 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."

ITEM 17 of the Franchise Disclosure Document and sections of the Franchise Agreement are amended to state that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration & 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 following sentence is added to the end of Article 19 of the Franchise Agreement:

> "Provided, however, that this provision is not limited to, nor shall it act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Laws."

ITEM 17 of the Franchise Disclosure Document is hereby amended to the extent required under the Maryland Franchise Registration and Disclosure Laws.

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.*).

Attachment VII to the Franchise Agreement is amended to state that all representations requiring prospective franchisees to assent to a release, estoppels or waiver of liability are not intended to nor shall they act as a release, estoppels or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

ACKNOWLEDGMENT:

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the ____ day of _____, 20___, and of the Franchise Disclosure Document.

DATED this _____ day of _____, 20___.

FRANCHISOR:	**FRANCHISEE:**
DAKOTA ONE FRANCHISING, LLC	_____
By:_____	By:_____
Title:_____	Title:_____

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 applied only if: (i) the term of the franchise is less than 5 years and (ii) you are 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 you do not receive at least 6 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 this state. 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
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

MINNESOTA

Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, may prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Franchise Disclosure Document 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 the jurisdiction.

ITEM 13 of the Franchise Disclosure Document and Section 6.8 of the Franchise Agreement are amended to state that we will protect you against claims of infringement or unfair competition regarding your use of the Marks when your right to use the Marks requires protection.

The Franchise Disclosure Document and Franchise Agreement are amended to state that we will comply with Minnesota Statute 80C.14 subdivisions 3, 4, and 5, which require except in certain specific 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.

Section 16.7 of the Franchise Agreement is hereby deleted in its entirety and the following is substituted in its place:

Section 16.7 Limitations on Actions. Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or arbitration proceeding brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of two (2) years from the date of discovery of the conduct or event that forms the basis of the legal action or proceeding other than claims arising under Minn. Stat. §§ 80C.01-80C.22, which must be brought or instituted within a period of three (3) years from the date of discovery of the conduct or event that forms the basis of the legal action or proceeding under Minn. Stat. §§ 80C.01-80C.22.

NEW YORK

The cover page of the Franchise Disclosure Document will be supplemented with the following, inserted at the bottom of the cover page:

WE MAY, IF WE CHOOSE, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS. HOWEVER, WE CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON YOU TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE DESCRIBED IN THIS PROSPECTUS. THE FRANCHISOR HAS BEEN IN EXISTENCE SINCE JANUARY 11, 2001.

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

ITEM 3 of the Franchise Disclosure Document is modified to read as follows:

Except as provided above, with regard 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.

ITEM 4 of the Franchise Disclosure Document is modified to read as follows:

The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

The following sentence is added to the end of the first paragraph of ITEM 5 of the Franchise Disclosure Document:

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

The first paragraph of ITEM 17 of the Franchise Disclosure Document is modified to read as follows:

> "THESE TABLES LIST CERTAIN IMPORTANT PROVISIONS OF THE REGIONAL DIRECTOR AND RELATED AGREEMENTS PERTAINING TO RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION. YOU SHOULD READ THESE PROVISIONS IN THE AGREEMENTS ATTACHED TO THIS FRANCHISE DISCLOSURE DOCUMENT."

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.

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.

The following is added to the end of the "Summary" section of Item 17(j), titled "Assignment of contract by franchisor":

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

The following is added to the 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 upon the franchisee by Article 33 of the General Business Law of the State of New York.

The following shall be added at the end of Sections 14.4(b) of the Franchise Agreement:

"Provided, however, that all rights enjoyed by the Franchisee and any causes of action arising in the Franchisee's 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 provision of GBL 687.4 and 687.5 be satisfied."

After the first sentence of Section 12.13 of the Franchise Agreement, the following sentence shall be added:

"However, Franchisee shall not be required to indemnify Franchisor for any liabilities which arose as a result of Franchisor's breach of this Agreement or other civil wrongs committed by Franchisor."

The following shall be added to Section 16.6 of the Franchise Agreement:

"However, the foregoing choice of law shall not be considered a waiver of any right conferred upon Franchisee by the provisions of Article 33 of the New York State General Business Law. This language has been included in this Franchise Disclosure Document as a condition of registration. Franchisor and Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement including all choice of law provisions, are fully enforceable. Franchisor and 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 provisions and other dispute resolution provisions."

FRANCHISOR REPRESENTS THAT IT HAS NOT KNOWINGLY OMITTED FROM THE PROSPECTUS ANY MATERIAL FACT, NOR DOES THE PROSPECTUS CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

NORTH DAKOTA

Sections of Franchise Disclosure Document and Franchise Agreement 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.

The Franchise Agreement and Nondisclosure and Non-Competition Agreement, contain a covenant not to compete which may not be enforceable under North Dakota law.

Sections of the Franchise Disclosure Document, Franchise Agreement 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.

Sections of the Franchise Disclosure Document and Franchise Agreement 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.

Sections of the Franchise Disclosure Document and Franchise Agreement 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.

Sections of the Franchise Disclosure Document and Franchise Agreement 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.

Sections of the Franchise Disclosure Document and Franchise Agreement 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.

Section 5.6 of the Franchise Agreement is hereby deleted in its entirety and the following is substituted in its place:

> "Section 5.6 Enforcement Costs. In the event either party is required to incur any direct or indirect costs, accounting and legal fees, or administrative expenses ("**Enforcement Costs**"), to enforce its rights under this Agreement, the prevailing party shall be entitled to reimbursement of such Enforcement Costs within five (5) days of the day the prevailing party presents the other party with an invoice for such Enforcement Costs."

SOUTH DAKOTA

Based upon franchisor's financial condition, the South Dakota Department of Labor and Regulation has required a financial assurance. Franchisor has elected to defer all initial franchise fees. Pursuant to SDCL 37-5B-5, franchisor will not require or accept payment of any initial franchise fees until the franchisee's business is operational.

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 Franchise Disclosure Document and Franchise Agreement are amended accordingly to the extent required by law.

The above 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 choice of law provisions, are 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.

VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Dakota One for use in the Commonwealth of Virginia shall be amended as follows:

Item 5 of the Franchisee Disclosure Document is hereby amended to include the following:

> "The Virginia State Corporate Commission's Division of Securities and Retail Franchising requires us to defer payments of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement."

The following statements are added to Item 17.h. of the Franchise Disclosure Document:

> "Under 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 terminate stated in the franchise agreement does not constitute "reasonable cause," as the term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable."

WASHINGTON

Item 8 of the Franchise Disclosure Document is hereby amended to include the following:

"Franchisees who receive financial incentives to refer franchise prospects to franchisors may be required to register as franchise brokers under the laws of Washington State."

The State of Washington has a statute, RCW 19.100.180 which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those that unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

The undersigned does hereby acknowledge receipt of this addendum.

ACKNOWLEDGMENT:

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the ____ day of _____, 20___, and of the Franchise Disclosure Document.

DATED this _____ day of _____, 20___.

[Signatures on Following Page]

FRANCHISOR:	**FRANCHISEE:**
DAKOTA ONE FRANCHISING, LLC	_____
By:_____	By:_____
Title:_____	Title:_____

EXHIBIT K

DAKOTA ONE FRANCHISING, LLC

RECEIPT

EXHIBIT K

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 Dakota One offers you a franchise, Dakota One must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Dakota One or an affiliate of Dakota One in connection with the proposed franchise sale or grant. Under Illinois, Iowa, Maine, Nebraska, Oklahoma, Rhode Island, or South Dakota law, if applicable, Dakota One must provide this disclosure document to you at your first personal meeting to discuss the franchise.

New York law requires a franchisor to provide the franchise disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Dakota One 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:

Terry Wieting and Mike Teslow; address for each is 4901 S. Isabel Place, #200, Sioux Falls, SD 57108.

Issuance Date: **April 15, 2019**

See **Exhibit A** for our registered agents authorized to receive service of process.

I have received a disclosure document dated **April 15, 2019** that included the following Exhibits:

EXHIBIT A:	List of State Administrator and Agents for Service of Process
EXHIBIT B:	Franchise Agreement
EXHIBIT C:	Non-Disclosure and Non-Competition Agreement
EXHIBIT D:	Operations Manual Table of Contents
EXHIBIT E:	List of Franchisees and RD Franchisees
EXHIBIT F:	Franchisees Who Have Left the System
EXHIBIT G:	Product Purchase Agreement
EXHIBIT H:	Financial Statements
EXHIBIT I:	Statement of Franchisee
EXHIBIT J:	State-Specific Addenda
EXHIBIT K:	Receipt

Date	Signature	Printed Name
Date	Signature	Printed Name

EXHIBIT K

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Date	Signature	Printed Name
Date	Signature	Printed Name

Please return this copy of the receipt to Mike Teslow, 4901 S. Isabel Place, #200, Sioux Falls, South Dakota 57108.